

Sueur, Rice, Goodhue, Nicollet, Wabasha, Pipestone, Murray, Brown, Waseca, Steele, Dodge, Olmsted, Winona, Cottonwood, Watonwan, Blue Earth, Rock, Nobles, Jackson, Martin, Faribault, Freeborn, Mower, Fillmore, and Houston. Area number four includes the counties of Wadena, Cass, Aitkin, Crow Wing, Pine, Todd, Morrison, Mille Lacs, Kanabee, Stearns, Benton, Isanti, Chiago, Sherburne, Anoka, Meeker, Wright, Washington, Hennepin, and Ramsey the state. Sections 17.51 to 17.69 shall apply to any of the above areas of the state where the commissioner has determined that the area was organized prior to July 1, 1982, pursuant to section 30.464, subdivision 3, as amended through June 30, 1982.

Sec. 2. **EFFECTIVE DATE.**

Section 1 relating to the removal of Hubbard and Ottertail counties from area one is effective July 1, 1991.

Presented to the governor April 5, 1990

Signed by the governor April 6, 1990, 6:47 p.m.

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**CHAPTER 418—H.F.No. 1839**

*An act relating to employment; raising the minimum wage; amending Minnesota Statutes 1988, sections 177.23, subdivision 7; 177.24, subdivisions 1 and 2 and by adding a subdivision.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1988, section 177.23, subdivision 7, is amended to read:

Subd. 7. "Employee" means any individual employed by an employer but does not include:

(1) two or fewer specified individuals employed at any given time in agriculture on a farming unit or operation who are paid a salary;

(2) any individual employed in agriculture on a farming unit or operation who is paid a salary greater than the individual would be paid if the individual worked 48 hours at the state minimum wage plus 17 hours at 1-1/2 times the state minimum wage per week;

(3) an individual under 18 who is employed in agriculture on a farm to perform services other than corn detasseling or hand field work when one or both of that minor hand field worker's parents or physical custodians are also hand field workers;

New language is indicated by underline, deletions by ~~strikeout~~.

(4) for purposes of section 177.24, an individual under 18 who is employed as a corn detasseler;

(5) any staff member employed on a seasonal basis by ~~a~~ an nonprofit organization for work in an organized ~~children's~~ resident or day camp operating under a permit issued under section 144.72;

(6) any individual employed in a bona fide executive, administrative, or professional capacity, or a salesperson who conducts no more than 20 percent of sales on the premises of the employer;

(7) any individual who renders service gratuitously for a nonprofit organization;

(8) any individual who serves as an elected official for a political subdivision or who serves on any governmental board, commission, committee or other similar body, or who renders service gratuitously for a political subdivision;

(9) any individual employed by a political subdivision to provide police or fire protection services or employed by an entity whose principal purpose is to provide police or fire protection services to a political subdivision;

(10) any individual employed by a political subdivision who is ineligible for membership in the public employees retirement association under section 353.01, subdivision 2b, clause (a), (b), (d), or (i);

(11) any driver employed by an employer engaged in the business of operating taxicabs;

(12) any individual engaged in babysitting as a sole practitioner;

(13) for the purpose of section 177.25, any individual employed on a seasonal basis in a carnival, circus, fair, or ski facility;

(14) any individual under 18 working less than 20 hours per workweek for a municipality as part of a recreational program;

(15) any individual employed by the state as a natural resource manager 1, 2, or 3 (conservation officer);

(16) any individual in a position for which the United States Department of Transportation has power to establish qualifications and maximum hours of service under United States Code, title 49, section 304;

(17) any individual employed as a seafarer. The term "seafarer" means a master of a vessel or any person subject to the authority, direction, and control of the master who is exempt from federal overtime standards under United States Code, title 29, section 213(b)(6), including but not limited to pilots, sailors, engineers, radio operators, firefighters, security guards, pursers, surgeons, cooks, and stewards;

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(18) any individual employed by a county in a single family residence owned by a county home school as authorized under section 260.094 if the residence is an extension facility of that county home school, and if the individual as part of the employment duties resides at the residence for the purpose of supervising children as defined by section 260.015, subdivision 2; or

(19) nuns, monks, priests, lay brothers, lay sisters, ministers, deacons, and other members of religious orders who serve pursuant to their religious obligations in schools, hospitals, and other nonprofit institutions operated by the church or religious order.

