

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 1342

02/18/2021 Authored by Noor and Ecklund
The bill was read for the first time and referred to the Committee on Workforce and Business Development Finance and Policy

04/12/2021 Adoption of Report: Amended and re-referred to the Committee on Ways and Means

04/14/2021 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time

04/15/2021 Referred to the Chief Clerk for Comparison with S. F. No. 1098

04/16/2021 Postponed Indefinitely

1.1 A bill for an act

1.2 relating to state government; appropriating money for jobs and economic

1.3 development; establishing paid medical leave benefits; modifying unemployment

1.4 insurance benefits; making policy and technical changes to programs administered

1.5 by the departments of employment and economic development, labor and industry,

1.6 and Bureau of Mediation Services; providing earned sick and safe time leave;

1.7 providing emergency leave for essential workers; establishing an emergency rehire

1.8 and retention program; establishing safe workplaces for meat and poultry processing

1.9 workers; providing penalties; authorizing rulemaking; classifying data; requiring

1.10 reports; amending Minnesota Statutes 2020, sections 13.719, by adding a

1.11 subdivision; 13.7905, subdivision 6, by adding a subdivision; 116J.035, subdivision

1.12 6; 116J.431, subdivision 2, by adding a subdivision; 116J.8748, subdivision 3;

1.13 116J.994, subdivision 6; 116L.02; 116L.03, subdivisions 1, 2, 3; 116L.05,

1.14 subdivision 5; 116L.17, subdivisions 1, 4; 116L.20, subdivision 2, by adding a

1.15 subdivision; 116L.40, subdivisions 5, 6, 9, 10, by adding a subdivision; 116L.41,

1.16 subdivisions 1, 2, by adding subdivisions; 116L.42, subdivisions 1, 2; 116L.98,

1.17 subdivisions 1, 2, 3; 177.24, by adding a subdivision; 177.27, subdivisions 2, 4,

1.18 7; 178.012, subdivision 1; 179A.10, subdivisions 2, 3; 181.032; 181.53; 181.939;

1.19 181.940, subdivisions 2, 3; 181.942, subdivision 1; 182.66, by adding a subdivision;

1.20 182.666, subdivisions 1, 2, 3, 4, 5, by adding a subdivision; 256J.561, by adding

1.21 a subdivision; 256J.95, subdivisions 3, 11; 256P.01, subdivision 3; 268.035,

1.22 subdivision 21c; 268.085, subdivisions 2, 4a, 7; 268.101, subdivision 2; 268.133;

1.23 268.136, subdivision 1; 268.19, subdivision 1; 326B.07, subdivision 1; 326B.092,

1.24 subdivision 7; 326B.106, subdivision 1; 326B.89, subdivisions 1, 5, 9; Laws 2017,

1.25 chapter 94, article 1, section 2, subdivision 2, as amended; Laws 2019, First Special

1.26 Session chapter 7, article 1, sections 2, subdivision 2, as amended; 3, subdivision

1.27 4; article 2, section 8; proposing coding for new law in Minnesota Statutes, chapters

1.28 116J; 116L; 177; 179; 181; 181A; 299F; proposing coding for new law as

1.29 Minnesota Statutes, chapter 268B; repealing Minnesota Statutes 2020, sections

1.30 116L.18; 181.9413; 181.9414; 268.085, subdivisions 4, 8; Minnesota Rules, part

1.31 5200.0080, subpart 7.

| | | | |
|------|--|------------------|------------------|
| 3.1 | <u>Remediation</u> | <u>700,000</u> | <u>700,000</u> |
| 3.2 | <u>Workforce</u> | | |
| 3.3 | <u>Development</u> | <u>1,350,000</u> | <u>1,350,000</u> |
| 3.4 | <u>(a) \$1,787,000 each year is for the greater</u> | | |
| 3.5 | <u>Minnesota business development public</u> | | |
| 3.6 | <u>infrastructure grant program under Minnesota</u> | | |
| 3.7 | <u>Statutes, section 116J.431. This appropriation</u> | | |
| 3.8 | <u>is available until June 30, 2025.</u> | | |
| 3.9 | <u>(b) \$1,425,000 each year is for the business</u> | | |
| 3.10 | <u>development competitive grant program. Of</u> | | |
| 3.11 | <u>this amount, up to five percent is for</u> | | |
| 3.12 | <u>administration and monitoring of the business</u> | | |
| 3.13 | <u>development competitive grant program. All</u> | | |
| 3.14 | <u>grant awards shall be for two consecutive</u> | | |
| 3.15 | <u>years. Grants shall be awarded in the first year.</u> | | |
| 3.16 | <u>(c) \$1,772,000 each year is for contaminated</u> | | |
| 3.17 | <u>site cleanup and development grants under</u> | | |
| 3.18 | <u>Minnesota Statutes, sections 116J.551 to</u> | | |
| 3.19 | <u>116J.558. This appropriation is available until</u> | | |
| 3.20 | <u>expended.</u> | | |
| 3.21 | <u>(d) \$700,000 each year is from the remediation</u> | | |
| 3.22 | <u>fund for contaminated site cleanup and</u> | | |
| 3.23 | <u>development grants under Minnesota Statutes,</u> | | |
| 3.24 | <u>sections 116J.551 to 116J.558. This</u> | | |
| 3.25 | <u>appropriation is available until expended.</u> | | |
| 3.26 | <u>(e) \$139,000 each year is for the Center for</u> | | |
| 3.27 | <u>Rural Policy and Development.</u> | | |
| 3.28 | <u>(f) \$25,000 each year is for the administration</u> | | |
| 3.29 | <u>of state aid for the Destination Medical Center</u> | | |
| 3.30 | <u>under Minnesota Statutes, sections 469.40 to</u> | | |
| 3.31 | <u>469.47.</u> | | |
| 3.32 | <u>(g) \$875,000 each year is for the host</u> | | |
| 3.33 | <u>community economic development program</u> | | |

4.1 established in Minnesota Statutes, section
4.2 116J.548.

4.3 (h) \$500,000 each year is for the small
4.4 business development center program for
4.5 grants to the regional small business
4.6 development center offices and the lead center.
4.7 This is a onetime appropriation.

4.8 (i) \$3,000,000 each year is for technical
4.9 assistance to small businesses. Of this amount:

4.10 (1) \$1,500,000 is for grants to nonprofit
4.11 lenders to provide additional equity support
4.12 to leverage other capital sources;

4.13 (2) \$750,000 is for the business development
4.14 competitive grant program; and

4.15 (3) \$750,000 is for grants to small business
4.16 incubators that serve minority-, veteran-, and
4.17 women-owned businesses, or businesses
4.18 owned by persons with disabilities, to provide
4.19 commercial space, technical assistance, and
4.20 education services.

4.21 This is a onetime appropriation.

4.22 (j)(1) \$10,000,000 in the first year is for grants
4.23 to local communities to increase the number
4.24 of quality child care providers to support
4.25 economic development. This is a onetime
4.26 appropriation and is available through June
4.27 30, 2023. Fifty percent of grant funds must go
4.28 to communities located outside the
4.29 seven-county metropolitan area as defined in
4.30 Minnesota Statutes, section 473.121,
4.31 subdivision 2.

4.32 (2) Grant recipients must obtain a 50 percent
4.33 nonstate match to grant funds in either cash

5.1 or in-kind contribution, unless the
5.2 commissioner waives the requirement. Grant
5.3 funds available under this subdivision must
5.4 be used to implement projects to reduce the
5.5 child care shortage in the state, including but
5.6 not limited to funding for child care business
5.7 start-ups or expansion, training, facility
5.8 modifications, direct subsidies or incentives
5.9 to retain employees, or improvements required
5.10 for licensing, and assistance with licensing
5.11 and other regulatory requirements. In awarding
5.12 grants, the commissioner must give priority
5.13 to communities that have demonstrated a
5.14 shortage of child care providers.

5.15 (3) Within one year of receiving grant funds,
5.16 grant recipients must report to the
5.17 commissioner on the outcomes of the grant
5.18 program, including but not limited to the
5.19 number of new providers, the number of
5.20 additional child care provider jobs created, the
5.21 number of additional child care slots, and the
5.22 amount of cash and in-kind local funds
5.23 invested. Within one month of all grant
5.24 recipients reporting on program outcomes, the
5.25 commissioner must report the grant recipients'
5.26 outcomes to the chairs and ranking members
5.27 of the legislative committees with jurisdiction
5.28 over early learning and child care and
5.29 economic development.

5.30 (k) \$2,000,000 in the first year is for a grant
5.31 to the Minnesota Initiative Foundations. This
5.32 is a onetime appropriation and is available
5.33 until June 30, 2025. The Minnesota Initiative
5.34 Foundations must use grant funds under this
5.35 section to:

- 6.1 (1) facilitate planning processes for rural
6.2 communities resulting in a community solution
6.3 action plan that guides decision making to
6.4 sustain and increase the supply of quality child
6.5 care in the region to support economic
6.6 development;
- 6.7 (2) engage the private sector to invest local
6.8 resources to support the community solution
6.9 action plan and ensure quality child care is a
6.10 vital component of additional regional
6.11 economic development planning processes;
- 6.12 (3) provide locally based training and technical
6.13 assistance to rural child care business owners
6.14 individually or through a learning cohort.
6.15 Access to financial and business development
6.16 assistance must prepare child care businesses
6.17 for quality engagement and improvement by
6.18 stabilizing operations, leveraging funding from
6.19 other sources, and fostering business acumen
6.20 that allows child care businesses to plan for
6.21 and afford the cost of providing quality child
6.22 care; and
- 6.23 (4) recruit child care programs to participate
6.24 in Parent Aware, Minnesota's quality and
6.25 improvement rating system, and other high
6.26 quality measurement programs. The Minnesota
6.27 Initiative Foundations must work with local
6.28 partners to provide low-cost training,
6.29 professional development opportunities, and
6.30 continuing education curricula. The Minnesota
6.31 Initiative Foundations must fund, through local
6.32 partners, an enhanced level of coaching to
6.33 rural child care providers to obtain a quality
6.34 rating through Parent Aware or other high
6.35 quality measurement programs.

7.1 (l) \$7,500,000 each year is for the Minnesota
7.2 job creation fund under Minnesota Statutes,
7.3 section 116J.8748. Of this amount, the
7.4 commissioner of employment and economic
7.5 development may use up to three percent for
7.6 administrative expenses. This appropriation
7.7 is available until expended. The base amount
7.8 for this purpose in fiscal year 2024 and beyond
7.9 is \$8,000,000.

7.10 (m) \$7,750,000 each year is for the Minnesota
7.11 investment fund under Minnesota Statutes,
7.12 section 116J.8731. Of this amount, the
7.13 commissioner of employment and economic
7.14 development may use up to three percent for
7.15 administration and monitoring of the program.
7.16 In fiscal year 2024 and beyond, the base
7.17 amount is \$12,370,000. This appropriation is
7.18 available until expended. Notwithstanding
7.19 Minnesota Statutes, section 116J.8731, money
7.20 appropriated to the commissioner for the
7.21 Minnesota investment fund may be used for
7.22 the redevelopment program under Minnesota
7.23 Statutes, sections 116J.575 and 116J.5761, at
7.24 the discretion of the commissioner. Grants
7.25 under this paragraph are not subject to the
7.26 grant amount limitation under Minnesota
7.27 Statutes, section 116J.8731.

7.28 (n) \$1,000,000 each year is for the Minnesota
7.29 emerging entrepreneur loan program under
7.30 Minnesota Statutes, section 116M.18. Funds
7.31 available under this paragraph are for transfer
7.32 into the emerging entrepreneur program
7.33 special revenue fund account created under
7.34 Minnesota Statutes, chapter 116M, and are
7.35 available until expended. Of this amount, up

- 8.1 to four percent is for administration and
8.2 monitoring of the program.
- 8.3 (o) \$325,000 each year is for the Minnesota
8.4 Film and TV Board. The appropriation in each
8.5 year is available only upon receipt by the
8.6 board of \$1 in matching contributions of
8.7 money or in-kind contributions from nonstate
8.8 sources for every \$3 provided by this
8.9 appropriation, except that each year up to
8.10 \$50,000 is available on July 1 even if the
8.11 required matching contribution has not been
8.12 received by that date.
- 8.13 (p) \$12,000 each year is for a grant to the
8.14 Upper Minnesota Film Office.
- 8.15 (q) \$500,000 each year is for a grant to the
8.16 Minnesota Film and TV Board for the film
8.17 production jobs program under Minnesota
8.18 Statutes, section 116U.26. This appropriation
8.19 is available until June 30, 2025.
- 8.20 (r) \$4,195,000 each year is for the Minnesota
8.21 job skills partnership program under
8.22 Minnesota Statutes, sections 116L.01 to
8.23 116L.17. If the appropriation for either year
8.24 is insufficient, the appropriation for the other
8.25 year is available. This appropriation is
8.26 available until expended.
- 8.27 (s) \$1,350,000 each year from the workforce
8.28 development fund and \$250,000 each year
8.29 from the general fund are for jobs training
8.30 grants under Minnesota Statutes, section
8.31 116L.42.
- 8.32 (t) \$2,500,000 each year is for Launch
8.33 Minnesota. This is a onetime appropriation

9.1 and funds are available until June 30, 2025.

9.2 Of this amount:

9.3 (1) \$1,500,000 each year is for innovation

9.4 grants to eligible Minnesota entrepreneurs or

9.5 start-up businesses to assist with their

9.6 operating needs;

9.7 (2) \$500,000 each year is for administration

9.8 of Launch Minnesota; and

9.9 (3) \$500,000 each year is for grantee activities

9.10 at Launch Minnesota.

9.11 (u) \$1,050,000 each year is for the

9.12 microenterprise development program under

9.13 Minnesota Statutes, section 116J.8736. Of

9.14 these amounts, \$150,000 each year is for

9.15 providing technical assistance and outreach

9.16 to microenterprise development organizations.

9.17 (v) \$5,298,000 in the first year and \$5,297,000

9.18 in the second year are for grants to the

9.19 Neighborhood Development Center,

9.20 Metropolitan Economic Development

9.21 Association, Latino Economic Development

9.22 Center, Northside Economic Opportunity

9.23 Network, and African Economic Development

9.24 Solutions to provide business development

9.25 services and funding. Of these amounts, at

9.26 least \$2,000,000 each year must be used for

9.27 services and funding for entrepreneurs who

9.28 are women of color. This is a onetime

9.29 appropriation.

9.30 (w) \$375,000 each year is for the publication,

9.31 dissemination, and use of labor market

9.32 information under Minnesota Statutes, section

9.33 116J.401.

| | | | |
|------|---|------------------|------------------|
| 9.34 | <u>Subd. 3. Employment and Training Programs</u> | <u>9,921,000</u> | <u>9,921,000</u> |
|------|---|------------------|------------------|

| | | | |
|------|-------------------------------|------------------|------------------|
| 10.1 | <u>Appropriations by Fund</u> | | |
| 10.2 | <u>General</u> | <u>8,421,000</u> | <u>8,421,000</u> |
| 10.3 | <u>Workforce</u> | | |
| 10.4 | <u>Development</u> | <u>1,500,000</u> | <u>1,500,000</u> |

10.5 (a) \$500,000 each year from the general fund
 10.6 and \$500,000 each year from the workforce
 10.7 development fund are for rural career
 10.8 counseling coordinators in the workforce
 10.9 service areas and for the purposes specified
 10.10 under Minnesota Statutes, section 116L.667.

10.11 (b) \$750,000 each year is for the women and
 10.12 high-wage, high-demand, nontraditional jobs
 10.13 grant program under Minnesota Statutes,
 10.14 section 116L.99. Of this amount, up to five
 10.15 percent is for administration and monitoring
 10.16 of the program.

10.17 (c) \$2,546,000 each year is for the pathways
 10.18 to prosperity competitive grant program. Of
 10.19 this amount, up to five percent is for
 10.20 administration and monitoring of the program.

10.21 (d) \$500,000 each year is from the workforce
 10.22 development fund for a grant to the American
 10.23 Indian Opportunities and Industrialization
 10.24 Center, in collaboration with the Northwest
 10.25 Indian Community Development Center, to
 10.26 reduce academic disparities for American
 10.27 Indian students and adults. This is a onetime
 10.28 appropriation. The grant funds may be used
 10.29 to provide:

10.30 (1) student tutoring and testing support
 10.31 services;

10.32 (2) training and employment placement in
 10.33 information technology;

- 11.1 (3) training and employment placement within
11.2 trades;
- 11.3 (4) assistance in obtaining a GED;
- 11.4 (5) remedial training leading to enrollment
11.5 and to sustain enrollment in a postsecondary
11.6 higher education institution;
- 11.7 (6) real-time work experience in information
11.8 technology fields and in the trades;
- 11.9 (7) contextualized adult basic education;
- 11.10 (8) career and educational counseling for
11.11 clients with significant and multiple barriers;
11.12 and;
- 11.13 (9) reentry services and counseling for adults
11.14 and youth.
- 11.15 After notification to the chairs and minority
11.16 leads of the legislative committees with
11.17 jurisdiction over jobs and economic
11.18 development, the commissioner may transfer
11.19 this appropriation to the commissioner of
11.20 education.
- 11.21 (e) \$500,000 each year is from the workforce
11.22 development fund for current Minnesota
11.23 affiliates of OIC of America, Inc. This
11.24 appropriation shall be divided equally among
11.25 the eligible centers.
- 11.26 (f) \$1,000,000 each year is for competitive
11.27 grants to organizations providing services to
11.28 relieve economic disparities in the Southeast
11.29 Asian community through workforce
11.30 recruitment, development, job creation,
11.31 assistance of smaller organizations to increase
11.32 capacity, and outreach. Of this amount, up to

- 12.1 five percent is for administration and
12.2 monitoring of the program.
- 12.3 (g) \$1,000,000 each year is for a competitive
12.4 grant program to provide grants to
12.5 organizations that provide support services for
12.6 individuals, such as job training, employment
12.7 preparation, internships, job assistance to
12.8 parents, financial literacy, academic and
12.9 behavioral interventions for low-performing
12.10 students, and youth intervention. Grants made
12.11 under this section must focus on low-income
12.12 communities, young adults from families with
12.13 a history of intergenerational poverty, and
12.14 communities of color. Of this amount, up to
12.15 five percent is for administration and
12.16 monitoring of the program.
- 12.17 (h) \$1,000,000 each year is for a grant to
12.18 Propel Nonprofits to provide capacity-building
12.19 grants and related technical assistance to small,
12.20 culturally specific organizations that primarily
12.21 serve historically underserved cultural
12.22 communities. Propel Nonprofits may only
12.23 award grants to nonprofit organizations that
12.24 have an annual organizational budget of less
12.25 than \$500,000. These grants may be used for:
- 12.26 (1) organizational infrastructure
12.27 improvements, including developing database
12.28 management systems and financial systems,
12.29 or other administrative needs that increase the
12.30 organization's ability to access new funding
12.31 sources;
- 12.32 (2) organizational workforce development,
12.33 including hiring culturally competent staff,
12.34 training and skills development, and other
12.35 methods of increasing staff capacity; or

13.1 (3) creating or expanding partnerships with
13.2 existing organizations that have specialized
13.3 expertise in order to increase capacity of the
13.4 grantee organization to improve services to
13.5 the community.

13.6 Of this amount, up to five percent may be used
13.7 by Propel Nonprofits for administrative costs.
13.8 This is a onetime appropriation.

13.9 (i) \$750,000 each year is for the youth-at-work
13.10 competitive grant program under Minnesota
13.11 Statutes, section 116L.562. Of this amount,
13.12 up to five percent is for administration and
13.13 monitoring of the youth workforce
13.14 development competitive grant program. All
13.15 grant awards shall be for two consecutive
13.16 years. Grants shall be awarded in the first year.

13.17 (j) \$875,000 each year is for a grant to the
13.18 Minnesota Technology Association to support
13.19 the SciTech Internship Program, a program
13.20 that supports science, technology, engineering,
13.21 and math (STEM) internship opportunities for
13.22 two- and four-year college students and
13.23 graduate students in their fields of study. The
13.24 internship opportunities must match students
13.25 with paid internships within STEM disciplines
13.26 at small, for-profit companies located in
13.27 Minnesota having fewer than 250 employees
13.28 worldwide. At least 200 students must be
13.29 matched in the first year and at least 200
13.30 students must be matched in the second year.
13.31 No more than 15 percent of the hires may be
13.32 graduate students. Selected hiring companies
13.33 shall receive from the grant 50 percent of the
13.34 wages paid to the intern, capped at \$2,500 per
13.35 intern. The program must work toward

14.1 increasing the participation among women or
 14.2 other underserved populations. This is a
 14.3 onetime appropriation.

14.4 **Subd. 4. General Support Services** 3,692,000 4,005,000

14.5 Appropriations by Fund

14.6 General Fund 3,637,000 3,950,000

14.7 Workforce

14.8 Development 55,000 55,000

14.9 \$1,269,000 each year is for transfer to the
 14.10 Minnesota Housing Finance Agency for
 14.11 operating the Olmstead Compliance Office.

14.12 **Subd. 5. Minnesota Trade Office** 2,142,000 2,142,000

14.13 (a) \$200,000 each year is for the STEP grants
 14.14 in Minnesota Statutes, section 116J.979. The
 14.15 base for this purpose in fiscal year 2024 and
 14.16 beyond is \$300,000.

14.17 (b) \$180,000 each year is for the Invest
 14.18 Minnesota marketing initiative in Minnesota
 14.19 Statutes, section 116J.9781.

14.20 (c) \$270,000 each year is for the Minnesota
 14.21 Trade Offices under Minnesota Statutes,
 14.22 section 116J.978.

14.23 **Subd. 6. Vocational Rehabilitation** 36,691,000 36,691,000

14.24 Appropriations by Fund

14.25 General 28,861,000 28,861,000

14.26 Workforce

14.27 Development 7,830,000 7,830,000

14.28 (a) \$14,300,000 each year is for the state's
 14.29 vocational rehabilitation program under
 14.30 Minnesota Statutes, chapter 268A.

14.31 (b) \$8,995,000 each year from the general fund
 14.32 and \$6,830,000 each year from the workforce
 14.33 development fund are for extended
 14.34 employment services for persons with severe

15.1 disabilities under Minnesota Statutes, section
 15.2 268A.15.
 15.3 (c) \$2,555,000 each year is for grants to
 15.4 programs that provide employment support
 15.5 services to persons with mental illness under
 15.6 Minnesota Statutes, sections 268A.13 and
 15.7 268A.14.
 15.8 (d) \$3,011,000 each year is for grants to
 15.9 centers for independent living under
 15.10 Minnesota Statutes, section 268A.11.
 15.11 (e) \$1,000,000 each year is from the workforce
 15.12 development fund for grants under Minnesota
 15.13 Statutes, section 268A.16, for employment
 15.14 services for persons, including transition-age
 15.15 youth, who are deaf, deafblind, or
 15.16 hard-of-hearing. If the amount in the first year
 15.17 is insufficient, the amount in the second year
 15.18 is available in the first year.

