

SENATE

STATE OF MINNESOTA

EIGHTY-EIGHTH SESSION

S.F. No. 2890

(SENATE AUTHORS: EKEN)

DATE	D-PG	OFFICIAL STATUS
03/24/2014	6803	Introduction and first reading Referred to Finance

1.1 A bill for an act  
1.2 relating to economic development; providing an ICF/DD rate increase to cover  
1.3 expenses related to a minimum wage increase; amending Minnesota Statutes  
1.4 2012, section 256B.5012, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2012, section 256B.5012, is amended by adding a  
1.7 subdivision to read:

1.8 Subd. 16. **Rate increase to cover costs associated with minimum wage increase**  
1.9 **effective July 1, 2014.** (a) If a bill styled as House File No. 92 is enacted by July 1, 2014,  
1.10 operating payment rates of all facilities that are reimbursed under this section shall be  
1.11 increased effective July 1, 2014, by an amount determined by the commissioner to cover  
1.12 the direct effect of increased wages and associated costs of these increases including the  
1.13 employer's share of FICA, Medicare taxes, employer-sponsored retirement plans, federal  
1.14 and state unemployment insurance, and workers' compensation due to the change in  
1.15 the minimum wage.

1.16 (b) Facilities must apply for the rate increase under paragraph (a). The application  
1.17 must be submitted to the commissioner on a form determined by the commissioner within  
1.18 six months of the effective date of the rate adjustment under paragraph (a) and must  
1.19 include a statement of employee wages for the pay period including April 1, 2014, and  
1.20 a computation showing the exact cost to be incurred. The commissioner may waive the  
1.21 deadline in this paragraph under extraordinary circumstances, to be determined at the sole  
1.22 discretion of the commissioner.

1.23 (c) For each facility, the commissioner shall apply the rate increase based on  
1.24 occupied beds, using the percentage determined under paragraph (a) multiplied by the

2.1 total payment rate, including the variable rate, but excluding the property-related payment  
2.2 rate in effect on the preceding date. The total rate increase shall include the adjustment  
2.3 provided in section 256B.501, subdivision 12.

2.4 Sec. 2. **DIRECTION TO COMMISSIONER; DISABILITY WAIVER RATES**  
2.5 **SYSTEM.**

2.6 If a bill styled as House File No. 92 is enacted by July 1, 2014, the commissioner of  
2.7 human services shall increase any wage values specified in Minnesota Statutes, section  
2.8 256B.4914, subdivision 5, to either the wage specified in Minnesota Statutes, section  
2.9 177.24, subdivision 1, or the federal minimum wage, whichever is higher.