Sec. 2. Minnesota Statutes 1988, section 177.24, subdivision 1, is amended to read:

Subdivision 1. **AMOUNT.** (a) For purposes of this subdivision, the terms defined in this paragraph have the meanings given them. "Federal covered employers" means those employers covered by the Federal Fair Labor Standards Act of 1938, as amended; (~~United States Code, title 29, chapter 201 et seq.~~) "State covered employers" means those employers not covered by the Federal Fair Labor Standards Act of 1938, as amended;

(1) "Large employer" means an enterprise whose annual gross volume of sales made or business done is not less than \$362,500 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota fair labor standards act, sections 177.21 to 177.35.

(2) "Small employer" means an enterprise whose annual gross volume of sales made or business done is less than \$362,500 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.

(b) Except as otherwise provided in sections 177.21 to 177.35, every federal covered employer large employer must pay each employee who is 18 years of age or older wages at a rate of at least \$3.55 an hour beginning January 1, 1988, \$3.85 an hour beginning January 1, 1989, and \$3.95 an hour beginning January 1, 1990. Every state covered employer must pay each employee who is 18 years of age or older \$3.50 an hour beginning January 1, 1988, \$3.65 an hour beginning January 1, 1989, and \$3.80 an hour beginning January 1, 1990. Every federal covered employer must pay each employee under 18 wages at a rate of at least \$2.20 an hour beginning January 1, 1988, \$3.47 an hour beginning January 1, 1989, \$3.56 an hour beginning January 1, 1990. Every state covered employer must pay each employee under 18 wages at a rate of at least \$3.15 an hour beginning January 1, 1988, \$3.29 an hour beginning January 1, 1989, and \$3.42 an hour beginning January 1, 1990.

(c) Notwithstanding paragraph (b), the minimum hourly wage for federal or state covered employees who receive \$35 or more in gratuities per month shall be \$3.35 an hour for those employees who are 18 years of age or older and \$3.02 an hour for those employees who are under 18 years of age. This paragraph applies only until January 1, 1989. \$4.25 an hour beginning January 1, 1991.

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Every small employer must pay each employee at a rate of at least \$4.00 an hour beginning January 1, 1991.

(c) A large employer must pay each employee at a rate of at least the minimum wage set by this section or federal law without the reduction for training wage or full-time student status allowed under federal law.

Sec. 3. Minnesota Statutes 1988, section 177.24, is amended by adding a subdivision to read:

Subd. 1a. PRESERVATION OF COVERAGE. Any employer that was a federal covered employer on March 31, 1990 and that, because of the 1989 amendments to the federal fair labor standards act of 1938, as amended, (United States Code, title 29, chapter 201 et seq.) ceases to be a federal covered employer on April 1, 1990 shall pay its employees not less than the minimum wage in effect for such employees on March 31, 1990. This subdivision applies only until January 1, 1991.

Sec. 4. Minnesota Statutes 1988, section 177.24, subdivision 2, is amended to read:

Subd. 2. **GRATUITIES NOT APPLIED.** No employer may directly or indirectly credit, apply, or utilize gratuities towards payment of the minimum wages, wage set by this section or federal law except as provided under section 177.28.

Sec. 5. **EFFECTIVE DATE.**

Section 2, paragraphs (a) and (b) are effective January 1, 1991. Sections 1, 2, paragraph (c), 3 and 4 are effective the day following final enactment.

Presented to the governor April 5, 1990

Signed by the governor April 9, 1990, 10:21 a.m.

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#### CHAPTER 419—S.F.No. 2355

*An act relating to statutes of limitations; establishing a three-year time limit to bring an action for penalty or forfeiture for violation of certain environmental statutes; amending Minnesota Statutes 1989 Supplement, section 541.07; proposing coding for new law in Minnesota Statutes, chapter 575.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1989 Supplement, section 541.07, is amended to read:

New language is indicated by underline, deletions by ~~strikeout~~.