15.19 **Subd. 7. Services for the Blind** 6,425,000 6,425,000

15.20 Of this amount, \$500,000 each year is for
 15.21 senior citizens who are becoming blind. At
 15.22 least one-half of the funds for this purpose
 15.23 must be used to provide training services for
 15.24 seniors who are becoming blind. Training
 15.25 services must provide independent living skills
 15.26 to seniors who are becoming blind to allow
 15.27 them to continue to live independently in their
 15.28 homes.

15.29 **Subd. 8. Paid Family and Medical Leave** 10,828,000 23,880,000

| | | | |
|-------|-------------------------------|-------------------|-------------------|
| 15.30 | <u>Appropriations by Fund</u> | | |
| 15.31 | <u>General</u> | <u>10,828,000</u> | <u>-0-</u> |
| 15.32 | <u>Family and medical</u> | | |
| 15.33 | <u>benefit insurance</u> | | |
| 15.34 | <u>account</u> | <u>-0-</u> | <u>23,880,000</u> |

17.1 (a) \$528,000 in the first year is for the
 17.2 purposes of Minnesota Statutes, chapter 268B.
 17.3 This is a onetime appropriation.

17.4 (b) \$518,000 in the second year is from the
 17.5 family and medical benefit insurance account
 17.6 for the purposes of Minnesota Statutes, chapter
 17.7 268B. The base appropriation is \$468,000 in
 17.8 fiscal year 2024 and \$618,000 in fiscal year
 17.9 2025.

| | | | | |
|-------|---|------------------|-------------------|--------------------------|
| 17.10 | Sec. 4. <u>DEPARTMENT OF HUMAN</u> | | | |
| 17.11 | <u>SERVICES</u> | <u>\$</u> | <u>-0-</u> | <u>\$ 574,000</u> |

17.12 \$574,000 in the second year is from the family
 17.13 and medical benefit insurance account for
 17.14 information technology system costs
 17.15 associated with Minnesota Statutes, chapter
 17.16 268B. This is a onetime appropriation.

| | | | | |
|-------|--|------------------|----------------------|----------------------------|
| 17.17 | Sec. 5. <u>MANAGEMENT AND BUDGET</u> | | | |
| 17.18 | Subdivision 1. <u>Total Appropriation</u> | <u>\$</u> | <u>28,000</u> | <u>\$ 1,953,000</u> |

| | | | |
|-------|-------------------------------|---------------|------------------|
| 17.19 | <u>Appropriations by Fund</u> | | |
| 17.20 | | <u>2022</u> | <u>2023</u> |
| 17.21 | <u>General</u> | <u>28,000</u> | <u>1,930,000</u> |
| 17.22 | <u>Family and medical</u> | | |
| 17.23 | <u>benefit insurance</u> | | |
| 17.24 | <u>account</u> | <u>-0-</u> | <u>23,000</u> |

17.25 (a) \$28,000 in the first year is for information
 17.26 technology systems upgrades necessary to
 17.27 comply with Minnesota Statutes, chapter
 17.28 268B. This is a onetime appropriation.

17.29 (b) \$23,000 in the second year from the family
 17.30 and medical benefit insurance account is for
 17.31 ongoing maintenance of these information
 17.32 technology systems. For fiscal year 2024 and
 17.33 beyond, the base appropriation is \$13,000.

18.1 (c) \$1,930,000 in the second year is for the
 18.2 premiums and notice acknowledgment
 18.3 required of employers under Minnesota
 18.4 Statutes, chapter 268B. For fiscal year 2024
 18.5 and beyond, the base appropriation is
 18.6 \$3,727,000.

18.7 **Sec. 6. HOUSE OF REPRESENTATIVES** **\$** **11,000** **\$** **-0-**

18.8 \$11,000 in the first year is for systems
 18.9 upgrades necessary to comply with Minnesota
 18.10 Statutes, chapter 268B. This is a onetime
 18.11 appropriation.

18.12 **Sec. 7. SUPREME COURT** **\$** **20,000** **\$** **-0-**

18.13 \$20,000 in the first year is for judicial
 18.14 responsibilities associated with Minnesota
 18.15 Statutes, chapter 268B. This is a onetime
 18.16 appropriation.

18.17 **Sec. 8. COURT OF APPEALS** **\$** **-0-** **\$** **-0-**

18.18 For fiscal year 2025, the base from the family
 18.19 and medical benefit insurance account for
 18.20 judicial responsibilities associated with
 18.21 Minnesota Statutes, chapter 268B, is
 18.22 \$5,600,000.

18.23 **Sec. 9. FAMILY AND MEDICAL BENEFITS; TRANSFER.**

18.24 In the second year only, \$11,416,000 shall be transferred from the family and medical
 18.25 benefit insurance account to the general fund.

18.26 **ARTICLE 2**
 18.27 **PRIOR YEAR APPROPRIATIONS**

18.28 Section 1. Laws 2017, chapter 94, article 1, section 2, subdivision 2, as amended by Laws
 18.29 2017, First Special Session chapter 7, section 2, is amended to read:

18.30 **Subd. 2. Business and Community Development** \$ 46,074,000 \$ 40,935,000

| | | | |
|------|------------------------|--------------|--------------|
| 19.1 | Appropriations by Fund | | |
| 19.2 | General | \$43,363,000 | \$38,424,000 |
| 19.3 | Remediation | \$700,000 | \$700,000 |
| 19.4 | Workforce | | |
| 19.5 | Development | \$1,861,000 | \$1,811,000 |
| 19.6 | Special Revenue | \$150,000 | -0- |

19.7 (a) \$4,195,000 each year is for the Minnesota
 19.8 job skills partnership program under
 19.9 Minnesota Statutes, sections 116L.01 to
 19.10 116L.17. If the appropriation for either year
 19.11 is insufficient, the appropriation for the other
 19.12 year is available. This appropriation is
 19.13 available until spent.

19.14 (b) \$750,000 each year is for grants to the
 19.15 Neighborhood Development Center for small
 19.16 business programs:

19.17 (1) training, lending, and business services;

19.18 (2) model outreach and training in greater
 19.19 Minnesota; and

19.20 (3) development of new business incubators.

19.21 This is a onetime appropriation.

19.22 (c) \$1,175,000 each year is for a grant to the
 19.23 Metropolitan Economic Development
 19.24 Association (MEDA) for statewide business
 19.25 development and assistance services, including
 19.26 services to entrepreneurs with businesses that
 19.27 have the potential to create job opportunities
 19.28 for unemployed and underemployed people,
 19.29 with an emphasis on minority-owned
 19.30 businesses. This is a onetime appropriation.

19.31 (d) \$125,000 each year is for a grant to the
 19.32 White Earth Nation for the White Earth Nation
 19.33 Integrated Business Development System to
 19.34 provide business assistance with workforce

20.1 development, outreach, technical assistance,
20.2 infrastructure and operational support,
20.3 financing, and other business development
20.4 activities. This is a onetime appropriation.

20.5 (e)(1) \$12,500,000 each year is for the
20.6 Minnesota investment fund under Minnesota
20.7 Statutes, section 116J.8731. Of this amount,
20.8 the commissioner of employment and
20.9 economic development may use up to three
20.10 percent for administration and monitoring of
20.11 the program. This appropriation is available
20.12 until spent.

20.13 (2) Of the amount appropriated in fiscal year
20.14 2018, \$4,000,000 is for a loan to construct and
20.15 equip a wholesale electronic component
20.16 distribution center investing a minimum of
20.17 \$200,000,000 and constructing a facility at
20.18 least 700,000 square feet in size. Loan funds
20.19 may be used for purchases of materials,
20.20 supplies, and equipment for the construction
20.21 of the facility and are available from July 1,
20.22 2017, to June 30, 2021. The commissioner of
20.23 employment and economic development shall
20.24 forgive the loan after verification that the
20.25 project has satisfied performance goals and
20.26 contractual obligations as required under
20.27 Minnesota Statutes, section 116J.8731.

20.28 (3) Of the amount appropriated in fiscal year
20.29 2018, \$700,000 is for a ~~loan to extend an~~
20.30 ~~effluent pipe that will deliver reclaimed water~~
20.31 ~~to an innovative waste-to-biofuel project~~
20.32 ~~investing a minimum of \$150,000,000 and~~
20.33 ~~constructing a facility that is designed to~~
20.34 ~~process approximately 400,000 tons of waste~~
20.35 ~~annually. Loan grant to the Metropolitan~~

21.1 Council under Minnesota Statutes, section
21.2 116.195, for wastewater infrastructure to
21.3 support industrial users in Rosemount that
21.4 require significant water use. Grant funds are
21.5 available until June 30, ~~2021~~ 2025.

21.6 (f) \$8,500,000 each year is for the Minnesota
21.7 job creation fund under Minnesota Statutes,
21.8 section 116J.8748. Of this amount, the
21.9 commissioner of employment and economic
21.10 development may use up to three percent for
21.11 administrative expenses. This appropriation
21.12 is available until expended. In fiscal year 2020
21.13 and beyond, the base amount is \$8,000,000.

21.14 (g) \$1,647,000 each year is for contaminated
21.15 site cleanup and development grants under
21.16 Minnesota Statutes, sections 116J.551 to
21.17 116J.558. This appropriation is available until
21.18 spent. In fiscal year 2020 and beyond, the base
21.19 amount is \$1,772,000.

21.20 (h) \$12,000 each year is for a grant to the
21.21 Upper Minnesota Film Office.

21.22 (i) \$163,000 each year is for the Minnesota
21.23 Film and TV Board. The appropriation in each
21.24 year is available only upon receipt by the
21.25 board of \$1 in matching contributions of
21.26 money or in-kind contributions from nonstate
21.27 sources for every \$3 provided by this
21.28 appropriation, except that each year up to
21.29 \$50,000 is available on July 1 even if the
21.30 required matching contribution has not been
21.31 received by that date.

21.32 (j) \$500,000 each year is from the general fund
21.33 for a grant to the Minnesota Film and TV
21.34 Board for the film production jobs program

22.1 under Minnesota Statutes, section 116U.26.

22.2 This appropriation is available until June 30,
22.3 2021.

22.4 (k) \$139,000 each year is for a grant to the
22.5 Rural Policy and Development Center under
22.6 Minnesota Statutes, section 116J.421.

22.7 (l)(1) \$1,300,000 each year is for the greater
22.8 Minnesota business development public
22.9 infrastructure grant program under Minnesota
22.10 Statutes, section 116J.431. This appropriation
22.11 is available until spent. If the appropriation
22.12 for either year is insufficient, the appropriation
22.13 for the other year is available. In fiscal year
22.14 2020 and beyond, the base amount is
22.15 \$1,787,000. Funds available under this
22.16 paragraph may be used for site preparation of
22.17 property owned and to be used by private
22.18 entities.

22.19 (2) Of the amounts appropriated, \$1,600,000
22.20 in fiscal year 2018 is for a grant to the city of
22.21 Thief River Falls to support utility extensions,
22.22 roads, and other public improvements related
22.23 to the construction of a wholesale electronic
22.24 component distribution center at least 700,000
22.25 square feet in size and investing a minimum
22.26 of \$200,000,000. Notwithstanding Minnesota
22.27 Statutes, section 116J.431, a local match is
22.28 not required. Grant funds are available from
22.29 July 1, 2017, to June 30, 2021.

22.30 (m) \$876,000 the first year and \$500,000 the
22.31 second year are for the Minnesota emerging
22.32 entrepreneur loan program under Minnesota
22.33 Statutes, section 116M.18. Funds available
22.34 under this paragraph are for transfer into the
22.35 emerging entrepreneur program special

23.1 revenue fund account created under Minnesota
23.2 Statutes, chapter 116M, and are available until
23.3 spent. Of this amount, up to four percent is for
23.4 administration and monitoring of the program.
23.5 In fiscal year 2020 and beyond, the base
23.6 amount is \$1,000,000.

23.7 (n) \$875,000 each year is for a grant to
23.8 Enterprise Minnesota, Inc. for the small
23.9 business growth acceleration program under
23.10 Minnesota Statutes, section 116O.115. This
23.11 is a onetime appropriation.

23.12 (o) \$250,000 in fiscal year 2018 is for a grant
23.13 to the Minnesota Design Center at the
23.14 University of Minnesota for the greater
23.15 Minnesota community design pilot project.

23.16 (p) \$275,000 in fiscal year 2018 is from the
23.17 general fund to the commissioner of
23.18 employment and economic development for
23.19 a grant to Community and Economic
23.20 Development Associates (CEDA) for an
23.21 economic development study and analysis of
23.22 the effects of current and projected economic
23.23 growth in southeast Minnesota. CEDA shall
23.24 report on the findings and recommendations
23.25 of the study to the committees of the house of
23.26 representatives and senate with jurisdiction
23.27 over economic development and workforce
23.28 issues by February 15, 2019. All results and
23.29 information gathered from the study shall be
23.30 made available for use by cities in southeast
23.31 Minnesota by March 15, 2019. This
23.32 appropriation is available until June 30, 2020.

23.33 (q) \$2,000,000 in fiscal year 2018 is for a
23.34 grant to Pillsbury United Communities for
23.35 construction and renovation of a building in

24.1 north Minneapolis for use as the "North
24.2 Market" grocery store and wellness center,
24.3 focused on offering healthy food, increasing
24.4 health care access, and providing job creation
24.5 and economic opportunities in one place for
24.6 children and families living in the area. To the
24.7 extent possible, Pillsbury United Communities
24.8 shall employ individuals who reside within a
24.9 five mile radius of the grocery store and
24.10 wellness center. This appropriation is not
24.11 available until at least an equal amount of
24.12 money is committed from nonstate sources.
24.13 This appropriation is available until the project
24.14 is completed or abandoned, subject to
24.15 Minnesota Statutes, section 16A.642.

24.16 (r) \$1,425,000 each year is for the business
24.17 development competitive grant program. Of
24.18 this amount, up to five percent is for
24.19 administration and monitoring of the business
24.20 development competitive grant program. All
24.21 grant awards shall be for two consecutive
24.22 years. Grants shall be awarded in the first year.

24.23 (s) \$875,000 each year is for the host
24.24 community economic development grant
24.25 program established in Minnesota Statutes,
24.26 section 116J.548.

24.27 (t) \$700,000 each year is from the remediation
24.28 fund for contaminated site cleanup and
24.29 development grants under Minnesota Statutes,
24.30 sections 116J.551 to 116J.558. This
24.31 appropriation is available until spent.

24.32 (u) \$161,000 each year is from the workforce
24.33 development fund for a grant to the Rural
24.34 Policy and Development Center. This is a
24.35 onetime appropriation.

25.1 (v) \$300,000 each year is from the workforce
25.2 development fund for a grant to Enterprise
25.3 Minnesota, Inc. This is a onetime
25.4 appropriation.

25.5 (w) \$50,000 in fiscal year 2018 is from the
25.6 workforce development fund for a grant to
25.7 Fighting Chance for behavioral intervention
25.8 programs for at-risk youth.

25.9 (x) \$1,350,000 each year is from the
25.10 workforce development fund for job training
25.11 grants under Minnesota Statutes, section
25.12 116L.42.

25.13 (y)(1) \$519,000 in fiscal year 2018 is for
25.14 grants to local communities to increase the
25.15 supply of quality child care providers in order
25.16 to support economic development. At least 60
25.17 percent of grant funds must go to communities
25.18 located outside of the seven-county
25.19 metropolitan area, as defined under Minnesota
25.20 Statutes, section 473.121, subdivision 2. Grant
25.21 recipients must obtain a 50 percent nonstate
25.22 match to grant funds in either cash or in-kind
25.23 contributions. Grant funds available under this
25.24 paragraph must be used to implement solutions
25.25 to reduce the child care shortage in the state
25.26 including but not limited to funding for child
25.27 care business start-ups or expansions, training,
25.28 facility modifications or improvements
25.29 required for licensing, and assistance with
25.30 licensing and other regulatory requirements.
25.31 In awarding grants, the commissioner must
25.32 give priority to communities that have
25.33 documented a shortage of child care providers
25.34 in the area.

26.1 (2) Within one year of receiving grant funds,
26.2 grant recipients must report to the
26.3 commissioner on the outcomes of the grant
26.4 program including but not limited to the
26.5 number of new providers, the number of
26.6 additional child care provider jobs created, the
26.7 number of additional child care slots, and the
26.8 amount of local funds invested.

26.9 (3) By January 1 of each year, starting in 2019,
26.10 the commissioner must report to the standing
26.11 committees of the legislature having
26.12 jurisdiction over child care and economic
26.13 development on the outcomes of the program
26.14 to date.

26.15 (z) \$319,000 in fiscal year 2018 is from the
26.16 general fund for a grant to the East Phillips
26.17 Improvement Coalition to create the East
26.18 Phillips Neighborhood Institute (EPNI) to
26.19 expand culturally tailored resources that
26.20 address small business growth and create
26.21 green jobs. The grant shall fund the
26.22 collaborative work of Tamales y Bicicletas,
26.23 Little Earth of the United Tribes, a nonprofit
26.24 serving East Africans, and other coalition
26.25 members towards developing EPNI as a
26.26 community space to host activities including,
26.27 but not limited to, creation and expansion of
26.28 small businesses, culturally specific
26.29 entrepreneurial activities, indoor urban
26.30 farming, job training, education, and skills
26.31 development for residents of this low-income,
26.32 environmental justice designated
26.33 neighborhood. Eligible uses for grant funds
26.34 include, but are not limited to, planning and
26.35 start-up costs, staff and consultant costs,

27.1 building improvements, rent, supplies, utilities,
27.2 vehicles, marketing, and program activities.
27.3 The commissioner shall submit a report on
27.4 grant activities and quantifiable outcomes to
27.5 the committees of the house of representatives
27.6 and the senate with jurisdiction over economic
27.7 development by December 15, 2020. This
27.8 appropriation is available until June 30, 2020.

27.9 (aa) \$150,000 the first year is from the
27.10 renewable development account in the special
27.11 revenue fund established in Minnesota
27.12 Statutes, section 116C.779, subdivision 1, to
27.13 conduct the biomass facility closure economic
27.14 impact study.

27.15 (bb)(1)\$300,000 in fiscal year 2018 is for a
27.16 grant to East Side Enterprise Center (ESEC)
27.17 to expand culturally tailored resources that
27.18 address small business growth and job
27.19 creation. This appropriation is available until
27.20 June 30, 2020. The appropriation shall fund
27.21 the work of African Economic Development
27.22 Solutions, the Asian Economic Development
27.23 Association, the Dayton's Bluff Community
27.24 Council, and the Latino Economic
27.25 Development Center in a collaborative
27.26 approach to economic development that is
27.27 effective with smaller, culturally diverse
27.28 communities that seek to increase the
27.29 productivity and success of new immigrant
27.30 and minority populations living and working
27.31 in the community. Programs shall provide
27.32 minority business growth and capacity
27.33 building that generate wealth and jobs creation
27.34 for local residents and business owners on the
27.35 East Side of St. Paul.

28.1 (2) In fiscal year 2019 ESEC shall use funds
28.2 to share its integrated service model and
28.3 evolving collaboration principles with civic
28.4 and economic development leaders in greater
28.5 Minnesota communities which have diverse
28.6 populations similar to the East Side of St. Paul.
28.7 ESEC shall submit a report of activities and
28.8 program outcomes, including quantifiable
28.9 measures of success annually to the house of
28.10 representatives and senate committees with
28.11 jurisdiction over economic development.

28.12 (cc) \$150,000 in fiscal year 2018 is for a grant
28.13 to Mille Lacs County for the purpose of
28.14 reimbursement grants to small resort
28.15 businesses located in the city of Isle with less
28.16 than \$350,000 in annual revenue, at least four
28.17 rental units, which are open during both
28.18 summer and winter months, and whose
28.19 business was adversely impacted by a decline
28.20 in walleye fishing on Lake Mille Lacs.

28.21 (dd)(1) \$250,000 in fiscal year 2018 is for a
28.22 grant to the Small Business Development
28.23 Center hosted at Minnesota State University,
28.24 Mankato, for a collaborative initiative with
28.25 the Regional Center for Entrepreneurial
28.26 Facilitation. Funds available under this section
28.27 must be used to provide entrepreneur and
28.28 small business development direct professional
28.29 business assistance services in the following
28.30 counties in Minnesota: Blue Earth, Brown,
28.31 Faribault, Le Sueur, Martin, Nicollet, Sibley,
28.32 Watonwan, and Waseca. For the purposes of
28.33 this section, "direct professional business
28.34 assistance services" must include, but is not
28.35 limited to, pre-venture assistance for

29.1 individuals considering starting a business.
 29.2 This appropriation is not available until the
 29.3 commissioner determines that an equal amount
 29.4 is committed from nonstate sources. Any
 29.5 balance in the first year does not cancel and
 29.6 is available for expenditure in the second year.

29.7 (2) Grant recipients shall report to the
 29.8 commissioner by February 1 of each year and
 29.9 include information on the number of
 29.10 customers served in each county; the number
 29.11 of businesses started, stabilized, or expanded;
 29.12 the number of jobs created and retained; and
 29.13 business success rates in each county. By April
 29.14 1 of each year, the commissioner shall report
 29.15 the information submitted by grant recipients
 29.16 to the chairs of the standing committees of the
 29.17 house of representatives and the senate having
 29.18 jurisdiction over economic development
 29.19 issues.

29.20 (ee) \$500,000 in fiscal year 2018 is for the
 29.21 central Minnesota opportunity grant program
 29.22 established under Minnesota Statutes, section
 29.23 116J.9922. This appropriation is available until
 29.24 June 30, 2022.

29.25 (ff) \$25,000 each year is for the administration
 29.26 of state aid for the Destination Medical Center
 29.27 under Minnesota Statutes, sections 469.40 to
 29.28 469.47.

29.29 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2017.

29.30 Sec. 2. Laws 2019, First Special Session chapter 7, article 1, section 2, subdivision 2, as
 29.31 amended by Laws 2019, First Special Session chapter 12, section 4, and Laws 2020, chapter
 29.32 112, section 1, is amended to read:

| | | |
|--|------------|------------|
| 29.33 Subd. 2. Business and Community Development | 44,931,000 | 42,381,000 |
|--|------------|------------|

| | | | |
|------|------------------------|------------|------------|
| 30.1 | Appropriations by Fund | | |
| 30.2 | General | 40,756,000 | 38,206,000 |
| 30.3 | Remediation | 700,000 | 700,000 |
| 30.4 | Workforce | | |
| 30.5 | Development | 3,475,000 | 3,475,000 |

30.6 (a) \$1,787,000 each year is for the greater
 30.7 Minnesota business development public
 30.8 infrastructure grant program under Minnesota
 30.9 Statutes, section 116J.431. This appropriation
 30.10 is available until June 30, 2023.

30.11 (b) \$1,425,000 each year is for the business
 30.12 development competitive grant program. Of
 30.13 this amount, up to five percent is for
 30.14 administration and monitoring of the business
 30.15 development competitive grant program. All
 30.16 grant awards shall be for two consecutive
 30.17 years. Grants shall be awarded in the first year.

30.18 (c) \$1,772,000 each year is for contaminated
 30.19 site cleanup and development grants under
 30.20 Minnesota Statutes, sections 116J.551 to
 30.21 116J.558. This appropriation is available until
 30.22 June 30, 2023.

30.23 (d) \$700,000 each year is from the remediation
 30.24 fund for contaminated site cleanup and
 30.25 development grants under Minnesota Statutes,
 30.26 sections 116J.551 to 116J.558. This
 30.27 appropriation is available until June 30, 2023.

30.28 (e) \$139,000 each year is for the Center for
 30.29 Rural Policy and Development.

30.30 (f) \$25,000 each year is for the administration
 30.31 of state aid for the Destination Medical Center
 30.32 under Minnesota Statutes, sections 469.40 to
 30.33 469.47.

- 31.1 (g) \$875,000 each year is for the host
31.2 community economic development program
31.3 established in Minnesota Statutes, section
31.4 116J.548.
- 31.5 (h) \$125,000 each year is from the workforce
31.6 development fund for a grant to the White
31.7 Earth Nation for the White Earth Nation
31.8 Integrated Business Development System to
31.9 provide business assistance with workforce
31.10 development, outreach, technical assistance,
31.11 infrastructure and operational support,
31.12 financing, and other business development
31.13 activities. This is a onetime appropriation.
- 31.14 (i) \$450,000 each year is from the workforce
31.15 development fund for a grant to Enterprise
31.16 Minnesota, Inc. for the small business growth
31.17 acceleration program under Minnesota
31.18 Statutes, section 116O.115. This is a onetime
31.19 appropriation.
- 31.20 (j) \$250,000 the first year is for a grant to the
31.21 Rondo Community Land Trust for
31.22 improvements to leased commercial space in
31.23 the Selby Milton Victoria Project that will
31.24 create long-term affordable space for small
31.25 businesses and for build-out and development
31.26 of new businesses.
- 31.27 (k) \$400,000 each year is from the workforce
31.28 development fund for a grant to the
31.29 Metropolitan Economic Development
31.30 Association (MEDA) for statewide business
31.31 development and assistance services, including
31.32 services to entrepreneurs with businesses that
31.33 have the potential to create job opportunities
31.34 for unemployed and underemployed people,

32.1 with an emphasis on minority-owned
32.2 businesses. This is a onetime appropriation.

32.3 (l) \$750,000 in fiscal year 2020 is for grants
32.4 to local communities to increase the supply of
32.5 quality child care providers to support
32.6 economic development. At least 60 percent of
32.7 grant funds must go to communities located
32.8 outside of the seven-county metropolitan area
32.9 as defined under Minnesota Statutes, section
32.10 473.121, subdivision 2. Grant recipients must
32.11 obtain a 50 percent nonstate match to grant
32.12 funds in either cash or in-kind contributions.
32.13 Grant funds available under this section must
32.14 be used to implement projects to reduce the
32.15 child care shortage in the state, including but
32.16 not limited to funding for child care business
32.17 start-ups or expansion, training, facility
32.18 modifications or improvements required for
32.19 licensing, and assistance with licensing and
32.20 other regulatory requirements. In awarding
32.21 grants, the commissioner must give priority
32.22 to communities that have demonstrated a
32.23 shortage of child care providers in the area.
32.24 This is a onetime appropriation. Within one
32.25 year of receiving grant funds, grant recipients
32.26 must report to the commissioner on the
32.27 outcomes of the grant program, including but
32.28 not limited to the number of new providers,
32.29 the number of additional child care provider
32.30 jobs created, the number of additional child
32.31 care slots, and the amount of cash and in-kind
32.32 local funds invested.

32.33 (m) \$750,000 in fiscal year 2020 is for a grant
32.34 to the Minnesota Initiative Foundations. This
32.35 is a onetime appropriation and is available

33.1 until June 30, 2023. The Minnesota Initiative
33.2 Foundations must use grant funds under this
33.3 section to:

33.4 (1) facilitate planning processes for rural
33.5 communities resulting in a community solution
33.6 action plan that guides decision making to
33.7 sustain and increase the supply of quality child
33.8 care in the region to support economic
33.9 development;

33.10 (2) engage the private sector to invest local
33.11 resources to support the community solution
33.12 action plan and ensure quality child care is a
33.13 vital component of additional regional
33.14 economic development planning processes;

33.15 (3) provide locally based training and technical
33.16 assistance to rural child care business owners
33.17 individually or through a learning cohort.
33.18 Access to financial and business development
33.19 assistance must prepare child care businesses
33.20 for quality engagement and improvement by
33.21 stabilizing operations, leveraging funding from
33.22 other sources, and fostering business acumen
33.23 that allows child care businesses to plan for
33.24 and afford the cost of providing quality child
33.25 care; or

33.26 (4) recruit child care programs to participate
33.27 in Parent Aware, Minnesota's quality and
33.28 improvement rating system, and other high
33.29 quality measurement programs. The Minnesota
33.30 Initiative Foundations must work with local
33.31 partners to provide low-cost training,
33.32 professional development opportunities, and
33.33 continuing education curricula. The Minnesota
33.34 Initiative Foundations must fund, through local
33.35 partners, an enhanced level of coaching to

34.1 rural child care providers to obtain a quality
34.2 rating through Parent Aware or other high
34.3 quality measurement programs.

34.4 (n)(1) \$650,000 each year from the workforce
34.5 development fund is for grants to the
34.6 Neighborhood Development Center for small
34.7 business programs. This is a onetime
34.8 appropriation.

34.9 (2) Of the amount appropriated in the first
34.10 year, \$150,000 is for outreach and training
34.11 activities outside the seven-county
34.12 metropolitan area, as defined in Minnesota
34.13 Statutes, section 473.121, subdivision 2.

34.14 (o) \$8,000,000 each year is for the Minnesota
34.15 job creation fund under Minnesota Statutes,
34.16 section 116J.8748. Of this amount, the
34.17 commissioner of employment and economic
34.18 development may use up to three percent for
34.19 administrative expenses. This appropriation
34.20 is available until expended.

34.21 (p)(1) \$11,970,000 each year is for the
34.22 Minnesota investment fund under Minnesota
34.23 Statutes, section 116J.8731. Of this amount,
34.24 the commissioner of employment and
34.25 economic development may use up to three
34.26 percent for administration and monitoring of
34.27 the program. In fiscal year 2022 and beyond,
34.28 the base amount is \$12,370,000. This
34.29 appropriation is available until expended.

34.30 Notwithstanding Minnesota Statutes, section
34.31 116J.8731, funds appropriated to the
34.32 commissioner for the Minnesota investment
34.33 fund may be used for the redevelopment
34.34 program under Minnesota Statutes, sections
34.35 116J.575 and 116J.5761, at the discretion of

35.1 the commissioner. Grants under this paragraph
35.2 are not subject to the grant amount limitation
35.3 under Minnesota Statutes, section 116J.8731.

35.4 (2) Of the amount appropriated in the first
35.5 year, ~~\$2,000,000~~ \$3,000,000 is for a loan to a
35.6 paper mill in Duluth for a retrofit project that
35.7 will support the ~~operation and manufacture of~~
35.8 packaging conversion of the existing Duluth
35.9 paper mill for the manufacture of new paper
35.10 grades. The company that owns the paper mill
35.11 must ~~spend \$20,000,000 on invest~~
35.12 \$25,000,000 in project activities by December
35.13 ~~31, 2020~~ May 1, 2023, in order to be eligible
35.14 to receive this loan. Loan funds may be used
35.15 for purchases of materials, supplies, and
35.16 equipment for the project and are available
35.17 from ~~July 1, 2019~~ April 1, 2021, to ~~July 30,~~
35.18 ~~2021~~ May 1, 2023. The commissioner of
35.19 employment and economic development shall
35.20 forgive 25 percent of the loan each year after
35.21 the second year during a five-year period if
35.22 the mill has retained at least ~~150~~ 80 full-time
35.23 equivalent employees and has satisfied other
35.24 performance goals and contractual obligations
35.25 as required under Minnesota Statutes, section
35.26 116J.8731.

35.27 (q) \$700,000 in fiscal year 2020 is for the
35.28 airport infrastructure renewal (AIR) grant
35.29 program under Minnesota Statutes, section
35.30 116J.439.

35.31 (r) \$100,000 in fiscal year 2020 is for a grant
35.32 to FIRST in Upper Midwest to support
35.33 competitive robotics teams. Funds must be
35.34 used to make up to five awards of no more
35.35 than \$20,000 each to Minnesota-based public

36.1 entities or private nonprofit organizations for
36.2 the creation of competitive robotics hubs.
36.3 Awards may be used for tools, equipment, and
36.4 physical space to be utilized by robotics teams.
36.5 At least 50 percent of grant funds must be used
36.6 outside of the seven-county metropolitan area,
36.7 as defined under Minnesota Statutes, section
36.8 473.121, subdivision 2. The grant recipient
36.9 shall report to the chairs and ranking minority
36.10 members of the legislative committees with
36.11 jurisdiction over jobs and economic growth
36.12 by February 1, 2021, on the status of awards
36.13 and include information on the number and
36.14 amount of awards made, the number of
36.15 customers served, and any outcomes resulting
36.16 from the grant. The grant requires a 50 percent
36.17 match from nonstate sources.

36.18 (s) \$1,000,000 each year is for the Minnesota
36.19 emerging entrepreneur loan program under
36.20 Minnesota Statutes, section 116M.18. Funds
36.21 available under this paragraph are for transfer
36.22 into the emerging entrepreneur program
36.23 special revenue fund account created under
36.24 Minnesota Statutes, chapter 116M, and are
36.25 available until expended. Of this amount, up
36.26 to four percent is for administration and
36.27 monitoring of the program.

36.28 (t) \$163,000 each year is for the Minnesota
36.29 Film and TV Board. The appropriation in each
36.30 year is available only upon receipt by the
36.31 board of \$1 in matching contributions of
36.32 money or in-kind contributions from nonstate
36.33 sources for every \$3 provided by this
36.34 appropriation, except that each year up to
36.35 \$50,000 is available on July 1 even if the

37.1 required matching contribution has not been
37.2 received by that date.

37.3 (u) \$12,000 each year is for a grant to the
37.4 Upper Minnesota Film Office.

37.5 (v) \$500,000 each year is from the general
37.6 fund for a grant to the Minnesota Film and TV
37.7 Board for the film production jobs program
37.8 under Minnesota Statutes, section 116U.26.
37.9 This appropriation is available until June 30,
37.10 2023.

37.11 (w) \$4,195,000 each year is for the Minnesota
37.12 job skills partnership program under
37.13 Minnesota Statutes, sections 116L.01 to
37.14 116L.17. If the appropriation for either year
37.15 is insufficient, the appropriation for the other
37.16 year is available. This appropriation is
37.17 available until expended.

37.18 (x) \$1,350,000 each year is from the
37.19 workforce development fund for jobs training
37.20 grants under Minnesota Statutes, section
37.21 116L.42.

37.22 (y) \$2,500,000 each year is for Launch
37.23 Minnesota. This is a onetime appropriation
37.24 and funds are available until June 30, 2023.
37.25 Of this amount:

37.26 (1) \$1,600,000 each year is for innovation
37.27 grants to eligible Minnesota entrepreneurs or
37.28 start-up businesses to assist with their
37.29 operating needs;

37.30 (2) \$450,000 each year is for administration
37.31 of Launch Minnesota; and

37.32 (3) \$450,000 each year is for grantee activities
37.33 at Launch Minnesota.

38.1 (z) \$500,000 each year is from the workforce
38.2 development fund for a grant to Youthprise
38.3 to give grants through a competitive process
38.4 to community organizations to provide
38.5 economic development services designed to
38.6 enhance long-term economic self-sufficiency
38.7 in communities with concentrated East African
38.8 populations. Such communities include but
38.9 are not limited to Faribault, Rochester, St.
38.10 Cloud, Moorhead, and Willmar. To the extent
38.11 possible, Youthprise must make at least 50
38.12 percent of these grants to organizations serving
38.13 communities located outside the seven-county
38.14 metropolitan area, as defined in Minnesota
38.15 Statutes, section 473.121, subdivision 2. This
38.16 is a onetime appropriation and is available
38.17 until June 30, 2022.

38.18 (aa) \$125,000 each year is for a grant to the
38.19 Hmong Chamber of Commerce to train
38.20 ethnically Southeast Asian business owners
38.21 and operators in better business practices. This
38.22 is a onetime appropriation and is available
38.23 until June 30, 2023.

38.24 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2019.

38.25 Sec. 3. **GRANT TO THE NORTHEAST ENTREPRENEUR FUND;**
38.26 **APPROPRIATION.**

38.27 \$1,148,000 in fiscal year 2021 is appropriated from the general fund to the commissioner
38.28 of employment and economic development for a grant to the Northeast Entrepreneur Fund,
38.29 a small business administration microlender and community development financial institution
38.30 operating in northern Minnesota, to be made only upon the Northeast Entrepreneur Fund's
38.31 repayment of its current \$1,148,000 loan issued by the commissioner. Grant funds must be
38.32 used as capital for accessing additional federal lending for small businesses impacted by
38.33 COVID-19 and must be returned to the commissioner for deposit in the general fund if the

39.1 Northeast Entrepreneur Fund fails to secure such federal funds before January 1, 2022. This
39.2 is a onetime appropriation.

39.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

39.4 Sec. 4. **APPROPRIATION; SMALL BUSINESS COVID-19 GRANT PROGRAM.**

39.5 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
39.6 the meanings given.

39.7 (b) "Commissioner" means the commissioner of employment and economic development.

39.8 (c) "Department" means the Department of Employment and Economic Development.

39.9 (d) "Eligible organization" means the Minnesota Initiative Foundations, community
39.10 development financial institutions, and other nonprofits the commissioner determines to be
39.11 similarly qualified.

39.12 (e) "Program" means the small business COVID-19 grant program under this section.

39.13 Subd. 2. **Appropriation.** \$50,000,000 in fiscal year 2021 is appropriated from the general
39.14 fund to the commissioner for the small business COVID-19 grant program under this section.

39.15 Of this amount:

39.16 (1) \$24,900,000 is for grants to the Minnesota Initiative Foundations to provide grants
39.17 to businesses in greater Minnesota. Up to ten percent of this amount may be used for the
39.18 administrative costs of the Minnesota Initiative Foundations;

39.19 (2) \$24,900,000 is for grants to eligible organizations to provide grants to businesses in
39.20 the seven-county metropolitan area defined in section 473.121, subdivision 2. Up to ten
39.21 percent of this amount may be used for the administrative costs of the eligible organizations;
39.22 and

39.23 (3) \$200,000 is for the administrative costs of the department.

39.24 Any funds not spent by eligible organizations by December 31, 2021, must be returned
39.25 to the commissioner and canceled back to the general fund.

39.26 Subd. 3. **Distribution of grants.** (a) Of grants given under this section, a minimum of:

39.27 (1) \$10,000,000 must be awarded to businesses that employ the equivalent of six full-time
39.28 workers or less;

39.29 (2) \$10,000,000 must be awarded to minority business enterprises, as defined in
39.30 Minnesota Statutes, section 116M.14, subdivision 5; and

40.1 (3) \$3,000,000 must be awarded under subdivision 5.

40.2 (b) No business may receive more than one grant under this section.

40.3 Subd. 4. **Grants to businesses.** (a) To be eligible for a grant under this subdivision, a
40.4 business must:

40.5 (1) have primary business operations located in the state of Minnesota;

40.6 (2) be owned by a resident of the state of Minnesota;

40.7 (3) employ the equivalent of 100 full-time workers or less; and

40.8 (4) be able to demonstrate financial hardship as a result of the COVID-19 outbreak.

40.9 (b) Grants under this subdivision shall be for no less than \$5,000 and no more than
40.10 \$100,000.

40.11 (c) Grant funds must be used for working capital to support payroll expenses, rent or
40.12 mortgage payments, utility bills, and other similar expenses that occur or have occurred
40.13 since November 1, 2020, in the regular course of business, but not to refinance debt that
40.14 existed at the time of the governor's COVID-19 peacetime emergency declaration.

40.15 Subd. 5. **Grants to businesses renting space to other businesses.** (a) To be eligible
40.16 for a grant under this subdivision, a business must:

40.17 (1) be an operator of privately owned permanent indoor retail space that has an ethnic
40.18 cultural emphasis and at least 12 tenants that are primarily businesses with fewer than 20
40.19 employees;

40.20 (2) have primary business operations located in the state of Minnesota;

40.21 (3) be owned by a resident of the state of Minnesota;

40.22 (4) employ the equivalent of 100 full-time workers or less; and

40.23 (5) be able to demonstrate financial hardship as a result of the COVID-19 outbreak.

40.24 (b) Grants under this subdivision shall be for no more than \$250,000.

40.25 (c) Up to \$20,000 of grant funds a business receives may be used for working capital to
40.26 support payroll expenses, rent or mortgage payments, utility bills, and other similar expenses
40.27 that occur or have occurred since November 1, 2020, in the regular course of business, but
40.28 not to refinance debt that existed at the time of the governor's COVID-19 peacetime
40.29 emergency declaration.

41.1 (d) The remainder of grant funds must be used to maintain existing tenants of the operator
41.2 through the issuing of credits or forgiveness of rent. Any tenant receiving such a benefit
41.3 from the grant must meet the requirements under subdivision 4, paragraph (a).

41.4 Subd. 6. **Applications.** (a) The commissioner may develop criteria, forms, applications,
41.5 and reporting requirements for use by eligible organizations providing grants to businesses.

41.6 (b) All businesses applying for a grant must include as part of their application a business
41.7 plan for continued operation.

41.8 Subd. 7. **Exemptions.** All grants and grant making processes under this section are
41.9 exempt from Minnesota Statutes, sections 16A.15, subdivision 3; 16B.97; and 16B.98,
41.10 subdivisions 5, 7, and 8. The commissioner must audit the use of grant funds under this
41.11 section in accordance with standard accounting practices. The exemptions under this
41.12 paragraph expire on December 30, 2021.

41.13 Subd. 8. **Reports.** (a) By January 31, 2022, eligible organizations participating in the
41.14 program must provide a report to the commissioner that include descriptions of the businesses
41.15 supported by the program, the amounts granted, and an explanation of administrative
41.16 expenses.

41.17 (b) By February 15, 2022, the commissioner must report to the legislative committees
41.18 in the house of representatives and senate with jurisdiction over economic development
41.19 about grants made under this program based on the information received under paragraph
41.20 (a).

41.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

41.22 Sec. 5. **CANCELLATIONS; FISCAL YEAR 2021.**

41.23 (a) \$1,022,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First
41.24 Special Session chapter 7, article 1, section 2, subdivision 4, is canceled.

41.25 (b) \$25,000,000 of the fiscal year 2021 general fund appropriation under Laws 2020,
41.26 Seventh Special Session chapter 2, article 3, section 2, is canceled.

41.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

41.28 **ARTICLE 3**

41.29 **DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT**

41.30 Section 1. Minnesota Statutes 2020, section 116J.035, subdivision 6, is amended to read:

41.31 **Subd. 6. Receipt of gifts, money; appropriation.** (a) The commissioner may:

42.1 (1) apply for, accept, and disburse gifts, bequests, grants, payments for services, loans,
42.2 or other property from the United States, the state, private foundations, or any other source;

42.3 (2) enter into an agreement required for the gifts, grants, or loans; and

42.4 (3) hold, use, and dispose of its assets according to the terms of the gift, grant, loan, or
42.5 agreement.

42.6 (b) Money received by the commissioner under this subdivision must be deposited in a
42.7 separate account in the state treasury and invested by the State Board of Investment. The
42.8 amount deposited, including investment earnings, is appropriated to the commissioner to
42.9 carry out duties under this section.

42.10 (c) Money received by the commissioner under this subdivision for State Services for
42.11 the Blind is exempt from depositing gifts, bequests, charitable contributions, and similar
42.12 contributions made solely into the state treasury.

42.13 Sec. 2. Minnesota Statutes 2020, section 116J.431, subdivision 2, is amended to read:

42.14 Subd. 2. **Eligible projects.** (a) An economic development project for which a county or
42.15 city may be eligible to receive a grant under this section includes:

42.16 (1) manufacturing;

42.17 (2) technology;

42.18 (3) warehousing and distribution;

42.19 (4) research and development;

42.20 (5) agricultural processing, defined as transforming, packaging, sorting, or grading
42.21 livestock or livestock products into goods that are used for intermediate or final consumption,
42.22 including goods for nonfood use; or

42.23 (6) industrial park development that would be used by any other business listed in this
42.24 subdivision even if no business has committed to locate in the industrial park at the time
42.25 the grant application is made.

42.26 (b) Up to 15 percent of the development of a project may be for a purpose that is ancillary
42.27 to the project but that is not included under this subdivision as an eligible project. A city or
42.28 county must provide notice to the commissioner for the commissioner's approval of the
42.29 proposed ancillary development purpose.

43.1 **EFFECTIVE DATE.** This section is effective the day following final enactment and
43.2 applies to projects that have been funded previously under Minnesota Statutes, section
43.3 116J.431.

43.4 Sec. 3. Minnesota Statutes 2020, section 116J.431, is amended by adding a subdivision
43.5 to read:

43.6 Subd. 3a. **Development restrictions expiration.** After ten years from the date of the
43.7 grant award under this section, a project that has been developed for its original project
43.8 purpose may be developed for any lawful purpose.

43.9 **EFFECTIVE DATE.** This section is effective the day following final enactment and
43.10 applies to projects that have been funded previously under Minnesota Statutes, section
43.11 116J.431.

43.12 Sec. 4. **[116J.8736] MICROENTERPRISE DEVELOPMENT PROGRAM.**

43.13 Subdivision 1. **Establishment.** The commissioner of employment and economic
43.14 development shall establish the microenterprise development program to award grants to
43.15 microenterprise development organizations to encourage microenterprise development.

43.16 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
43.17 meanings given.

43.18 (b) "Commissioner" means the commissioner of employment and economic development.

43.19 (c) "Disadvantaged entrepreneur" means an owner of a microenterprise who is a
43.20 low-income person or otherwise lacks adequate access to capital or other resources essential
43.21 for business success.

43.22 (d) "Low-income person" means a person with an income adjusted for family size that
43.23 does not exceed:

43.24 (1) for metropolitan areas, 80 percent of median income; or

43.25 (2) for nonmetropolitan areas, the greater of 80 percent of the area median income or
43.26 80 percent of the statewide nonmetropolitan area median income.

43.27 (e) "Microenterprise" means a business, including a start-up, home-based, or
43.28 self-employed business, with no more than five employees.

43.29 (f) "Microenterprise development organization" means a nonprofit entity that provides
43.30 one or more of the services under subdivision 4 to disadvantaged entrepreneurs.

44.1 (g) "Program" means the microenterprise development program established under this
44.2 section.

44.3 Subd. 3. **Grants to microenterprise development organizations.** The commissioner
44.4 shall make grants to microenterprise development organizations through a competitive grant
44.5 process based on criteria developed by the commissioner and shall consider each applicant's:

44.6 (1) plan for providing business development services and loans to microenterprises;

44.7 (2) scope of services to be provided;

44.8 (3) plan for coordinating services and loans with financial institutions;

44.9 (4) ability to provide business training and technical assistance to disadvantaged
44.10 entrepreneurs;

44.11 (5) ability to monitor and provide financial oversight of recipients of loans and services;
44.12 and

44.13 (6) sources and sufficiency of operating funds.

44.14 In selecting grant recipients, the commissioner shall ensure that services are provided to all
44.15 regions of the state, including both metropolitan areas and communities in greater Minnesota.

44.16 Subd. 4. **Eligible uses of grant funds.** Microenterprise development organizations may
44.17 use grant funds for any of the following purposes:

44.18 (1) satisfying matching fund requirements for federal or private grants or loans that will
44.19 allow the microenterprise development organization to provide another service under this
44.20 subdivision to disadvantaged entrepreneurs;

44.21 (2) establishing a revolving loan fund for loans to disadvantaged entrepreneurs. The
44.22 loans may be zero interest and must be for no more than \$25,000 per microenterprise;

44.23 (3) guaranteeing loans from private financial institutions to disadvantaged entrepreneurs;

44.24 (4) providing technical assistance, mentoring, training, or physical space to disadvantaged
44.25 entrepreneurs; and

44.26 (5) up to ten percent of grant funds may be used for the operating costs of the
44.27 microenterprise development organization and its administrative costs for the program.

44.28 Subd. 5. **Reports to the legislature.** (a) By December 1, 2023, and every December 1
44.29 thereafter until given permission by the commissioner to cease reporting, grant recipients
44.30 must submit a report to the commissioner on the use of grant funds in the form that the

45.1 commissioner prescribes and include any documentation of and supporting information
45.2 regarding the grant that the commissioner requires, including:

45.3 (1) the demand for services under the program;

45.4 (2) information on the types of applicants seeking program services; and

45.5 (3) a list of all loans or loan guarantees made, including the name of the recipient, the
45.6 amount, and its intended purpose.

45.7 (b) By December 31, 2023, and every December 31 thereafter until all grant recipients
45.8 have ceased reporting, the commissioner must submit a report as required under Minnesota
45.9 Statutes, section 3.195, that details the use of funds under this section, including the
45.10 information provided by grant recipients, as well as an analysis of the impact of the program.
45.11 A copy of this report must also be sent to the chairs and ranking minority members of the
45.12 committees of the house of representatives and the senate having jurisdiction over economic
45.13 development.

45.14 Sec. 5. Minnesota Statutes 2020, section 116J.8748, subdivision 3, is amended to read:

45.15 Subd. 3. **Minnesota job creation fund business designation; requirements.** (a) To
45.16 receive designation as a Minnesota job creation fund business, a business must satisfy all
45.17 of the following conditions:

45.18 (1) the business is or will be engaged in, within Minnesota, one of the following as its
45.19 primary business activity:

45.20 (i) manufacturing;

45.21 (ii) warehousing;

45.22 (iii) distribution;

45.23 (iv) information technology;

45.24 (v) finance;

45.25 (vi) insurance; or

45.26 (vii) professional or technical services;

45.27 (2) the business must not be primarily engaged in lobbying; gambling; entertainment;
45.28 professional sports; political consulting; leisure; hospitality; or professional services provided
45.29 by attorneys, accountants, business consultants, physicians, or health care consultants, or
45.30 primarily engaged in making retail sales to purchasers who are physically present at the
45.31 business's location;

46.1 (3) the business must enter into a binding construction and job creation business subsidy
46.2 agreement with the commissioner to expend directly, or ensure expenditure by or in
46.3 partnership with a third party constructing or managing the project, at least \$500,000 in
46.4 capital investment in a capital investment project that includes a new, expanded, or remodeled
46.5 facility within one year following designation as a Minnesota job creation fund business or
46.6 \$250,000 if the project is located outside the metropolitan area as defined in section 200.02,
46.7 subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans,
46.8 women, or persons with a disability; and:

46.9 (i) create at least ten new full-time employee positions within two years of the benefit
46.10 date following the designation as a Minnesota job creation fund business or five new full-time
46.11 employee positions within two years of the benefit date if the project is located outside the
46.12 metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business
46.13 is cumulatively owned by minorities, veterans, women, or persons with a disability; or

46.14 (ii) expend at least \$25,000,000, which may include the installation and purchase of
46.15 machinery and equipment, in capital investment and retain at least 200 employees for projects
46.16 located in the metropolitan area as defined in section 200.02, subdivision 24, and 75
46.17 employees for projects located outside the metropolitan area;

46.18 (4) positions or employees moved or relocated from another Minnesota location of the
46.19 Minnesota job creation fund business must not be included in any calculation or determination
46.20 of job creation or new positions under this paragraph; and

46.21 (5) a Minnesota job creation fund business must not terminate, lay off, or reduce the
46.22 working hours of an employee for the purpose of hiring an individual to satisfy job creation
46.23 goals under this subdivision.

46.24 With the commissioner's authorization, the one-year period requirement to meet minimum
46.25 capital investment requirements under clause (3) and the minimum job creation requirements
46.26 under clause (3), item (i), may be extended for up to 12 months for projects that must meet
46.27 these requirements within 12 months of an active peacetime emergency as declared by the
46.28 governor.

46.29 (b) Prior to approving the proposed designation of a business under this subdivision, the
46.30 commissioner shall consider the following:

46.31 (1) the economic outlook of the industry in which the business engages;

46.32 (2) the projected sales of the business that will be generated from outside the state of
46.33 Minnesota;

47.1 (3) how the business will build on existing regional, national, and international strengths
47.2 to diversify the state's economy;

47.3 (4) whether the business activity would occur without financial assistance;

47.4 (5) whether the business is unable to expand at an existing Minnesota operation due to
47.5 facility or land limitations;

47.6 (6) whether the business has viable location options outside Minnesota;

47.7 (7) the effect of financial assistance on industry competitors in Minnesota;

47.8 (8) financial contributions to the project made by local governments; and

47.9 (9) any other criteria the commissioner deems necessary.

47.10 (c) Upon receiving notification of local approval under subdivision 2, the commissioner
47.11 shall review the determination by the local government and consider the conditions listed
47.12 in paragraphs (a) and (b) to determine whether it is in the best interests of the state and local
47.13 area to designate a business as a Minnesota job creation fund business.

47.14 (d) If the commissioner designates a business as a Minnesota job creation fund business,
47.15 the business subsidy agreement shall include the performance outcome commitments and
47.16 the expected financial value of any Minnesota job creation fund benefits.

47.17 (e) The commissioner may amend an agreement once, upon request of a local government
47.18 on behalf of a business, only if the performance is expected to exceed thresholds stated in
47.19 the original agreement.

47.20 (f) A business may apply to be designated as a Minnesota job creation fund business at
47.21 the same location more than once only if all goals under a previous Minnesota job creation
47.22 fund agreement have been met and the agreement is completed.

47.23 **EFFECTIVE DATE.** This section is effective retroactively from March 15, 2020.

47.24 Sec. 6. Minnesota Statutes 2020, section 116J.994, subdivision 6, is amended to read:

47.25 Subd. 6. **Failure to meet goals.** (a) The subsidy agreement must specify the recipient's
47.26 obligation if the recipient does not fulfill the agreement. At a minimum, the agreement must
47.27 require a recipient failing to meet subsidy agreement goals to pay back the assistance plus
47.28 interest to the grantor or, at the grantor's option, to the account created under section 116J.551
47.29 provided that repayment may be prorated to reflect partial fulfillment of goals. The interest
47.30 rate must be set at no less than the implicit price deflator for government consumption
47.31 expenditures and gross investment for state and local governments prepared by the Bureau

48.1 of Economic Analysis of the United States Department of Commerce for the 12-month
48.2 period ending March 31 of the previous year. The grantor, after a public hearing, may extend
48.3 for up to one year the period for meeting the wage and job goals under subdivision 4 provided
48.4 in a subsidy agreement or up to two years if a peacetime emergency under section 12.31,
48.5 subdivision 2, as declared by the governor is active during the initial two-year compliance
48.6 period. A grantor may extend the period for meeting other goals under subdivision 3,
48.7 paragraph (a), clause (3), by documenting in writing the reason for the extension and attaching
48.8 a copy of the document to its next annual report to the department.

48.9 (b) A recipient that fails to meet the terms of a subsidy agreement may not receive a
48.10 business subsidy from any grantor for a period of five years from the date of failure or until
48.11 a recipient satisfies its repayment obligation under this subdivision, whichever occurs first.

48.12 (c) Before a grantor signs a business subsidy agreement, the grantor must check with
48.13 the compilation and summary report required by this section to determine if the recipient
48.14 is eligible to receive a business subsidy.

48.15 **EFFECTIVE DATE.** This section is effective retroactively from March 15, 2020.

48.16 Sec. 7. Minnesota Statutes 2020, section 116L.02, is amended to read:

48.17 **116L.02 JOB SKILLS PARTNERSHIP PROGRAM.**

48.18 ~~(a)~~ The Minnesota Job Skills Partnership program is created to act as a catalyst to bring
48.19 together employers with specific training needs with educational or other nonprofit
48.20 institutions which can design programs to fill those needs. The partnership shall work closely
48.21 with employers to prepare, train and place prospective or incumbent workers in identifiable
48.22 positions as well as assisting educational or other nonprofit institutions in developing training
48.23 programs that coincide with current and future employer requirements. The partnership
48.24 shall provide grants to educational or other nonprofit institutions for the purpose of training
48.25 workers. A participating business must match the grant-in-aid made by the Minnesota Job
48.26 Skills Partnership. The match may be in the form of funding, equipment, or faculty.

48.27 ~~(b) The partnership program is authorized to use funds to pay for training for individuals~~
48.28 ~~who have incomes at or below 200 percent of the federal poverty line. The board may grant~~
48.29 ~~funds to eligible recipients to pay for board-certified training. Eligible recipients of grants~~
48.30 ~~may include public, private, or nonprofit entities that provide employment services to~~
48.31 ~~low-income individuals.~~

49.1 Sec. 8. Minnesota Statutes 2020, section 116L.03, subdivision 1, is amended to read:

49.2 Subdivision 1. **Members.** The partnership shall be governed by a board of ~~12~~ 13 directors.

49.3 Sec. 9. Minnesota Statutes 2020, section 116L.03, subdivision 2, is amended to read:

49.4 Subd. 2. **Appointment.** The Minnesota Job Skills Partnership Board consists of: ~~seven~~
49.5 eight members appointed by the governor, the commissioner of employment and economic
49.6 development, the chancellor, or the chancellor's designee, of the Minnesota State Colleges
49.7 and Universities, the president, or the president's designee, of the University of Minnesota,
49.8 and two nonlegislator members, one appointed by the Subcommittee on Committees of the
49.9 senate Committee on Rules and Administration and one appointed by the speaker of the
49.10 house. If the chancellor or the president of the university makes a designation under this
49.11 subdivision, the designee must have experience in technical education. Four of the appointed
49.12 members must be members of the governor's Workforce Development Board, of whom two
49.13 must represent organized labor and two must represent business and industry. ~~One of the~~
49.14 ~~appointed members must be a representative of a nonprofit organization that provides~~
49.15 ~~workforce development or job training services.~~ Two of the members must be from
49.16 community-based organizations that have demonstrated experience and expertise in
49.17 addressing the employment, training, or education needs of individuals or communities
49.18 facing barriers to employment.

49.19 Sec. 10. Minnesota Statutes 2020, section 116L.03, subdivision 3, is amended to read:

49.20 Subd. 3. **Qualifications.** Members must have expertise in, and be representative of one
49.21 of the following fields of: education, job skills training, labor, business, ~~and~~ or government.

49.22 Sec. 11. Minnesota Statutes 2020, section 116L.05, subdivision 5, is amended to read:

49.23 Subd. 5. **Use of workforce development funds.** After March 1 of any fiscal year, the
49.24 board may use ~~workforce development~~ funds appropriated under section 116L.20, subdivision
49.25 2, paragraph (b), clause (1), for the purposes outlined in sections ~~116L.02 and 116L.04, or~~
49.26 ~~to provide incumbent worker training services under section 116L.18~~ 116L.21 and 116L.22
49.27 if the following conditions have been met:

49.28 (1) the board examines relevant economic indicators, including the projected number
49.29 of layoffs for the remainder of the fiscal year and the next fiscal year, evidence of declining
49.30 and expanding industries, the number of initial applications for and the number of exhaustions
49.31 of unemployment benefits disaggregated by race and ethnicity, job vacancy data, and any
49.32 additional relevant information brought to the board's attention;

50.1 (2) the board accounts for all allocations made in section 116L.17, subdivision 2;

50.2 (3) based on the past expenditures and projected revenue, the board estimates future
50.3 funding needs for services under section 116L.17 for the remainder of the current fiscal
50.4 year and the next fiscal year;

50.5 (4) the board determines there will be unspent funds after meeting the needs of dislocated
50.6 workers in the current fiscal year and there will be sufficient revenue to meet the needs of
50.7 dislocated workers in the next fiscal year; and

50.8 (5) the board reports its findings in clauses (1) to (4) to the chairs of legislative
50.9 committees with jurisdiction over the workforce development fund, to the commissioners
50.10 of revenue and management and budget, and to the public.

50.11 Sec. 12. Minnesota Statutes 2020, section 116L.17, subdivision 1, is amended to read:

50.12 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
50.13 the meanings given them in this subdivision.

50.14 (b) "Commissioner" means the commissioner of employment and economic development.

50.15 (c) "Dislocated worker" means an individual who is a resident of Minnesota at the time
50.16 employment ceased or was working in the state at the time employment ceased and:

50.17 (1) has been temporarily or permanently separated or has received a notice of temporary
50.18 or permanent separation from public or private sector employment and is eligible for or has
50.19 exhausted entitlement to unemployment benefits, ~~and is unlikely to return to the previous~~
50.20 ~~industry or occupation;~~

50.21 ~~(2) has been long-term unemployed and has limited opportunities for employment or~~
50.22 ~~reemployment in the same or a similar occupation in the area in which the individual resides,~~
50.23 ~~including older individuals who may have substantial barriers to employment by reason of~~
50.24 ~~age;~~

50.25 ~~(3)~~ (2) has been terminated or has received a notice of termination of employment as a
50.26 result of a plant closing or a substantial layoff at a plant, facility, or enterprise;

50.27 ~~(4)~~ (3) has been self-employed, including farmers and ranchers, and is unemployed as
50.28 a result of general economic conditions in the community in which the individual resides
50.29 or because of natural disasters;

50.30 ~~(5)~~ (4) is a veteran as defined by section 197.447, has been discharged or released from
50.31 active duty under honorable conditions within the last 36 months, and (i) is unemployed or

51.1 (ii) is employed in a job verified to be below the skill level and earning capacity of the
51.2 veteran;

51.3 ~~(6)~~ (5) is an individual determined by the United States Department of Labor to be
51.4 covered by trade adjustment assistance under United States Code, title 19, sections 2271 to
51.5 2331, as amended; or

51.6 ~~(7)~~ (6) is a displaced homemaker. A "displaced homemaker" is an individual who has
51.7 spent a substantial number of years in the home providing homemaking service and (i) has
51.8 been dependent upon the financial support of another; and now due to divorce, separation,
51.9 death, or disability of that person, must find employment to self support; or (ii) derived the
51.10 substantial share of support from public assistance on account of dependents in the home
51.11 and no longer receives such support. To be eligible under this clause, the support must have
51.12 ceased while the worker resided in Minnesota.

51.13 For the purposes of this section, "dislocated worker" does not include an individual who
51.14 was an employee, at the time employment ceased, of a political committee, political fund,
51.15 principal campaign committee, or party unit, as those terms are used in chapter 10A, or an
51.16 organization required to file with the federal elections commission.

51.17 (d) "Eligible organization" means a state or local government unit, nonprofit organization,
51.18 community action agency, business organization or association, or labor organization.

51.19 (e) "Plant closing" means the announced or actual permanent shutdown of a single site
51.20 of employment, or one or more facilities or operating units within a single site of
51.21 employment.

51.22 (f) "Substantial layoff" means a permanent reduction in the workforce, which is not a
51.23 result of a plant closing, and which results in an employment loss at a single site of
51.24 employment during any 30-day period for at least 50 employees excluding those employees
51.25 that work less than 20 hours per week.

51.26 Sec. 13. Minnesota Statutes 2020, section 116L.17, subdivision 4, is amended to read:

51.27 Subd. 4. **Use of funds.** Funds granted by the board under this section may be used for
51.28 any combination of the following, except as otherwise provided in this section:

51.29 (1) employment transition services such as developing readjustment plans for individuals;
51.30 outreach and intake; early readjustment; job or career counseling; testing; orientation;
51.31 assessment of skills and aptitudes; provision of occupational and labor market information;
51.32 job placement assistance; job search; job development; prelayoff assistance; relocation
51.33 assistance; programs provided in cooperation with employers or labor organizations to

52.1 provide early intervention in the event of plant closings or substantial layoffs; and
52.2 entrepreneurial training and business consulting;

52.3 (2) support services, including assistance to help the participant relocate to employ
52.4 existing skills; out-of-area job search assistance; family care assistance, including child
52.5 care; ~~commuting~~ transportation assistance; emergency housing and rental assistance;
52.6 counseling assistance, including personal and financial; health care; emergency health
52.7 assistance; emergency financial assistance; work-related tools and clothing; and other
52.8 appropriate support services that enable a person to participate in an employment and training
52.9 program with the goal of reemployment;

52.10 (3) specific, short-term training to help the participant enhance current skills in a similar
52.11 occupation or industry; entrepreneurial training, customized training, or on-the-job training;
52.12 basic and remedial education to enhance current skills; and literacy and work-related English
52.13 training for non-English speakers;

52.14 (4) long-term training in a new occupation or industry, including occupational skills
52.15 training or customized training in an accredited program recognized by one or more relevant
52.16 industries. Long-term training shall only be provided to dislocated workers whose skills are
52.17 obsolete and who have no other transferable skills likely to result in employment at a
52.18 comparable wage rate. Training shall only be provided for occupations or industries with
52.19 reasonable expectations of job availability based on the service provider's thorough
52.20 assessment of local labor market information where the individual currently resides or is
52.21 willing to relocate. This clause shall not restrict training in personal services or other such
52.22 industries; and

52.23 (5) direct training services to provide a measurable increase in the job-related skills of
52.24 participating incumbent workers, including basic assessment, counseling, and preemployment
52.25 training services requested by the qualifying employer.

52.26 Sec. 14. Minnesota Statutes 2020, section 116L.20, subdivision 2, is amended to read:

52.27 Subd. 2. **Disbursement of special assessment funds.** (a) The money collected under
52.28 this section shall be deposited in the state treasury and credited to the workforce development
52.29 fund to provide for employment and training programs. The workforce development fund
52.30 is created as a special account in the state treasury.

52.31 (b) ~~All money in the fund not otherwise appropriated or transferred is appropriated to~~
52.32 ~~the Job Skills Partnership Board for the purposes of section 116L.17 and as provided for in~~

53.1 ~~paragraph (d).~~ Of the money in the fund not otherwise appropriated or transferred by July
53.2 1 of each year:

53.3 (1) at least 30 percent is appropriated to the Job Skills Partnership Board for the purposes
53.4 of section 116L.17. If the conditions under section 116L.05, subdivision 5, are met as of
53.5 March 1 of each year, a minimum of 50 percent and up to a maximum of 70 percent of the
53.6 unspent money must be transferred for the programs under sections 116L.21 and 116L.22;

53.7 (2) up to five percent is appropriated to the Job Skills Partnership Board for the purposes
53.8 of sections 116L.02 and 116L.04; and

53.9 (3) up to 65 percent is appropriated to the commissioner for workforce development
53.10 grants under subdivision 3.

53.11 (c) The board must act as the fiscal agent for the money and must disburse that money
53.12 for the purposes of section 116L.17, not allowing the money to be used for any other
53.13 obligation of the state. All money in the workforce development fund shall be deposited,
53.14 administered, and disbursed in the same manner and under the same conditions and
53.15 requirements as are provided by law for the other special accounts in the state treasury,
53.16 except that all interest or net income resulting from the investment or deposit of money in
53.17 the fund shall accrue to the fund for the purposes of the fund.

53.18 ~~(e)~~ (d) Reimbursement for costs related to collection of the special assessment shall be
53.19 in an amount negotiated between the commissioner and the United States Department of
53.20 Labor.

53.21 ~~(d) If the board determines that the conditions of section 116L.05, subdivision 5, have~~
53.22 ~~been met, the board may use funds for the purposes outlined in section 116L.04, or to provide~~
53.23 ~~incumbent worker training services under section 116L.18.~~

53.24 Sec. 15. Minnesota Statutes 2020, section 116L.20, is amended by adding a subdivision
53.25 to read:

53.26 Subd. 3. **Workforce development grants.** (a) Grants awarded using money appropriated
53.27 under subdivision 2, paragraph (b), clause (3), must be allocated to maximize delivery to
53.28 organizations with strong relationships with individuals who are Black, Indigenous, or
53.29 People of Color. Grant awards must be consistent with the overall geographic population
53.30 distribution of the state. Preference or priority for grant awards must be given to organizations
53.31 with experience serving communities with the greatest needs that are Black, Indigenous,
53.32 and People of Color.

53.33 (b) Of the amount appropriated under subdivision 2, paragraph (b), clause (3):

54.1 (1) up to six percent is for administration and monitoring of the workforce development
54.2 programs; and

54.3 (2) grants must be made for programs under sections 116L.362, 116L.561, 116L.562,
54.4 116L.96, 116L.981, and 116L.99.

54.5 (c) Of the amount appropriated under subdivision 2, paragraph (b), clause (3), remaining
54.6 after the appropriations under paragraph (b):

54.7 (1) 50 percent is for removing barriers to employment grants under section 116L.21;
54.8 and

54.9 (2) 50 percent is for innovative employment solutions grants under section 116L.22.

54.10 (d) When making competitive grants for adult grantees, the commissioner shall benchmark
54.11 outcomes against similar populations with similar barriers to employment. The commissioner
54.12 must consider the following outcomes for competitive grant awards focused on adults: job
54.13 placement and retention, wage levels, and credentials attainment. The commissioner must
54.14 consider the following outcomes for competitive grant awards focused on youth: work
54.15 readiness, credentials, and placement.

54.16 **Sec. 16. [116L.21] REMOVING BARRIERS TO EMPLOYMENT GRANT**
54.17 **PROGRAM.**

54.18 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
54.19 the meanings given.

54.20 (b) "Commissioner" means the commissioner of employment and economic development.

54.21 (c) "Minority" means a person who identifies as a member of one or more of the following
54.22 groups:

54.23 (1) Black, including persons having origins of any of the Black African racial groups
54.24 not of Hispanic origin;

54.25 (2) Hispanic, including persons of Mexican, Puerto Rican, Cuban, Central American,
54.26 South American, or other Spanish culture or origin, regardless of race;

54.27 (3) Asian and Pacific Islander, including persons having origins in any of the original
54.28 peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands; and

54.29 (4) American Indian or Alaskan Native, including persons having origins in any of the
54.30 original people of North America and maintaining identifiable Tribal affiliations through
54.31 membership and participation or community identification.

55.1 (d) "Program" means the removing barriers to employment grant program under this
55.2 section.

55.3 (e) "Targeted population" means socially and economically disadvantaged minority
55.4 populations who experience complex needs and barriers to employment.

55.5 Subd. 2. **Establishment.** The commissioner shall establish a competitive grant program
55.6 for organizations to provide individuals with barriers to employment the services, including
55.7 supportive services, needed to enter, participate in, and complete workforce preparation,
55.8 training, and education programs.

55.9 Subd. 3. **Grants.** (a) Grants under this section shall be awarded on a competitive basis
55.10 after consultation with the Grant Review Advisory Council under section 116L.23.

55.11 (b) The commissioner must provide outreach and technical assistance to prospective
55.12 applicants.

55.13 (c) Grant applicants may be required to participate in technical assistance activities,
55.14 including but not limited to convening communities of practice to identify and help replicate
55.15 evidence-based practices and to help facilitate an assessment and evaluation of grant
55.16 performance and initiative success.

55.17 Subd. 4. **Award criteria.** (a) The commissioner shall develop criteria for the selection
55.18 of grant recipients that focus on but are not limited to the applicant's demonstrated capacity
55.19 to provide services to targeted populations.

55.20 (b) Priority must be given to applications that integrate individuals from targeted
55.21 populations into career pathway programs aligned with regional labor market needs.

55.22 (c) Grant awards must cumulatively ensure the provision of services statewide and to a
55.23 range of targeted populations.

55.24 Subd. 5. **Capacity building grants.** (a) A portion of the money available for this program
55.25 must be allocated for capacity building competitive grants to small, culturally specific
55.26 nonprofit organizations that serve historically underserved cultural communities and have
55.27 an annual organizational budget of less than \$500,000.

55.28 (b) Capacity building grants may be used for the following purposes: organizational
55.29 infrastructure improvement, organizational workforce development, and the creation or
55.30 expansion of partnerships.

55.31 Subd. 6. **Performance outcome measures.** Reporting and performance outcomes for
55.32 this program must comply with the requirements under section 116L.98.

56.1 Subd. 7. Report to the legislature. (a) Within one year of receiving grant funds under
56.2 this section, organizations must each submit a written report to the commissioner on the
56.3 use of grant funds.

56.4 (b) Beginning in January 2023, the commissioner must submit a biennial report on the
56.5 information reported under paragraph (a), as required under section 3.195. A copy of this
56.6 report must also be sent to the chairs and ranking minority members of the committees of
56.7 the house of representatives and the senate having jurisdiction over workforce development.

56.8 **Sec. 17. [116L.22] INNOVATIVE EMPLOYMENT SOLUTIONS GRANT**
56.9 **PROGRAM.**

56.10 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
56.11 the meanings given.

56.12 (b) "Commissioner" means the commissioner of employment and economic development.

56.13 (c) "Department" means the Department of Employment and Economic Development.

56.14 (d) "Minority" means a person who identifies as a member of one or more of the following
56.15 groups:

56.16 (1) Black, including persons having origins of any of the Black African racial groups
56.17 not of Hispanic origin;

56.18 (2) Hispanic, including persons of Mexican, Puerto Rican, Cuban, Central American,
56.19 South American, or other Spanish culture or origin, regardless of race;

56.20 (3) Asian and Pacific Islander, including persons having origins in any of the original
56.21 peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands; and

56.22 (4) American Indian or Alaskan Native, including persons having origins in any of the
56.23 original people of North America and maintaining identifiable Tribal affiliations through
56.24 membership and participation or community identification.

56.25 (e) "Performance measures" means specific, measurable, time-based goals, the completion
56.26 of which predicates payment under a pay for performance agreement.

56.27 (f) "Program" means the innovative employment solutions grant program under this
56.28 section.

56.29 (g) "Targeted population" means socially and economically disadvantaged minority
56.30 populations who experience complex needs and barriers to employment.

57.1 Subd. 2. **Establishment.** The commissioner shall establish a competitive grant program
57.2 for organizations to provide individuals with barriers to employment the services, including
57.3 supportive services needed to enter, participate in, and complete workforce preparation,
57.4 training, and education programs aligned with regional labor market needs in innovative
57.5 ways. This program shall fund new ideas and approaches and work with organizations with
57.6 no previous record of accomplishments with the department. Priority must be given to
57.7 applications that integrate individuals from targeted populations into career pathway programs
57.8 aligned with regional labor market needs.

57.9 Subd. 3. **Grants.** (a) Grants under this section shall be awarded on a competitive basis
57.10 after consultation with the Grant Review Advisory Council under section 116L.23.

57.11 (b) The commissioner must provide outreach and technical assistance to prospective
57.12 applicants.

57.13 (c) Grant applicants may be required to participate in technical assistance activities,
57.14 including but not limited to convening communities of practice to identify and help replicate
57.15 evidence-based practices and to help facilitate an assessment and evaluation of grant
57.16 performance and initiative success.

57.17 Subd. 4. **Pay for performance.** (a) All grants under the program must be pay for
57.18 performance under a written agreement with the commissioner that stipulates the specific
57.19 project, services, time period, number of participants, population targeted, and quantifiable
57.20 performance measures the applicant organization will achieve, along with an amount of
57.21 money that will be paid to the organization if those performance measures are achieved
57.22 within the stated time period.

57.23 (b) Achievement of the specified performance measures shall be determined by an
57.24 independent evaluator procured by the organization.

57.25 (c) To enter into a written agreement under this subdivision, the applicant organization
57.26 must first provide evidence that it has secured all necessary financing before service delivery
57.27 begins and must provide information on these sources of funding, including any matching
57.28 funds that will be used.

57.29 Subd. 5. **Performance outcome measures.** Reporting and performance outcomes for
57.30 this program must comply with the requirements under section 116L.98.

57.31 Subd. 6. **Report to legislature.** (a) Within one year of receiving grant funds under this
57.32 section, organizations must each submit a written report to the commissioner on the use of
57.33 grant funds.

58.1 (b) Beginning in January 2023, the commissioner must submit a biennial report on the
58.2 information reported under paragraph (a), as required under section 3.195. A copy of this
58.3 report must also be sent to the chairs and ranking minority members of the committees of
58.4 the house of representatives and the senate having jurisdiction over workforce development.

58.5 Sec. 18. [116L.23] GRANT REVIEW ADVISORY COUNCIL.

58.6 Subdivision 1. **Establishment.** The commissioner of employment and economic
58.7 development shall establish a Grant Review Advisory Council to review grant applications
58.8 and make recommendations to the commissioner.

58.9 Subd. 2. **Appointment of members.** (a) By July 15, 2021, the commissioner shall
58.10 appoint 15 members to the advisory council. These members must have demonstrated
58.11 experience and expertise in workforce development and must represent a diverse range of
58.12 communities and perspectives.

58.13 (b) After the initial appointments, members of the advisory council shall be appointed
58.14 no later than January 15 of every odd-numbered year and shall serve until January 15 of
58.15 the next odd-numbered year. Members may be removed and vacancies filled as provided
58.16 in section 15.059, subdivision 4. Appointed members are eligible for reappointment and
58.17 shall serve until their successors have been appointed.

58.18 Subd. 3. **Operations.** (a) The commissioner shall convene the first meeting of the
58.19 advisory council no later than August 1, 2021. The advisory council shall elect a chair and
58.20 other officers at its first meeting and biannually thereafter. The duties of these officers shall
58.21 be established by the advisory council.

58.22 (b) Members of the advisory council serve without compensation or payment of expenses.

58.23 (c) The commissioner shall provide meeting space and administrative services for the
58.24 advisory council. All costs necessary to support the advisory council's operations must be
58.25 absorbed using existing appropriations available to the commissioner.

58.26 (d) The advisory council is subject to chapter 13D, but may close a meeting to discuss
58.27 sensitive private business information included in grant applications. Data related to an
58.28 application for a grant submitted to the advisory council is governed by section 13.599.

58.29 Subd. 4. **Review of grants.** The advisory council shall establish criteria for ranking
58.30 applicants for awards under each grant program in which the council provides
58.31 recommendations to the commissioner. This criteria must consider which applicants are
58.32 currently able or have the best potential to:

59.1 (1) reach a broad diverse audience, including any populations targeted by the program,
59.2 through their recruitment and outreach efforts;

59.3 (2) significantly increase enrollment in and completion of the training program the
59.4 applicant plans to promote; and

59.5 (3) fill existing market needs for skilled workers.

59.6 The advisory council must also consider the documented employment outcomes each
59.7 applicant achieved when operating similar programs in the past.

59.8 Subd. 5. **Conflicts of interest.** A member of the advisory council must not participate
59.9 in the consideration of an application submitted by anyone with whom the member has a
59.10 financial or personal relationship and must complete a conflict of interest form indicating
59.11 the nature of such a relationship before participating in the consideration of any applicants
59.12 in the same round of applications to that grant program.

59.13 Sec. 19. Minnesota Statutes 2020, section 116L.40, is amended by adding a subdivision
59.14 to read:

59.15 Subd. 2a. **Automation technology.** "Automation technology" means a process or
59.16 procedure performed with minimal human assistance. Automation or automatic control is
59.17 the use of various control systems for operating equipment such as machinery, processes
59.18 in factories, or other applications with minimal or reduced human intervention. Adoption,
59.19 implementation, and utilization of any one of three types of automation in production are
59.20 acceptable for consideration of this program, including fixed automation, programmable
59.21 automation, and flexible automation.

59.22 Sec. 20. Minnesota Statutes 2020, section 116L.40, subdivision 5, is amended to read:

59.23 Subd. 5. **Employee.** "Employee" means the individual employed in a new or existing
59.24 job.

59.25 Sec. 21. Minnesota Statutes 2020, section 116L.40, subdivision 6, is amended to read:

59.26 Subd. 6. **Employer.** "Employer" means the individual, corporation, partnership, limited
59.27 liability company, or association providing new jobs or investing in new automation
59.28 technology and entering into an agreement.

60.1 Sec. 22. Minnesota Statutes 2020, section 116L.40, subdivision 9, is amended to read:

60.2 Subd. 9. **Program costs.** "Program costs" means all necessary and incidental costs of
60.3 providing program services, ~~except that program costs are increased by \$1,000 per employee~~
60.4 ~~for an individual with a disability.~~ The term does not include the cost of purchasing equipment
60.5 to be owned or used by the training or educational institution or service.

60.6 Sec. 23. Minnesota Statutes 2020, section 116L.40, subdivision 10, is amended to read:

60.7 Subd. 10. **Program services.** "Program services" means training and education
60.8 specifically directed to new or existing jobs that are determined to be appropriate by the
60.9 commissioner, including in-house training; services provided by institutions of higher
60.10 education and federal, state, or local agencies; or private training or educational services.
60.11 Administrative services and assessment and testing costs are included.

60.12 Sec. 24. Minnesota Statutes 2020, section 116L.41, subdivision 1, is amended to read:

60.13 Subdivision 1. **Service provision.** Upon request, the commissioner shall provide or
60.14 coordinate the provision of program services under sections 116L.40 to 116L.42 to a business
60.15 eligible for grants under this section ~~116L.42~~. The commissioner shall specify the form of
60.16 and required information to be provided with applications for projects to be funded with
60.17 grants under this section ~~116L.42~~.

60.18 Sec. 25. Minnesota Statutes 2020, section 116L.41, is amended by adding a subdivision
60.19 to read:

60.20 Subd. 1a. **Job training incentive program.** (a) The commissioner may provide grants
60.21 in aid of up to \$200,000 to new or expanding employers at a location in Minnesota and
60.22 outside of the metropolitan area, as defined in section 473.121, subdivision 2, for the
60.23 provision of program services using the guidelines in this subdivision.

60.24 (b) The program must involve training and education specifically directed to new jobs
60.25 that are determined to be appropriate by the commissioner.

60.26 (c) The program must give preference to projects that provide training for economically
60.27 disadvantaged people, people of color, or people with disabilities and to employers located
60.28 in economically distressed areas.

60.29 (d) Employers are eligible for reimbursement of program costs of up to \$10,000 per new
60.30 job for which training is provided, with an additional \$1,000 available per new job for an
60.31 individual with a disability.

61.1 Sec. 26. Minnesota Statutes 2020, section 116L.41, is amended by adding a subdivision
61.2 to read:

61.3 Subd. 1b. **Automation incentive program.** (a) The commissioner may provide grants
61.4 in aid of up to \$35,000 to employers at a location in Minnesota outside of the metropolitan
61.5 area, as defined in section 473.121, subdivision 2, for the provision of program services
61.6 using the guidelines in this subdivision.

61.7 (b) The employer must be an existing business located in Minnesota that is in the
61.8 manufacturing or skilled assembly production industry and has 150 or fewer full-time
61.9 employees companywide.

61.10 (c) The employer must be invested in new automation technology within the past year
61.11 or plan to invest in new automation technology within the project time frame specified in
61.12 the agreement under subdivision 3.

61.13 (d) The program must involve training and education for full-time, permanent employees
61.14 that is directly related to the new automation technology.

61.15 (e) The program must give preference to projects that provide training for economically
61.16 disadvantaged people, people of color, or people with disabilities and to employers located
61.17 in economically distressed areas.

61.18 (f) Employers are eligible for program cost reimbursement of up to \$5,000 per employee
61.19 trained on new automation technology and retained.

61.20 Sec. 27. Minnesota Statutes 2020, section 116L.41, subdivision 2, is amended to read:

61.21 **Subd. 2. Agreements; required terms.** (a) The commissioner may enter into an
61.22 agreement to establish a project with an employer that:

61.23 (1) identifies program costs to be paid from sources under the program;

61.24 (2) identifies program costs to be paid by the employer;

61.25 (3) provides that on-the-job training costs for employees may not exceed 50 percent of
61.26 the annual gross wages and salaries of the new jobs in the first full year after execution of
61.27 the agreement up to a maximum of \$10,000 per eligible employee;

61.28 (4) provides that each employee ~~must be paid wages at least equal to the median hourly~~
61.29 ~~wage for the county in which the job is located, as reported in the most recently available~~
61.30 ~~data from the United States Bureau of the Census, plus benefits, by the earlier of the end~~
61.31 ~~of the training period or 18 months of employment under the project~~ receiving training

62.1 through the project must be paid wages of at least 120 percent of the federal poverty
62.2 guidelines for a family of four, plus benefits; and

62.3 (5) provides that job training will be provided and the length of time of training.

62.4 (b) Before entering into a final agreement, the commissioner shall:

62.5 (1) determine that sufficient funds for the project are available ~~under section 116L.42;~~
62.6 and

62.7 (2) investigate the applicability of other training programs and determine whether the
62.8 job skills partnership grant program is a more suitable source of funding for the training
62.9 and whether the training can be completed in a timely manner that meets the needs of the
62.10 business.

62.11 The investigation under clause (2) must be completed within 15 days or as soon as
62.12 reasonably possible after the employer has provided the commissioner with all the requested
62.13 information.

62.14 Sec. 28. Minnesota Statutes 2020, section 116L.42, subdivision 1, is amended to read:

62.15 Subdivision 1. **Recovery of program costs.** Amounts paid by employers for program
62.16 costs are repaid by a job training grant equal to the lesser of the following:

62.17 (1) the amount of program costs specified in the agreement for the project; or

62.18 (2) the amount of program costs paid by the employer for ~~new~~ training employees under
62.19 a project.

62.20 Sec. 29. Minnesota Statutes 2020, section 116L.42, subdivision 2, is amended to read:

62.21 Subd. 2. **Reports.** (a) By February 1, ~~2018~~ 2024, the commissioner shall report to the
62.22 governor and the legislature on the program. The report must include at least:

62.23 (1) the amount of grants issued under the program;

62.24 (2) the number of individuals receiving training under the program, including the number
62.25 of new hires who are individuals with disabilities;

62.26 (3) the number of new hires attributable to the program, including the number of new
62.27 hires who are individuals with disabilities;

62.28 (4) an analysis of the effectiveness of the grant in encouraging employment or investments
62.29 in automation technology; and

62.30 (5) any other information the commissioner determines appropriate.

63.1 (b) The report to the legislature must be distributed as provided in section 3.195.

63.2 Sec. 30. Minnesota Statutes 2020, section 116L.98, subdivision 1, is amended to read:

63.3 Subdivision 1. **Requirements.** The commissioner shall develop and implement a uniform
63.4 outcome measurement and reporting system for adult workforce-related programs funded
63.5 in whole or in part by state funds as well as for youth workforce-related programs funded
63.6 in whole or in part by state funds. For the purpose of this section, "workforce-related
63.7 programs" means all education and training programs administered by the commissioner
63.8 and includes programs and services administered by the commissioner and provided to
63.9 individuals enrolled in adult basic education under section 124D.52 and the Minnesota
63.10 family investment program under chapter 256J.

63.11 Sec. 31. Minnesota Statutes 2020, section 116L.98, subdivision 2, is amended to read:

63.12 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this
63.13 subdivision have the meanings given.

63.14 (b) "Credential" means postsecondary degrees, diplomas, licenses, and certificates
63.15 awarded in recognition of an individual's attainment of measurable technical or occupational
63.16 skills necessary to obtain employment or advance with an occupation. ~~This definition does~~
63.17 ~~not include certificates awarded by workforce investment boards or work-readiness~~
63.18 ~~certificates.~~

63.19 (c) "Exit" means to have not received service under a workforce program for 90
63.20 consecutive calendar days. The exit date is the last date of service.

63.21 (d) "Net impact" means the use of matched control groups and regression analysis to
63.22 estimate the impacts attributable to program participation net of other factors, including
63.23 observable personal characteristics and economic conditions.

63.24 (e) "Placement" means when a participant exits into unsubsidized employment,
63.25 postsecondary education, vocational or occupational skills training, a registered
63.26 apprenticeship, or the military.

63.27 ~~(e)~~ (f) "Pre-enrollment" means the period of time before an individual was enrolled in
63.28 a workforce program.

63.29 Sec. 32. Minnesota Statutes 2020, section 116L.98, subdivision 3, is amended to read:

63.30 Subd. 3. **Uniform outcome report card; reporting by commissioner.** (a) By December
63.31 31 of each even-numbered year, the commissioner must report to the chairs and ranking

64.1 minority members of the committees of the house of representatives and the senate having
64.2 jurisdiction over economic development and workforce policy and finance the following
64.3 information separately for each of the previous two fiscal or calendar years, for each program
64.4 subject to the requirements of subdivision 1:

64.5 (1) the total number of participants enrolled;

64.6 (2) the median pre-enrollment wages based on participant wages for the second through
64.7 the fifth calendar quarters immediately preceding the quarter of enrollment excluding those
64.8 with zero income;

64.9 (3) the total number of participants with zero income in the second through fifth calendar
64.10 quarters immediately preceding the quarter of enrollment;

64.11 (4) the total number of participants enrolled in training;

64.12 (5) the total number of participants enrolled in training by occupational group;

64.13 (6) the total number of participants that exited the program and the average enrollment
64.14 duration of participants that have exited the program during the year;

64.15 (7) the total number of exited participants who completed training;

64.16 (8) the total number of exited participants who attained a credential;

64.17 (9) the total number of participants employed during three consecutive quarters
64.18 immediately following the quarter of exit, by industry;

64.19 (10) the median wages of participants employed during three consecutive quarters
64.20 immediately following the quarter of exit;

64.21 (11) the total number of participants employed during eight consecutive quarters
64.22 immediately following the quarter of exit, by industry; and

64.23 (12) the median wages of participants employed during eight consecutive quarters
64.24 immediately following the quarter of exit;

64.25 ~~(13) the total cost of the program;~~

64.26 ~~(14) the total cost of the program per participant;~~

64.27 ~~(15) the cost per credential received by a participant; and~~

64.28 ~~(16) the administrative cost of the program.~~

64.29 ~~(b)~~ The report to the legislature must contain participant information by education level,
64.30 race and ethnicity, gender, and geography, and a comparison of exited participants who

65.1 completed training and those who did not. The report to the legislature shall include a
65.2 summary of current program trends in the state that are relevant to workforce development
65.3 and employment outcomes.

65.4 ~~(e)~~ The requirements of this section apply to programs administered directly by the
65.5 commissioner or administered by other organizations under a grant made by the department.

65.6 (b) For youth workforce-related programs funded in whole or in part by state funds the
65.7 following shall be reported:

65.8 (1) the total number of participants enrolled in training;

65.9 (2) the total number of participants who completed training;

65.10 (3) the total number of exited participants who have a placement in employment;

65.11 (4) the total number of exited participants who have a placement in post-secondary
65.12 education;

65.13 (5) the total number of exited participants with a placement in occupational or vocational
65.14 skills training, apprenticeship training, or military training;

65.15 (6) the total number of exited participants who have returned to school;

65.16 (7) the total number of exited participants who earned academic credit or service learning
65.17 credit for work-based learning or participation in work experience;

65.18 (8) the total number of exited participants who have earned their high school diploma
65.19 or GED;

65.20 (9) the total number of exited participants who have earned a certificate or
65.21 industry-recognized credential; and

65.22 (10) the total number of exited participants who have completed and attained a work
65.23 readiness skills training. "Work readiness" means a participant has the knowledge the
65.24 participant needs in order to seek out employment. Activities, programs, or services must
65.25 be designed to help an individual acquire a combination of basic academic skills, critical
65.26 thinking skills, digital literacy skills, and self-management skills, including competencies
65.27 in: (i) utilizing resources; (ii) using information; (iii) working with others; (iv) understanding
65.28 systems; (v) skills necessary for successful transition into and completion of postsecondary
65.29 education or training, or employment; and (vi) other employability skills. Competencies
65.30 are measured through a pre- and post-training checklist completed and evaluated by
65.31 employers.

66.1 Sec. 33. [116L.981] PATHWAYS TO PROSPERITY PROGRAM.

66.2 Subdivision 1. Pathways to prosperity. (a) The commissioner shall establish a pathways
66.3 to prosperity grant program to award grants to organizations to train low-skill, low-income
66.4 adults, and adults facing the greatest employment disparities, and to assist them in finding
66.5 employment in high-demand industries with long-term employment opportunities.

66.6 (b) "Pathways to prosperity" means a combination of rigorous and high-quality education,
66.7 training, and other services that:

66.8 (1) aligns with the skill needs of high-growth industries in the state, regional, or local
66.9 economy;

66.10 (2) prepares individuals to enter in demand careers;

66.11 (3) includes counseling and to support an individual in achieving the individual's
66.12 education and career goals;

66.13 (4) includes, as appropriate, education offered concurrently with and in the same context
66.14 as workforce preparation activities and training for a specific occupation or occupational
66.15 cluster;

66.16 (5) organizes education, training, and other services to meet the particular needs of an
66.17 individual in a manner that accelerates the educational and career advancement of the
66.18 individual to the extent practicable;

66.19 (6) enables an individual to attain a relevant academic award, certificate, or
66.20 industry-recognized credential; and

66.21 (7) helps an individual enter or advance within a specific occupation or occupational
66.22 cluster.

66.23 Subd. 2. Definitions. (a) For the purposes of this section, the following terms have the
66.24 meanings given.

66.25 (b) "Career pathway" means a career-readiness program that combines vocational skills
66.26 training, education, and support services and results in either industry-specific training or
66.27 an industry-recognized credential. Career pathway includes sector specific vocational skills
66.28 training that leads to employment in high-demand occupations.

66.29 (c) "Pathways to prosperity grant program" or "grant program" means the competitive
66.30 grant program created in this section.

66.31 Subd. 3. Competitive grant process. (a) The commissioner shall award grants to
66.32 applicants through a competitive grant process. This process shall include an expedited

67.1 application process for previous grant recipients that operate career pathway programs that
67.2 are aligned with current labor market needs and that are meeting or exceeding their
67.3 performance goals related to training and placement for individuals facing multiple barriers
67.4 to employment.

67.5 (b) The commissioner shall develop criteria for making grants in consultation with
67.6 workforce development service providers. These criteria shall include guidelines for multiple
67.7 types of career pathways. These criteria shall also consider a program's alignment with the
67.8 labor market in the community where the program operates and, where applicable, a
67.9 program's previous grant performance.

67.10 (c) All reporting requirements for grant recipients shall be outlined in plain language in
67.11 both the request for proposal and the grant contract.

67.12 (d) The commissioner shall provide applicants with technical assistance with
67.13 understanding application procedures and program guidelines.

67.14 (e) All grants shall be two years in length.

67.15 Subd. 4. **Performance metrics.** Reporting and performance outcomes for the grant
67.16 program under this section shall comply with the requirements under section 116L.98.

67.17 Sec. 34. Laws 2019, First Special Session chapter 7, article 2, section 8, is amended to
67.18 read:

67.19 Sec. 8. **LAUNCH MINNESOTA.**

67.20 Subdivision 1. **Establishment.** Launch Minnesota is established within the Business
67.21 and Community Development Division of the Department of Employment and Economic
67.22 Development to encourage and support the development of new private sector technologies
67.23 and support the science and technology policies under Minnesota Statutes, section 3.222.
67.24 Launch Minnesota must provide entrepreneurs and emerging technology-based companies
67.25 business development assistance and financial assistance to spur growth.

67.26 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision
67.27 have the meanings given.

67.28 (b) "Advisory board" means the board established under subdivision 9.

67.29 (c) "Commissioner" means the commissioner of employment and economic development.

67.30 (d) "Department" means the Department of Employment and Economic Development.

68.1 (e) "Entrepreneur" means a Minnesota resident who is involved in establishing a business
68.2 entity and secures resources directed to its growth while bearing the risk of loss.

68.3 (f) "Greater Minnesota" means the area of Minnesota located outside of the metropolitan
68.4 area as defined in Minnesota Statutes, section 473.121, subdivision 2.

68.5 (g) ~~"High technology" includes aerospace, agricultural processing, renewable energy,~~
68.6 ~~energy efficiency and conservation, environmental engineering, food technology, cellulosic~~
68.7 ~~ethanol, information technology, materials science technology, nanotechnology,~~
68.8 ~~telecommunications, biotechnology, medical device products, pharmaceuticals, diagnostics,~~
68.9 ~~biologicals, chemistry, veterinary science, and similar fields. "Innovative technology and~~
68.10 ~~business" means a new novel business model or product; a derivative product incorporating~~
68.11 ~~new elements into an existing product; a new use for a product; or a new process or method~~
68.12 ~~for the manufacture, use, or assessment of any product or activity, patentability, or scalability.~~
68.13 ~~Innovative technology or business model does not include locally based retail, lifestyle, or~~
68.14 ~~business services. The business must not be engaged in real estate development, insurance,~~
68.15 ~~banking, lending, lobbying, political consulting, information technology consulting, wholesale~~
68.16 ~~or retail trade, leisure, hospitality, transportation, construction, ethanol production from~~
68.17 ~~corn, or professional services provided by attorneys, accountants, business consultants,~~
68.18 ~~physicians, or health care consultants.~~

68.19 (h) "Institution of higher education" has the meaning given in Minnesota Statutes, section
68.20 136A.28, subdivision 6.

68.21 (i) "Minority group member" means a United States citizen or lawful permanent resident
68.22 who is Asian, Pacific Islander, Black, Hispanic, or Native American.

68.23 ~~(j) "Minority-owned business" means a business for which one or more minority group~~
68.24 ~~members:~~

68.25 ~~(1) own at least 50 percent of the business or, in the case of a publicly owned business,~~
68.26 ~~own at least 51 percent of the stock; and~~

68.27 ~~(2) manage the business and control the daily business operations.~~

68.28 ~~(k)~~ (j) "Research and development" means any activity that is:

68.29 (1) a systematic, intensive study directed toward greater knowledge or understanding
68.30 of the subject studies;

68.31 (2) a systematic study directed specifically toward applying new knowledge to meet a
68.32 recognized need; or

69.1 (3) a systematic application of knowledge toward the production of useful materials,
 69.2 devices, systems and methods, including design, development and improvement of prototypes
 69.3 and new processes to meet specific requirements.

69.4 ~~(j)~~ (k) "Start-up" means a business entity that has been in operation for less than ten
 69.5 years, has operations in Minnesota, and is in the development stage defined as devoting
 69.6 substantially all of its efforts to establishing a new business and either of the following
 69.7 conditions exists:

69.8 (1) planned principal operations have not commenced; or

69.9 (2) planned principal operations have commenced, but have generated less than
 69.10 \$1,000,000 in revenue.

69.11 ~~(m)~~ (l) "Technology-related assistance" means the application and utilization of
 69.12 technological-information and technologies to assist in the development and production of
 69.13 new technology-related products or services or to increase the productivity or otherwise
 69.14 enhance the production or delivery of existing products or services.

69.15 ~~(n)~~ (m) "Trade association" means a nonprofit membership organization organized to
 69.16 promote businesses and business conditions and having an election under Internal Revenue
 69.17 Code section 501(c)(3) or 501(c)(6).

69.18 ~~(o)~~ (n) "Veteran" has the meaning given in Minnesota Statutes, section 197.447.

69.19 ~~(p)~~ "Women" means persons of the female gender.

69.20 ~~(q)~~ "Women-owned business" means a business for which one or more women:

69.21 (1) own at least 50 percent of the business or, in the case of a publicly owned business,
 69.22 own at least 51 percent of the stock; and

69.23 (2) manage the business and control the daily business operations.

69.24 Subd. 3. **Duties.** The commissioner, by and through Launch Minnesota, shall:

69.25 (1) support innovation and initiatives designed to accelerate the growth of ~~high-technology~~
 69.26 innovative technology and business start-ups in Minnesota;

69.27 (2) in partnership with other organizations, offer classes and instructional sessions on
 69.28 how to start a ~~high-tech and innovative~~ an innovative technology and business start-up;

69.29 (3) promote activities for entrepreneurs and investors regarding the state's growing
 69.30 innovation economy;

69.31 (4) hold events and meetings that gather key stakeholders in the state's innovation sector;

70.1 (5) conduct outreach and education on innovation activities and related financial programs
70.2 available from the department and other organizations, particularly for underserved
70.3 communities;

70.4 (6) interact and collaborate with statewide partners including but not limited to businesses,
70.5 nonprofits, trade associations, and higher education institutions;

70.6 (7) administer an advisory board to assist with direction, grant application review,
70.7 program evaluation, report development, and partnerships;

70.8 (8) accept grant applications under subdivisions 5, 6, and 7 and work with the advisory
70.9 board to review and prioritize the applications and provide recommendations to the
70.10 commissioner; and

70.11 (9) perform other duties at the commissioner's discretion.

70.12 Subd. 4. **Administration.** (a) The ~~department~~ commissioner shall employ an executive
70.13 director in the unclassified service, one staff member to support Launch Minnesota, and
70.14 one staff member in the business and community development division to manage grants.
70.15 The executive director shall:

70.16 (1) assist the commissioner and the advisory board in performing the duties of Launch
70.17 Minnesota; and

70.18 (2) comply with all state and federal program requirements, and all state and federal
70.19 securities and tax laws and regulations.

70.20 (b) ~~To the extent possible, the space that~~ Launch Minnesota ~~shall~~ may occupy and lease
70.21 ~~must be~~ physical space in a private coworking facility that includes office space for staff
70.22 and space for community engagement for training entrepreneurs. The physical space leased
70.23 under this paragraph is exempt from the requirements in Minnesota Statutes, section 16B.24,
70.24 subdivision 6.

70.25 (c) At least three times per month, Launch Minnesota staff shall ~~visit~~ communicate with
70.26 organizations in greater Minnesota that have received a grant under subdivision 7. To the
70.27 extent possible, Launch Minnesota shall form partnerships with organizations located
70.28 throughout the state.

70.29 (d) Launch Minnesota must accept grant applications under this section and provide
70.30 funding recommendations to the commissioner; ~~who~~ and the commissioner shall distribute
70.31 grants based in part on the recommendations.

71.1 Subd. 5. **Application process.** (a) The commissioner shall establish the application form
71.2 and procedures for grants.

71.3 (b) Upon receiving recommendations from Launch Minnesota, the ~~department~~
71.4 commissioner is responsible for evaluating all applications using evaluation criteria which
71.5 shall be developed by Launch Minnesota in consultation with the advisory board ~~and the~~
71.6 ~~commissioner~~.

71.7 (c) For grants under subdivision 6, priority shall be given if the applicant is:

71.8 (1) a business or entrepreneur located in greater Minnesota; or

71.9 (2) a business owner, individual with a disability, or entrepreneur who is a woman,
71.10 veteran, or minority group member.

71.11 (d) For grants under subdivision 7, priority shall be given if the applicant is planning to
71.12 serve:

71.13 (1) businesses or entrepreneurs located in greater Minnesota; or

71.14 (2) business owners, individuals with disabilities, or entrepreneurs who are women,
71.15 veterans, or minority group members.

71.16 (e) The department staff, and not Launch Minnesota staff, ~~is~~ are responsible for awarding
71.17 funding, disbursing funds, and monitoring grantee performance for all grants awarded under
71.18 this section.

71.19 (f) Grantees must provide 50 percent in matching funds ~~by equal expenditures~~ and grant
71.20 payments must be provided on a reimbursement basis after review of submitted receipts by
71.21 the department.

71.22 (g) Grant applications must be accepted on a regular periodic basis by Launch Minnesota
71.23 and must be reviewed by Launch Minnesota and the advisory board before being submitted
71.24 to the commissioner with their recommendations.

71.25 Subd. 6. **Innovation grants.** (a) The commissioner shall distribute innovation grants
71.26 under this subdivision.

71.27 (b) The commissioner shall provide a grant of up to \$35,000 to an eligible business or
71.28 entrepreneur for research and development expenses, direct business expenses, and the
71.29 purchase of technical assistance or services from public higher education institutions and
71.30 nonprofit entities. Research and development expenditures may include but are not limited
71.31 to proof of concept activities, intellectual property protection, prototype designs and
71.32 production, and commercial feasibility. Expenditures funded under this subdivision are not

72.1 eligible for the research and development tax credit under Minnesota Statutes, section
72.2 290.068. Direct business expenses may include rent, equipment purchases, and supplier
72.3 invoices. Taxes imposed by federal, state, or local government entities may not be reimbursed
72.4 under this paragraph. Technical assistance or services must be purchased to assist in the
72.5 development or commercialization of a product or service to be eligible. Each business or
72.6 entrepreneur may receive only one grant per biennium under this paragraph.

72.7 ~~(e) The commissioner shall provide a grant of up to \$7,500 to reimburse an entrepreneur~~
72.8 ~~for housing or child care expenses for the entrepreneur or their spouse or children. Each~~
72.9 ~~entrepreneur may receive only one grant per biennium under this paragraph.~~

72.10 ~~(d)~~ (c) The commissioner shall provide a grant of up to \$35,000 in Phase 1 or \$50,000
72.11 in Phase 2 to an eligible business or entrepreneur that, as a registered client of the Small
72.12 Business Innovation Research (SBIR) program, has been awarded a first time Phase 1 or
72.13 Phase 2 award pursuant to the SBIR or Small Business Technology Transfer (STTR)
72.14 programs after July 1, 2019. Each business or entrepreneur may receive only one grant per
72.15 biennium under this paragraph. Grants under this paragraph are not subject to the
72.16 requirements of subdivision 2, paragraph ~~(j)~~ (k), but do require a recommendation from the
72.17 Launch Minnesota advisory board.

72.18 Subd. 7. **Entrepreneur education grants.** (a) The commissioner shall make entrepreneur
72.19 education grants to institutions of higher education and other organizations to provide
72.20 educational programming to entrepreneurs and provide outreach to and collaboration with
72.21 businesses, federal and state agencies, institutions of higher education, trade associations,
72.22 and other organizations working to advance innovative, ~~high~~ technology businesses
72.23 throughout Minnesota.

72.24 (b) Applications for entrepreneur education grants under this subdivision must be
72.25 submitted to the commissioner and evaluated by department staff other than Launch
72.26 Minnesota. The evaluation criteria must be developed by Launch Minnesota, in consultation
72.27 with the advisory board, and the commissioner, and priority must be given to an applicant
72.28 who demonstrates activity assisting ~~businesses~~ business owners or entrepreneurs residing
72.29 in greater Minnesota or who are women, veterans, or minority group members.

72.30 (c) Department staff other than Launch Minnesota staff ~~is~~ are responsible for awarding
72.31 funding, disbursing funds, and monitoring grantee performance under this subdivision.

72.32 (d) Grantees may use the grant funds to deliver the following services:

72.33 (1) development and delivery to ~~high~~ innovative technology businesses of industry
72.34 specific or innovative product or process specific counseling on issues of business formation,

73.1 market structure, market research and strategies, securing first mover advantage or
73.2 overcoming barriers to entry, protecting intellectual property, and securing debt or equity
73.3 capital. This counseling is to be delivered in a classroom setting or using distance media
73.4 presentations;

73.5 (2) outreach and education to businesses and organizations on the small business
73.6 investment tax credit program under Minnesota Statutes, section 116J.8737, the MNvest
73.7 crowd-funding program under Minnesota Statutes, section 80A.461, and other state programs
73.8 that support high innovative technology business creation especially in underserved
73.9 communities;

73.10 (3) collaboration with institutions of higher education, local organizations, federal and
73.11 state agencies, the Small Business Development Center, and the Small Business Assistance
73.12 Office to create and offer educational programming and ongoing counseling in greater
73.13 Minnesota that is consistent with those services offered in the metropolitan area; and

73.14 (4) events and meetings with other innovation-related organizations to inform
73.15 entrepreneurs and potential investors about Minnesota's growing information economy.

73.16 Subd. 8. **Report.** Launch Minnesota shall report by December 31, 2022, and again by
73.17 December 31, 2023, to the chairs and ranking minority members of the committees of the
73.18 house of representatives and senate having jurisdiction over economic development policy
73.19 and finance. Each report shall include information on the work completed, including awards
73.20 made by the department under this section and progress toward transferring some activities
73.21 of Launch Minnesota to an entity outside of state government.

73.22 Subd. 9. **Advisory board.** (a) The commissioner shall establish an advisory board to
73.23 advise the executive director regarding the activities of Launch Minnesota, make the
73.24 recommendations described in this section, and develop and initiate a strategic plan for
73.25 transferring some activities of Launch Minnesota to a new or existing public-private
73.26 partnership or nonprofit organization outside of state government.

73.27 (b) The advisory board shall consist of ~~ten~~ 12 members and is governed by Minnesota
73.28 Statutes, section 15.059. A minimum of seven members must be from the private sector
73.29 representing business and at least two members but no more than three members must be
73.30 from government and higher education. At least three of the members of the advisory board
73.31 shall be from greater Minnesota and at least three members shall be minority group members.
73.32 Appointees shall represent a range of interests, including entrepreneurs, large businesses,
73.33 industry organizations, investors, and both public and private small business service
73.34 providers.

74.1 (c) The advisory board shall select a chair from its ~~private sector~~ members. The executive
74.2 director shall provide administrative support to the committee.

74.3 (d) The commissioner, or a designee, shall serve as an ex-officio, nonvoting member of
74.4 the advisory board.

74.5 Subd. 10. **Expiration.** This section expires January 1, 2024.

74.6 Sec. 35. **GRANT EXCEPTIONS.**

74.7 Notwithstanding Minnesota Statutes, sections 116J.8731, subdivision 5, and 116J.8748,
74.8 subdivision 4, the commissioner may approve a Minnesota investment fund grant or job
74.9 creation fund grant of up to \$2,000,000 for qualified applicants. This section expires July
74.10 1, 2022.

74.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

74.12 Sec. 36. **ONETIME EXCEPTION TO RESTRICTIONS ON USE OF MINNESOTA**
74.13 **INVESTMENT FUND LOCAL GOVERNMENT LOAN REPAYMENT FUNDS.**

74.14 (a) Notwithstanding Minnesota Statutes, section 116J.8731, a home rule charter or
74.15 statutory city, county, or town that has uncommitted money received from repayment of
74.16 funds awarded under Minnesota Statutes, section 116J.8731, may choose to transfer 20
74.17 percent of the balance of that money to the state general fund before June 30, 2022. Any
74.18 local entity that does so may then use the remaining 80 percent of the uncommitted money
74.19 as a general purpose aid for any lawful expenditure.

74.20 (b) By February 15, 2023, a home rule charter or statutory city, county, or town that
74.21 exercises the option under paragraph (a) shall submit to the chairs of the legislative
74.22 committees with jurisdiction over economic development policy and finance an accounting
74.23 and explanation of the use and distribution of the funds.

74.24 Sec. 37. **REPEALER.**

74.25 Minnesota Statutes 2020, section 116L.18, is repealed.

ARTICLE 4

FAMILY AND MEDICAL BENEFITS

75.1
75.2
75.3 Section 1. Minnesota Statutes 2020, section 13.719, is amended by adding a subdivision
75.4 to read:

75.5 Subd. 7. **Family and medical insurance data.** (a) For the purposes of this subdivision,
75.6 the terms used have the meanings given them in section 268B.01.

75.7 (b) Data on applicants, family members, or employers under chapter 268B are private
75.8 or nonpublic data, provided that the department may share data collected from applicants
75.9 with employers or health care providers to the extent necessary to meet the requirements
75.10 of chapter 268B or other applicable law.

75.11 (c) The department and the Department of Labor and Industry may share data classified
75.12 under paragraph (b) to the extent necessary to meet the requirements of chapter 268B or
75.13 the Department of Labor and Industry's enforcement authority over chapter 268B, as provided
75.14 in section 177.27.

75.15 Sec. 2. Minnesota Statutes 2020, section 177.27, subdivision 4, is amended to read:

75.16 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
75.17 employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,
75.18 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d), 181.275,
75.19 subdivision 2a, 181.722, 181.79, ~~and~~ 181.939 to 181.943, 268B.09, subdivisions 1 to 6, and
75.20 268B.14, subdivision 3, or with any rule promulgated under section 177.28. The
75.21 commissioner shall issue an order requiring an employer to comply with sections 177.41
75.22 to 177.435 if the violation is repeated. For purposes of this subdivision only, a violation is
75.23 repeated if at any time during the two years that preceded the date of violation, the
75.24 commissioner issued an order to the employer for violation of sections 177.41 to 177.435
75.25 and the order is final or the commissioner and the employer have entered into a settlement
75.26 agreement that required the employer to pay back wages that were required by sections
75.27 177.41 to 177.435. The department shall serve the order upon the employer or the employer's
75.28 authorized representative in person or by certified mail at the employer's place of business.
75.29 An employer who wishes to contest the order must file written notice of objection to the
75.30 order with the commissioner within 15 calendar days after being served with the order. A
75.31 contested case proceeding must then be held in accordance with sections 14.57 to 14.69.
75.32 If, within 15 calendar days after being served with the order, the employer fails to file a

76.1 written notice of objection with the commissioner, the order becomes a final order of the
76.2 commissioner.

76.3 Sec. 3. Minnesota Statutes 2020, section 181.032, is amended to read:

76.4 **181.032 REQUIRED STATEMENT OF EARNINGS BY EMPLOYER; NOTICE**
76.5 **TO EMPLOYEE.**

76.6 (a) At the end of each pay period, the employer shall provide each employee an earnings
76.7 statement, either in writing or by electronic means, covering that pay period. An employer
76.8 who chooses to provide an earnings statement by electronic means must provide employee
76.9 access to an employer-owned computer during an employee's regular working hours to
76.10 review and print earnings statements, and must make statements available for review or
76.11 printing for a period of three years.

76.12 (b) The earnings statement may be in any form determined by the employer but must
76.13 include:

76.14 (1) the name of the employee;

76.15 (2) the rate or rates of pay and basis thereof, including whether the employee is paid by
76.16 hour, shift, day, week, salary, piece, commission, or other method;

76.17 (3) allowances, if any, claimed pursuant to permitted meals and lodging;

76.18 (4) the total number of hours worked by the employee unless exempt from chapter 177;

76.19 (5) the total amount of gross pay earned by the employee during that period;

76.20 (6) a list of deductions made from the employee's pay;

76.21 (7) any amount deducted by the employer under section 268B.14, subdivision 3, and
76.22 the amount paid by the employer based on the employee's wages under section 268B.14,
76.23 subdivision 1;

76.24 ~~(7)~~ (8) the net amount of pay after all deductions are made;

76.25 ~~(8)~~ (9) the date on which the pay period ends;

76.26 ~~(9)~~ (10) the legal name of the employer and the operating name of the employer if
76.27 different from the legal name;

76.28 ~~(10)~~ (11) the physical address of the employer's main office or principal place of business,
76.29 and a mailing address if different; and

76.30 ~~(11)~~ (12) the telephone number of the employer.

77.1 (c) An employer must provide earnings statements to an employee in writing, rather
77.2 than by electronic means, if the employer has received at least 24 hours notice from an
77.3 employee that the employee would like to receive earnings statements in written form. Once
77.4 an employer has received notice from an employee that the employee would like to receive
77.5 earnings statements in written form, the employer must comply with that request on an
77.6 ongoing basis.

77.7 (d) At the start of employment, an employer shall provide each employee a written notice
77.8 containing the following information:

77.9 (1) the rate or rates of pay and basis thereof, including whether the employee is paid by
77.10 the hour, shift, day, week, salary, piece, commission, or other method, and the specific
77.11 application of any additional rates;

77.12 (2) allowances, if any, claimed pursuant to permitted meals and lodging;

77.13 (3) paid vacation, sick time, or other paid time-off accruals and terms of use;

77.14 (4) the employee's employment status and whether the employee is exempt from minimum
77.15 wage, overtime, and other provisions of chapter 177, and on what basis;

77.16 (5) a list of deductions that may be made from the employee's pay;

77.17 (6) the number of days in the pay period, the regularly scheduled pay day, and the pay
77.18 day on which the employee will receive the first payment of wages earned;

77.19 (7) the legal name of the employer and the operating name of the employer if different
77.20 from the legal name;

77.21 (8) the physical address of the employer's main office or principal place of business, and
77.22 a mailing address if different; and

77.23 (9) the telephone number of the employer.

77.24 (e) The employer must keep a copy of the notice under paragraph (d) signed by each
77.25 employee acknowledging receipt of the notice. The notice must be provided to each employee
77.26 in English. The English version of the notice must include text provided by the commissioner
77.27 that informs employees that they may request, by indicating on the form, the notice be
77.28 provided in a particular language. If requested, the employer shall provide the notice in the
77.29 language requested by the employee. The commissioner shall make available to employers
77.30 the text to be included in the English version of the notice required by this section and assist
77.31 employers with translation of the notice in the languages requested by their employees.

78.1 (f) An employer must provide the employee any written changes to the information
78.2 contained in the notice under paragraph (d) prior to the date the changes take effect.

78.3 Sec. 4. Minnesota Statutes 2020, section 268.19, subdivision 1, is amended to read:

78.4 Subdivision 1. **Use of data.** (a) Except as provided by this section, data gathered from
78.5 any person under the administration of the Minnesota Unemployment Insurance Law are
78.6 private data on individuals or nonpublic data not on individuals as defined in section 13.02,
78.7 subdivisions 9 and 12, and may not be disclosed except according to a district court order
78.8 or section 13.05. A subpoena is not considered a district court order. These data may be
78.9 disseminated to and used by the following agencies without the consent of the subject of
78.10 the data:

78.11 (1) state and federal agencies specifically authorized access to the data by state or federal
78.12 law;

78.13 (2) any agency of any other state or any federal agency charged with the administration
78.14 of an unemployment insurance program;

78.15 (3) any agency responsible for the maintenance of a system of public employment offices
78.16 for the purpose of assisting individuals in obtaining employment;

78.17 (4) the public authority responsible for child support in Minnesota or any other state in
78.18 accordance with section 256.978;

78.19 (5) human rights agencies within Minnesota that have enforcement powers;

78.20 (6) the Department of Revenue to the extent necessary for its duties under Minnesota
78.21 laws;

78.22 (7) public and private agencies responsible for administering publicly financed assistance
78.23 programs for the purpose of monitoring the eligibility of the program's recipients;

78.24 (8) the Department of Labor and Industry and the Commerce Fraud Bureau in the
78.25 Department of Commerce for uses consistent with the administration of their duties under
78.26 Minnesota law;

78.27 (9) the Department of Human Services and the Office of Inspector General and its agents
78.28 within the Department of Human Services, including county fraud investigators, for
78.29 investigations related to recipient or provider fraud and employees of providers when the
78.30 provider is suspected of committing public assistance fraud;

78.31 (10) local and state welfare agencies for monitoring the eligibility of the data subject
78.32 for assistance programs, or for any employment or training program administered by those

79.1 agencies, whether alone, in combination with another welfare agency, or in conjunction
79.2 with the department or to monitor and evaluate the statewide Minnesota family investment
79.3 program by providing data on recipients and former recipients of Supplemental Nutrition
79.4 Assistance Program (SNAP) benefits, cash assistance under chapter 256, 256D, 256J, or
79.5 256K, child care assistance under chapter 119B, or medical programs under chapter 256B
79.6 or 256L or formerly codified under chapter 256D;

79.7 (11) local and state welfare agencies for the purpose of identifying employment, wages,
79.8 and other information to assist in the collection of an overpayment debt in an assistance
79.9 program;

79.10 (12) local, state, and federal law enforcement agencies for the purpose of ascertaining
79.11 the last known address and employment location of an individual who is the subject of a
79.12 criminal investigation;

79.13 (13) the United States Immigration and Customs Enforcement has access to data on
79.14 specific individuals and specific employers provided the specific individual or specific
79.15 employer is the subject of an investigation by that agency;

79.16 (14) the Department of Health for the purposes of epidemiologic investigations;

79.17 (15) the Department of Corrections for the purposes of case planning and internal research
79.18 for preprobation, probation, and postprobation employment tracking of offenders sentenced
79.19 to probation and preconfinement and postconfinement employment tracking of committed
79.20 offenders;

79.21 (16) the state auditor to the extent necessary to conduct audits of job opportunity building
79.22 zones as required under section 469.3201; ~~and~~

79.23 (17) the Office of Higher Education for purposes of supporting program improvement,
79.24 system evaluation, and research initiatives including the Statewide Longitudinal Education
79.25 Data System; and

79.26 (18) the Family and Medical Benefits Division of the Department of Employment and
79.27 Economic Development to be used as necessary to administer chapter 268B.

79.28 (b) Data on individuals and employers that are collected, maintained, or used by the
79.29 department in an investigation under section 268.182 are confidential as to data on individuals
79.30 and protected nonpublic data not on individuals as defined in section 13.02, subdivisions 3
79.31 and 13, and must not be disclosed except under statute or district court order or to a party
79.32 named in a criminal proceeding, administrative or judicial, for preparation of a defense.

80.1 (c) Data gathered by the department in the administration of the Minnesota unemployment
 80.2 insurance program must not be made the subject or the basis for any suit in any civil
 80.3 proceedings, administrative or judicial, unless the action is initiated by the department.

80.4 Sec. 5. [268B.01] DEFINITIONS.

80.5 Subdivision 1. Scope. For the purposes of this chapter, the terms defined in this section
 80.6 have the meanings given.

80.7 Subd. 2. Applicant. "Applicant" means an individual applying for leave with benefits
 80.8 under this chapter.

80.9 Subd. 3. Applicant's average weekly wage. "Applicant's average weekly wage" means
 80.10 an amount equal to the applicant's high quarter wage credits divided by 13.

80.11 Subd. 4. Base period. (a) "Base period," unless otherwise provided in this subdivision,
 80.12 means the most recent four completed calendar quarters before the effective date of an
 80.13 applicant's application for family or medical leave benefits if the application has an effective
 80.14 date occurring after the month following the most recent completed calendar quarter. The
 80.15 base period under this paragraph is as follows:

| | |
|---|--------------------------------------|
| 80.16 <u>If the application for family or medical leave</u> | |
| 80.17 <u>benefits is effective on or between these</u> | |
| 80.18 <u>dates:</u> | <u>The base period is the prior:</u> |
| 80.19 <u>February 1 to March 31</u> | <u>January 1 to December 31</u> |
| 80.20 <u>May 1 to June 30</u> | <u>April 1 to March 31</u> |
| 80.21 <u>August 1 to September 30</u> | <u>July 1 to June 30</u> |
| 80.22 <u>November 1 to December 31</u> | <u>October 1 to September 30</u> |

80.23 (b) If an application for family or medical leave benefits has an effective date that is
 80.24 during the month following the most recent completed calendar quarter, then the base period
 80.25 is the first four of the most recent five completed calendar quarters before the effective date
 80.26 of an applicant's application for family or medical leave benefits. The base period under
 80.27 this paragraph is as follows:

| | |
|---|--------------------------------------|
| 80.28 <u>If the application for family or medical leave</u> | |
| 80.29 <u>benefits is effective on or between these</u> | |
| 80.30 <u>dates:</u> | <u>The base period is the prior:</u> |
| 80.31 <u>January 1 to January 31</u> | <u>October 1 to September 30</u> |
| 80.32 <u>April 1 to April 30</u> | <u>January 1 to December 31</u> |
| 80.33 <u>July 1 to July 31</u> | <u>April 1 to March 31</u> |
| 80.34 <u>October 1 to October 31</u> | <u>July 1 to June 30</u> |

81.1 (c) Regardless of paragraph (a), a base period of the first four of the most recent five
81.2 completed calendar quarters must be used if the applicant would have more wage credits
81.3 under that base period than under a base period of the four most recent completed calendar
81.4 quarters.

81.5 (d) If the applicant has insufficient wage credits to establish a benefit account under a
81.6 base period of the four most recent completed calendar quarters, or a base period of the first
81.7 four of the most recent five completed calendar quarters, but during either base period the
81.8 applicant received workers' compensation for temporary disability under chapter 176 or a
81.9 similar federal law or similar law of another state, or if the applicant whose own serious
81.10 illness caused a loss of work for which the applicant received compensation for loss of
81.11 wages from some other source, the applicant may request a base period as follows:

81.12 (1) if an applicant was compensated for a loss of work of seven to 13 weeks during a
81.13 base period referred to in paragraph (a) or (b), then the base period is the first four of the
81.14 most recent six completed calendar quarters before the effective date of the application for
81.15 family or medical leave benefits;

81.16 (2) if an applicant was compensated for a loss of work of 14 to 26 weeks during a base
81.17 period referred to in paragraph (a) or (b), then the base period is the first four of the most
81.18 recent seven completed calendar quarters before the effective date of the application for
81.19 family or medical leave benefits;

81.20 (3) if an applicant was compensated for a loss of work of 27 to 39 weeks during a base
81.21 period referred to in paragraph (a) or (b), then the base period is the first four of the most
81.22 recent eight completed calendar quarters before the effective date of the application for
81.23 family or medical leave benefits; and

81.24 (4) if an applicant was compensated for a loss of work of 40 to 52 weeks during a base
81.25 period referred to in paragraph (a) or (b), then the base period is the first four of the most
81.26 recent nine completed calendar quarters before the effective date of the application for
81.27 family or medical leave benefits.

81.28 Subd. 5. **Benefit.** "Benefit" or "benefits" means monetary payments under this chapter
81.29 associated with qualifying bonding, family care, pregnancy, serious health condition,
81.30 qualifying exigency, or safety leave events, unless otherwise indicated by context.

81.31 Subd. 6. **Benefit account.** "Benefit account" means a benefit account established under
81.32 section 268B.04.

82.1 Subd. 7. **Benefit year.** "Benefit year" means the period of 52 calendar weeks beginning
82.2 the date a benefit account under section 268B.04 is effective. For a benefit account established
82.3 effective any January 1, April 1, July 1, or October 1, the benefit year will be a period of
82.4 53 calendar weeks.

82.5 Subd. 8. **Bonding.** "Bonding" means time spent by an applicant who is a biological,
82.6 adoptive, or foster parent with a biological, adopted, or foster child in conjunction with the
82.7 child's birth, adoption, or placement.

82.8 Subd. 9. **Calendar day.** "Calendar day" or "day" means a fixed 24-hour period
82.9 corresponding to a single calendar date.

82.10 Subd. 10. **Calendar quarter.** "Calendar quarter" means the period of three consecutive
82.11 calendar months ending on March 31, June 30, September 30, or December 31.

82.12 Subd. 11. **Calendar week.** "Calendar week" has the same meaning as "week" under
82.13 subdivision 46.

82.14 Subd. 12. **Commissioner.** "Commissioner" means the commissioner of employment
82.15 and economic development, unless otherwise indicated by context.

82.16 Subd. 13. **Covered employment.** (a) "Covered employment" means performing services
82.17 of whatever nature, unlimited by the relationship of master and servant as known to the
82.18 common law, or any other legal relationship performed for wages or under any contract
82.19 calling for the performance of services, written or oral, express or implied.

82.20 (b) "Employment" includes an individual's entire service performed within or without
82.21 or both within and without this state, if:

82.22 (1) the service is localized in this state; or

82.23 (2) the service is not localized in any state, but some of the service is performed in this
82.24 state and:

82.25 (i) the base of operations of the employee is in the state, or if there is no base of
82.26 operations, then the place from which such service is directed or controlled is in this state;
82.27 or

82.28 (ii) the base of operations or place from which such service is directed or controlled is
82.29 not in any state in which some part of the service is performed, but the individual's residence
82.30 is in this state.

82.31 (c) "Covered employment" does not include:

82.32 (1) a self-employed individual; or

83.1 (2) an independent contractor.

83.2 Subd. 14. **Department.** "Department" means the Department of Employment and
83.3 Economic Development, unless otherwise indicated by context.

83.4 Subd. 15. **Employee.** (a) "Employee" means an individual who is in the employment of
83.5 an employer.

83.6 (b) Employee does not include employees of the United States of America.

83.7 Subd. 16. **Employer.** (a) "Employer" means:

83.8 (1) any person, type of organization, or entity, including any partnership, association,
83.9 trust, estate, joint stock company, insurance company, limited liability company, or
83.10 corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee, or
83.11 the legal representative of a deceased person, having any individual in covered employment;

83.12 (2) the state, statewide system, and state agencies; and

83.13 (3) any local government entity, including but not limited to a county, city, town, school
83.14 district, municipal corporation, quasimunicipal corporation, or other political subdivision.

83.15 An employer also includes charter schools.

83.16 (b) Employer does not include:

83.17 (1) the United States of America; or

83.18 (2) a self-employed individual who has elected and been approved for coverage under
83.19 section 268B.11 with regard to the self-employed individual's own coverage and benefits.

83.20 Subd. 17. **Estimated self-employment income.** "Estimated self-employment income"
83.21 means a self-employed individual's average net earnings from self-employment in the two
83.22 most recent taxable years. For a self-employed individual who had net earnings from
83.23 self-employment in only one of the years, the individual's estimated self-employment income
83.24 equals the individual's net earnings from self-employment in the year in which the individual
83.25 had net earnings from self-employment.

83.26 Subd. 18. **Family and medical benefit insurance account.** "Family and medical benefit
83.27 insurance account" means the family and medical benefit insurance account in the special
83.28 revenue fund in the state treasury under section 268B.02.

83.29 Subd. 19. **Family and medical benefit insurance enforcement account.** "Family and
83.30 medical benefit insurance enforcement account" means the family and medical benefit
83.31 insurance enforcement account in the state treasury under section 268B.185.

84.1 Subd. 20. **Family benefit program.** "Family benefit program" means the program
84.2 administered under this chapter for the collection of premiums and payment of benefits
84.3 related to family care, bonding, safety leave, and leave related to a qualifying exigency.

84.4 Subd. 21. **Family care.** "Family care" means an applicant caring for a family member
84.5 with a serious health condition or caring for a family member who is a covered service
84.6 member.

84.7 Subd. 22. **Family member.** (a) "Family member" means an employee's child, adult
84.8 child, spouse, sibling, parent, parent-in-law, grandchild, grandparent, stepparent, member
84.9 of the employee's household, or domestic partner.

84.10 (b) For the purposes of this chapter, a child includes a stepchild, biological, adopted, or
84.11 foster child of the employee, or a child for whom the employee is standing in loco parentis.

84.12 (c) For the purposes of this chapter, a grandchild includes a step-grandchild, biological,
84.13 adopted, or foster grandchild of the employee.

84.14 (d) For the purposes of this chapter, an individual is a member of the employee's
84.15 household if the individual has resided at the same address as the employee for at least one
84.16 year as of the first day of leave under this chapter.

84.17 Subd. 23. **Health care provider.** "Health care provider" means:

84.18 (1) an individual who is licensed, certified, or otherwise authorized under law to practice
84.19 in the individual's scope of practice as a physician, osteopath, surgeon, or advanced practice
84.20 registered nurse; or

84.21 (2) any other individual determined by the commissioner by rule, in accordance with
84.22 the rulemaking procedures in the Administrative Procedure Act, to be capable of providing
84.23 health care services.

84.24 Subd. 24. **High quarter.** "High quarter" means the calendar quarter in an applicant's
84.25 base period with the highest amount of wage credits.

84.26 Subd. 25. **Incapacity.** "Incapacity" means inability to perform regular work, attend
84.27 school, or perform other regular daily activities due to a serious health condition, treatment
84.28 therefore, or recovery therefrom.

84.29 Subd. 26. **Independent contractor.** (a) If there is an existing specific test or definition
84.30 for independent contractor in Minnesota statute or rule applicable to an occupation or sector
84.31 as of the date of enactment of this chapter, that test or definition shall apply to that occupation

85.1 or sector for purposes of this chapter. If there is not an existing test or definition as described,
85.2 the definition for independent contractor shall be as provided in this subdivision.

85.3 (b) An individual is an independent contractor and not an employee of the person for
85.4 whom the individual is performing services in the course of the person's trade, business,
85.5 profession, or occupation only if:

85.6 (1) the individual maintains a separate business with the individual's own office,
85.7 equipment, materials, and other facilities;

85.8 (2) the individual:

85.9 (i) holds or has applied for a federal employer identification number; or

85.10 (ii) has filed business or self-employment income tax returns with the federal Internal
85.11 Revenue Service if the individual has performed services in the previous year;

85.12 (3) the individual is operating under contract to perform the specific services for the
85.13 person for specific amounts of money and under which the individual controls the means
85.14 of performing the services;

85.15 (4) the individual is incurring the main expenses related to the services that the individual
85.16 is performing for the person under the contract;

85.17 (5) the individual is responsible for the satisfactory completion of the services that the
85.18 individual has contracted to perform for the person and is liable for a failure to complete
85.19 the services;

85.20 (6) the individual receives compensation from the person for the services performed
85.21 under the contract on a commission or per-job or competitive bid basis and not on any other
85.22 basis;

85.23 (7) the individual may realize a profit or suffer a loss under the contract to perform
85.24 services for the person;

85.25 (8) the individual has continuing or recurring business liabilities or obligations; and

85.26 (9) the success or failure of the individual's business depends on the relationship of
85.27 business receipts to expenditures.

85.28 (c) For the purposes of this chapter, an insurance producer, as defined in section 60K.31,
85.29 subdivision 6, is an independent contractor of an insurance company, as defined in section
85.30 60A.02, subdivision 4, unless the insurance producer and insurance company agree otherwise.

86.1 Subd. 27. **Inpatient care.** "Inpatient care" means an overnight stay in a hospital, hospice,
86.2 or residential medical care facility, including any period of incapacity, or any subsequent
86.3 treatment in connection with such inpatient care.

86.4 Subd. 28. **Maximum weekly benefit amount.** "Maximum weekly benefit amount"
86.5 means the state's average weekly wage as calculated under section 268.035, subdivision 23.

86.6 Subd. 29. **Medical benefit program.** "Medical benefit program" means the program
86.7 administered under this chapter for the collection of premiums and payment of benefits
86.8 related to an applicant's serious health condition or pregnancy.

86.9 Subd. 30. **Net earnings from self-employment.** "Net earnings from self-employment"
86.10 has the meaning given in section 1402 of the Internal Revenue Code, as defined in section
86.11 290.01, subdivision 31.

86.12 Subd. 31. **Pregnancy.** "Pregnancy" means prenatal care or incapacity due to pregnancy
86.13 or recovery from childbirth, still birth, miscarriage, or related health conditions.

86.14 Subd. 32. **Qualifying exigency.** (a) "Qualifying exigency" means a need arising out of
86.15 a military member's active duty service or notice of an impending call or order to active
86.16 duty in the United States armed forces, including providing for the care or other needs of
86.17 the family member's child or other dependent, making financial or legal arrangements for
86.18 the family member, attending counseling, attending military events or ceremonies, spending
86.19 time with the family member during a rest and recuperation leave or following return from
86.20 deployment, or making arrangements following the death of the military member.

86.21 (b) For the purposes of this chapter, a "military member" means a current or former
86.22 member of the United States armed forces, including a member of the National Guard or
86.23 reserves, who, except for a deceased military member, is a resident of the state and is a
86.24 family member of the employee taking leave related to the qualifying exigency.

86.25 Subd. 33. **Safety leave.** "Safety leave" means leave from work because of domestic
86.26 abuse, sexual assault, or stalking of the employee or employee's family member, provided
86.27 the leave is to:

86.28 (1) seek medical attention related to the physical or psychological injury or disability
86.29 caused by domestic abuse, sexual assault, or stalking;

86.30 (2) obtain services from a victim services organization;

86.31 (3) obtain psychological or other counseling;

86.32 (4) seek relocation due to the domestic abuse, sexual assault, or stalking; or

87.1 (5) seek legal advice or take legal action, including preparing for or participating in any
87.2 civil or criminal legal proceeding related to, or resulting from, the domestic abuse, sexual
87.3 assault, or stalking.

87.4 Subd. 34. **Self-employed individual.** "Self-employed individual" means a resident of
87.5 the state who, in one of the two taxable years preceding the current calendar year, derived
87.6 at least \$10,000 in net earnings from self-employment from an entity other than an S
87.7 corporation for the performance of services in this state.

87.8 Subd. 35. **Self-employment premium base.** "Self-employment premium base" means
87.9 the lesser of:

87.10 (1) a self-employed individual's estimated self-employment income for the calendar year
87.11 plus the individual's self-employment wages in the calendar year; or

87.12 (2) the maximum earnings subject to the FICA Old-Age, Survivors, and Disability
87.13 Insurance tax in the taxable year.

87.14 Subd. 36. **Self-employment wages.** "Self-employment wages" means the amount of
87.15 wages that a self-employed individual earned in the calendar year from an entity from which
87.16 the individual also received net earnings from self-employment.

87.17 Subd. 37. **Serious health condition.** (a) "Serious health condition" means a physical or
87.18 mental illness, injury, impairment, condition, or substance use disorder that involves:

87.19 (1) at-home care or inpatient care in a hospital, hospice, or residential medical care
87.20 facility, including any period of incapacity; or

87.21 (2) continuing treatment or supervision by a health care provider which includes any
87.22 one or more of the following:

87.23 (i) a period of incapacity of more than three consecutive, full calendar days, and any
87.24 subsequent treatment or period of incapacity relating to the same condition, that also involves:

87.25 (A) treatment two or more times by a health care provider or by a provider of health
87.26 care services under orders of, or on referral by, a health care provider; or

87.27 (B) treatment by a health care provider on at least one occasion that results in a regimen
87.28 of continuing treatment under the supervision of the health care provider;

87.29 (ii) a period of incapacity due to pregnancy, or for prenatal care;

87.30 (iii) a period of incapacity or treatment for a chronic health condition that:

88.1 (A) requires periodic visits, defined as at least twice a year, for treatment by a health
88.2 care provider or under orders of, or on referral by, a health care provider;

88.3 (B) continues over an extended period of time, including recurring episodes of a single
88.4 underlying condition; and

88.5 (C) may cause episodic rather than continuing periods of incapacity;

88.6 (iv) a period of incapacity which is permanent or long term due to a condition for which
88.7 treatment may not be effective. The employee or family member must be under the continuing
88.8 supervision of, but need not be receiving active treatment by, a health care provider; or

88.9 (v) a period of absence to receive multiple treatments, including any period of recovery
88.10 from the treatments, by a health care provider or by a provider of health care services under
88.11 orders of, or on referral by, a health care provider, for:

88.12 (A) restorative surgery after an accident or other injury; or

88.13 (B) a condition that would likely result in a period of incapacity of more than three
88.14 consecutive, full calendar days in the absence of medical intervention or treatment.

88.15 (b) For the purposes of paragraph (a), clauses (1) and (2), treatment by a health care
88.16 provider means an in-person visit or telemedicine visit with a health care provider, or by a
88.17 provider of health care services under orders of, or on referral by, a health care provider.

88.18 (c) For the purposes of paragraph (a), treatment includes but is not limited to examinations
88.19 to determine if a serious health condition exists and evaluations of the condition.

88.20 (d) Absences attributable to incapacity under paragraph (a), clause (2), item (ii) or (iii),
88.21 qualify for leave under this chapter even if the employee or the family member does not
88.22 receive treatment from a health care provider during the absence, and even if the absence
88.23 does not last more than three consecutive, full calendar days.

88.24 Subd. 38. **State's average weekly wage.** "State's average weekly wage" means the
88.25 weekly wage calculated under section 268.035, subdivision 23.

88.26 Subd. 39. **Supplemental benefit payment.** (a) "Supplemental benefit payment" means:

88.27 (1) a payment made by an employer to an employee as salary continuation or as paid
88.28 time off. Such a payment must be in addition to any family or medical leave benefits the
88.29 employee is receiving under this chapter; and

88.30 (2) a payment offered by an employer to an employee who is taking leave under this
88.31 chapter to supplement the family or medical leave benefits the employee is receiving.

89.1 (b) Employers may, but are not required to, designate certain benefits including but not
89.2 limited to salary continuation, vacation leave, sick leave, or other paid time off as a
89.3 supplemental benefit payment.

89.4 (c) Nothing in this chapter requires an employee to receive supplemental benefit
89.5 payments.

89.6 Subd. 40. **Taxable year.** "Taxable year" has the meaning given in section 290.01,
89.7 subdivision 9.

89.8 Subd. 41. **Taxable wages.** "Taxable wages" means those wages paid to an employee in
89.9 covered employment each calendar year up to an amount equal to the maximum wages
89.10 subject to premium in a calendar year, which is equal to the maximum earnings in that year
89.11 subject to the FICA Old-Age, Survivors, and Disability Insurance tax rounded to the nearest
89.12 \$1,000.

89.13 Subd. 42. **Typical workweek hours.** "Typical workweek hours" means:

89.14 (1) for an hourly employee, the average number of hours worked per week by an
89.15 employee within the high quarter during the base year; or

89.16 (2) 40 hours for a salaried employee, regardless of the number of hours the salaried
89.17 employee typically works.

89.18 Subd. 43. **Wage credits.** "Wage credits" means the amount of wages paid within an
89.19 applicant's base period for covered employment, as defined in subdivision 13.

89.20 Subd. 44. **Wage detail report.** "Wage detail report" means the report on each employee
89.21 in covered employment required from an employer on a calendar quarter basis under section
89.22 268B.12.

89.23 Subd. 45. **Wages.** (a) "Wages" means all compensation for employment, including
89.24 commissions; bonuses, awards, and prizes; severance payments; standby pay; vacation and
89.25 holiday pay; back pay as of the date of payment; tips and gratuities paid to an employee by
89.26 a customer of an employer and accounted for by the employee to the employer; sickness
89.27 and accident disability payments, except as otherwise provided in this subdivision; and the
89.28 cash value of housing, utilities, meals, exchanges of services, and any other goods and
89.29 services provided to compensate an employee, except:

89.30 (1) the amount of any payment made to, or on behalf of, an employee under a plan
89.31 established by an employer that makes provision for employees generally or for a class or
89.32 classes of employees, including any amount paid by an employer for insurance or annuities,

90.1 or into a plan, to provide for a payment, on account of (i) retirement, (ii) medical and
90.2 hospitalization expenses in connection with sickness or accident disability, or (iii) death;

90.3 (2) the payment by an employer of the tax imposed upon an employee under United
90.4 States Code, title 26, section 3101 of the Federal Insurance Contribution Act, with respect
90.5 to compensation paid to an employee for domestic employment in a private household of
90.6 the employer or for agricultural employment;

90.7 (3) any payment made to, or on behalf of, an employee or beneficiary (i) from or to a
90.8 trust described in United States Code, title 26, section 401(a) of the federal Internal Revenue
90.9 Code, that is exempt from tax under section 501(a) at the time of the payment unless the
90.10 payment is made to an employee of the trust as compensation for services as an employee
90.11 and not as a beneficiary of the trust, or (ii) under or to an annuity plan that, at the time of
90.12 the payment, is a plan described in section 403(a);

90.13 (4) the value of any special discount or markdown allowed to an employee on goods
90.14 purchased from or services supplied by the employer where the purchases are optional and
90.15 do not constitute regular or systematic payment for services;

90.16 (5) customary and reasonable directors' fees paid to individuals who are not otherwise
90.17 employed by the corporation of which they are directors;

90.18 (6) the payment to employees for reimbursement of meal expenses when employees are
90.19 required to perform work after their regular hours;

90.20 (7) the payment into a trust or plan for purposes of providing legal or dental services if
90.21 provided for all employees generally or for a class or classes of employees;

90.22 (8) the value of parking facilities provided or paid for by an employer, in whole or in
90.23 part, if provided for all employees generally or for a class or classes of employees;

90.24 (9) royalties to an owner of a franchise, license, copyright, patent, oil, mineral, or other
90.25 right;

90.26 (10) advances or reimbursements for traveling or other ordinary and necessary expenses
90.27 incurred or reasonably expected to be incurred in the business of the employer. Traveling
90.28 and other reimbursed expenses must be identified either by making separate payments or
90.29 by specifically indicating the separate amounts where both wages and expense allowances
90.30 are combined in a single payment;

90.31 (11) residual payments to radio, television, and similar artists that accrue after the
90.32 production of television commercials, musical jingles, spot announcements, radio
90.33 transcriptions, film soundtracks, and similar activities;

91.1 (12) the income to a former employee resulting from the exercise of a nonqualified stock
91.2 option;

91.3 (13) supplemental unemployment benefit payments under a plan established by an
91.4 employer, if the payment is not wages under the Federal Unemployment Tax Act. The
91.5 payments are wages unless made solely for the supplementing of weekly state or federal
91.6 unemployment benefits. Supplemental unemployment benefit payments may not be assigned,
91.7 nor may any consideration be required from the applicant, other than a release of claims in
91.8 order to be excluded from wages;

91.9 (14) sickness or accident disability payments made by the employer after the expiration
91.10 of six calendar months following the last calendar month that the individual worked for the
91.11 employer;

91.12 (15) disability payments made under the provisions of any workers' compensation law;

91.13 (16) sickness or accident disability payments made by a third-party payer such as an
91.14 insurance company; or

91.15 (17) payments made into a trust fund, or for the purchase of insurance or an annuity, to
91.16 provide for sickness or accident disability payments to employees under a plan or system
91.17 established by the employer that provides for the employer's employees generally or for a
91.18 class or classes of employees.

91.19 (b) Nothing in this subdivision excludes from the term "wages" any payment made under
91.20 any type of salary reduction agreement, including payments made under a cash or deferred
91.21 arrangement and cafeteria plan, as defined in United States Code, title 26, sections 401(k)
91.22 and 125 of the federal Internal Revenue Code, to the extent that the employee has the option
91.23 to receive the payment in cash.

91.24 (c) Wages includes the total payment to the operator and supplier of a vehicle or other
91.25 equipment where the payment combines compensation for personal services as well as
91.26 compensation for the cost of operating and hiring the equipment in a single payment. This
91.27 paragraph does not apply if:

91.28 (1) there is a preexisting written agreement providing for allocation of specific amounts;
91.29 or

91.30 (2) at the time of each payment there is a written acknowledgment indicating the separate
91.31 allocated amounts.

91.32 (d) Wages includes payments made for services as a caretaker. Unless there is a contract
91.33 or other proof to the contrary, compensation is considered as being equally received by a

92.1 married couple where the employer makes payment to only one spouse, or by all tenants of
92.2 a household who perform services where two or more individuals share the same dwelling
92.3 and the employer makes payment to only one individual.

92.4 (e) Wages includes payments made for services by a migrant family. Where services
92.5 are performed by a married couple or a family and an employer makes payment to only one
92.6 individual, each worker is considered as having received an equal share of the compensation
92.7 unless there is a contract or other proof to the contrary.

92.8 (f) Wages includes advances or draws against future earnings, when paid, unless the
92.9 payments are designated as a loan or return of capital on the books and records of the
92.10 employer at the time of payment.

92.11 (g) Wages includes payments made by a subchapter "S" corporation, as organized under
92.12 the Internal Revenue Code, to or on behalf of officers and shareholders that are reasonable
92.13 compensation for services performed for the corporation.

92.14 For a subchapter "S" corporation, wages does not include:

92.15 (1) a loan for business purposes to an officer or shareholder evidenced by a promissory
92.16 note signed by an officer before the payment of the loan proceeds and recorded on the books
92.17 and records of the corporation as a loan to an officer or shareholder;

92.18 (2) a repayment of a loan or payment of interest on a loan made by an officer to the
92.19 corporation and recorded on the books and records of the corporation as a liability;

92.20 (3) a reimbursement of reasonable corporation expenses incurred by an officer and
92.21 documented by a written expense voucher and recorded on the books and records of the
92.22 corporation as corporate expenses; and

92.23 (4) a reasonable lease or rental payment to an officer who owns property that is leased
92.24 or rented to the corporation.

92.25 Subd. 46. **Wages paid.** (a) "Wages paid" means the amount of wages:

92.26 (1) that have been actually paid; or

92.27 (2) that have been credited to or set apart so that payment and disposition is under the
92.28 control of the employee.

92.29 (b) Wage payments delayed beyond the regularly scheduled pay date are wages paid on
92.30 the missed pay date. Back pay is wages paid on the date of actual payment. Any wages
92.31 earned but not paid with no scheduled date of payment are wages paid on the last day of
92.32 employment.

93.1 (c) Wages paid does not include wages earned but not paid except as provided for in
93.2 this subdivision.

93.3 Subd. 47. **Week.** "Week" means calendar week ending at midnight Saturday.

93.4 Subd. 48. **Weekly benefit amount.** "Weekly benefit amount" means the amount of
93.5 family and medical leave benefits computed under section 268B.04.

93.6 Sec. 6. **[268B.02] FAMILY AND MEDICAL BENEFIT INSURANCE PROGRAM**
93.7 **CREATION.**

93.8 Subdivision 1. **Creation.** A family and medical benefit insurance program is created to
93.9 be administered by the commissioner according to the terms of this chapter.

93.10 Subd. 2. **Creation of division.** A Family and Medical Benefit Insurance Division is
93.11 created within the department under the authority of the commissioner. The commissioner
93.12 shall appoint a director of the division. The division shall administer and operate the benefit
93.13 program under this chapter.

93.14 Subd. 3. **Rulemaking.** The commissioner may adopt rules to implement the provisions
93.15 of this chapter.

93.16 Subd. 4. **Account creation; appropriation.** The family and medical benefit insurance
93.17 account is created in the special revenue fund in the state treasury. Money in this account
93.18 is appropriated to the commissioner to pay benefits under and to administer this chapter,
93.19 including outreach required under section 268B.18.

93.20 Subd. 5. **Information technology services and equipment.** The department is exempt
93.21 from the provisions of section 16E.016 for the purposes of this chapter.

93.22 Sec. 7. **[268B.03] PAYMENT OF BENEFITS.**

93.23 Subdivision 1. **Requirements.** The commissioner must pay benefits from the family
93.24 and medical benefit insurance account as provided under this chapter to an applicant who
93.25 has met each of the following requirements:

93.26 (1) the applicant has filed an application for benefits and established a benefit account
93.27 in accordance with section 268B.04;

93.28 (2) the applicant has met all of the ongoing eligibility requirements under section
93.29 268B.06;

93.30 (3) the applicant does not have an outstanding overpayment of family or medical leave
93.31 benefits, including any penalties or interest;

94.1 (4) the applicant has not been held ineligible for benefits under section 268.07, subdivision
94.2 2; and

94.3 (5) the applicant is not employed exclusively by a private plan employer and has wage
94.4 credits during the base year attributable to employers covered under the state family and
94.5 medical leave program.

94.6 Subd. 2. **Benefits paid from state funds.** Benefits are paid from state funds and are not
94.7 considered paid from any special insurance plan, nor as paid by an employer. An application
94.8 for family or medical leave benefits is not considered a claim against an employer but is
94.9 considered a request for benefits from the family and medical benefit insurance account.
94.10 The commissioner has the responsibility for the proper payment of benefits regardless of
94.11 the level of interest or participation by an applicant or an employer in any determination or
94.12 appeal. An applicant's entitlement to benefits must be determined based upon that information
94.13 available without regard to a burden of proof. Any agreement between an applicant and an
94.14 employer is not binding on the commissioner in determining an applicant's entitlement.
94.15 There is no presumption of entitlement or nonentitlement to benefits.

94.16 Sec. 8. **[268B.04] BENEFIT ACCOUNT; BENEFITS.**

94.17 Subdivision 1. **Application for benefits; determination of benefit account.** (a) An
94.18 application for benefits may be filed in person, by mail, or by electronic transmission as the
94.19 commissioner may require. The applicant must include certification supporting a request
94.20 for leave under this chapter. The applicant must meet eligibility requirements at the time
94.21 the application is filed and must provide all requested information in the manner required.
94.22 If the applicant does not meet eligibility at the time of the application or fails to provide all
94.23 requested information, the communication is not an application for family and medical leave
94.24 benefits.

94.25 (b) The commissioner must examine each application for benefits to determine the base
94.26 period and the benefit year, and based upon all the covered employment in the base period
94.27 the commissioner must determine the weekly benefit amount available, if any, and the
94.28 maximum amount of benefits available, if any. The determination, which is a document
94.29 separate and distinct from a document titled a determination of eligibility or determination
94.30 of ineligibility, must be titled determination of benefit account. A determination of benefit
94.31 account must be sent to the applicant and all base period employers, by mail or electronic
94.32 transmission.

94.33 (c) If a base period employer did not provide wage detail information for the applicant
94.34 as required under section 268B.12, the commissioner may accept an applicant certification

95.1 of wage credits, based upon the applicant's records, and issue a determination of benefit
95.2 account.

95.3 (d) The commissioner may, at any time within 24 months from the establishment of a
95.4 benefit account, reconsider any determination of benefit account and make an amended
95.5 determination if the commissioner finds that the wage credits listed in the determination
95.6 were incorrect for any reason. An amended determination of benefit account must be
95.7 promptly sent to the applicant and all base period employers, by mail or electronic
95.8 transmission. This paragraph does not apply to documents titled determinations of eligibility
95.9 or determinations of ineligibility issued.

95.10 (e) If an amended determination of benefit account reduces the weekly benefit amount
95.11 or maximum amount of benefits available, any benefits that have been paid greater than the
95.12 applicant was entitled is an overpayment of benefits. A determination or amended
95.13 determination issued under this section that results in an overpayment of benefits must set
95.14 out the amount of the overpayment and the requirement that the overpaid benefits must be
95.15 repaid according to section 268B.185.

95.16 Subd. 2. **Benefit account requirements.** (a) Unless paragraph (b) applies, to establish
95.17 a benefit account, an applicant must have wage credits of at least 5.3 percent of the state's
95.18 average annual wage rounded down to the next lower \$100.

95.19 (b) To establish a new benefit account following the expiration of the benefit year on a
95.20 prior benefit account, an applicant must have performed actual work in subsequent covered
95.21 employment and have been paid wages in one or more completed calendar quarters that
95.22 started after the effective date of the prior benefit account. The wages paid for that
95.23 employment must be at least enough to meet the requirements of paragraph (a). A benefit
95.24 account under this paragraph must not be established effective earlier than the Sunday
95.25 following the end of the most recent completed calendar quarter in which the requirements
95.26 of paragraph (a) were met. An applicant must not establish a second benefit account as a
95.27 result of one loss of employment.

95.28 Subd. 3. **Weekly benefit amount; maximum amount of benefits available; prorated**
95.29 **amount.** (a) Subject to the maximum weekly benefit amount, an applicant's weekly benefit
95.30 is calculated by adding the amounts obtained by applying the following percentage to an
95.31 applicant's average typical workweek and weekly wage during the high quarter of the base
95.32 period:

95.33 (1) 90 percent of wages that do not exceed 50 percent of the state's average weekly wage;
95.34 plus

96.1 (2) 66 percent of wages that exceed 50 percent of the state's average weekly wage but
96.2 not 100 percent; plus

96.3 (3) 55 percent of wages that exceed 100 percent of the state's average weekly wage.

96.4 (b) The state's average weekly wage is the average wage as calculated under section
96.5 268.035, subdivision 23, at the time a benefit amount is first determined.

96.6 (c) The maximum weekly benefit amount is the state's average weekly wage as calculated
96.7 under section 268.035, subdivision 23.

96.8 (d) The state's maximum weekly benefit amount, computed in accordance with section
96.9 268.035, subdivision 23, applies to a benefit account established effective on or after the
96.10 last Sunday in October. Once established, an applicant's weekly benefit amount is not
96.11 affected by the last Sunday in October change in the state's maximum weekly benefit amount.

96.12 (e) For an employee receiving family or medical leave, a weekly benefit amount is
96.13 prorated when:

96.14 (1) the employee works hours for wages; or

96.15 (2) the employee uses paid sick leave, paid vacation leave, or other paid time off that is
96.16 not considered a supplemental benefit payment as defined in section 268B.01, subdivision
96.17 37.

96.18 Subd. 4. **Timing of payment.** Except as otherwise provided for in this chapter, benefits
96.19 must be paid weekly.

96.20 Subd. 5. **Maximum length of benefits.** (a) Except as provided in paragraph (b), in a
96.21 single benefit year, an applicant may receive up to 12 weeks of benefits under this chapter
96.22 related to the applicant's serious health condition or pregnancy and up to 12 weeks of benefits
96.23 under this chapter for bonding, safety leave, or family care.

96.24 (b) An applicant may receive up to 12 weeks of benefits in a single benefit year for leave
96.25 related to one or more qualifying exigencies.

96.26 Subd. 6. **Minimum period for which benefits payable.** Except for a claim for benefits
96.27 for bonding leave, any claim for benefits must be based on a single qualifying event of at
96.28 least seven calendar days. Benefits may be paid for a minimum duration of eight consecutive
96.29 hours in a week. If an employee on leave claims eight hours at any point during a week, the
96.30 minimum duration is satisfied.

96.31 Subd. 7. **Right of appeal.** (a) A determination or amended determination of benefit
96.32 account is final unless an applicant files an appeal within 20 calendar days after the sending

97.1 of the determination or amended determination. Every determination or amended
97.2 determination of benefit account must contain a prominent statement indicating in clear
97.3 language the consequences of not appealing. Proceedings on the appeal are conducted in
97.4 accordance with section 268B.08.

97.5 (b) Any applicant may appeal from a determination or amended determination of benefit
97.6 account on the issue of whether services performed constitute employment, whether the
97.7 employment is covered employment, and whether money paid constitutes wages.

97.8 **Subd. 8. Limitations on applications and benefit accounts.** (a) An application for
97.9 family or medical leave benefits is effective the Sunday of the calendar week that the
97.10 application was filed. An application for benefits may be backdated one calendar week
97.11 before the Sunday of the week the application was actually filed if the applicant requests
97.12 the backdating within seven calendar days of the date the application is filed. An application
97.13 may be backdated only if the applicant was eligible for the benefit during the period of the
97.14 backdating. If an individual attempted to file an application for benefits, but was prevented
97.15 from filing an application by the department, the application is effective the Sunday of the
97.16 calendar week the individual first attempted to file an application.

97.17 (b) A benefit account established under subdivision 2 is effective the date the application
97.18 for benefits was effective.

97.19 (c) A benefit account, once established, may later be withdrawn if:

97.20 (1) the applicant has not been paid any benefits on that benefit account; and

97.21 (2) a new application for benefits is filed and a new benefit account is established at the
97.22 time of the withdrawal.

97.23 A benefit account may be withdrawn after the expiration of the benefit year, and the
97.24 new work requirements of subdivision 2, paragraph (b), do not apply if the applicant was
97.25 not paid any benefits on the benefit account that is being withdrawn.

97.26 A determination or amended determination of eligibility or ineligibility issued under
97.27 section 268B.07 that was sent before the withdrawal of the benefit account, remains in effect
97.28 and is not voided by the withdrawal of the benefit account.

97.29 **Sec. 9. [268B.05] CONTINUED REQUEST FOR BENEFITS.**

97.30 A continued request for family or medical leave benefits is a certification by an applicant,
97.31 done on a weekly basis, that the applicant is unable to perform usual work due to a qualifying

98.1 event and meets the ongoing eligibility requirements for benefits under section 268B.06. A
98.2 continued request must include information on possible issues of ineligibility.

98.3 **Sec. 10. [268B.06] ELIGIBILITY REQUIREMENTS; PAYMENTS THAT AFFECT**
98.4 **BENEFITS.**

98.5 Subdivision 1. **Eligibility conditions.** (a) An applicant may be eligible to receive family
98.6 or medical leave benefits for any week if:

98.7 (1) the applicant has filed a continued request for benefits for that week under section
98.8 268B.05;

98.9 (2) the week for which benefits are requested is in the applicant's benefit year;

98.10 (3) the applicant was unable to perform regular work due to a serious health condition,
98.11 a qualifying exigency, safety leave, family care, bonding, pregnancy, or recovery from
98.12 pregnancy for the period required under subdivision 2;

98.13 (4) the applicant has sufficient wage credits from an employer or employers as defined
98.14 in section 268B.01, subdivision 41, to establish a benefit account under section 268B.04;
98.15 and

98.16 (5) an applicant requesting benefits under this chapter must fulfill certification
98.17 requirements under subdivision 3.

98.18 (b) A self-employed individual or independent contractor who has elected and been
98.19 approved for coverage under section 268B.11 need not fulfill the requirement of paragraph
98.20 (a), clause (4).

98.21 Subd. 2. **Seven-day qualifying event.** (a) The period for which an applicant is seeking
98.22 benefits must be or have been based on a single event of at least seven calendar days' duration
98.23 related to pregnancy, recovery from pregnancy, family care, a qualifying exigency, safety
98.24 leave, or the applicant's serious health condition. The days need not be consecutive.

98.25 (b) Benefits related to bonding need not meet the seven-day qualifying event requirement.

98.26 (c) The commissioner must use the rulemaking authority under section 268B.02,
98.27 subdivision 3, to adopt rules regarding what serious health conditions and other events are
98.28 prospectively presumed to constitute seven-day qualifying events under this chapter.

98.29 Subd. 3. **Certification.** (a) Certification for an applicant taking leave related to the
98.30 applicant's serious health condition shall be sufficient if the certification states the date on
98.31 which the serious health condition began, the probable duration of the condition, and the

99.1 appropriate medical facts within the knowledge of the health care provider as required by
99.2 the commissioner.

99.3 (b) Certification for an applicant taking leave to care for a family member with a serious
99.4 health condition shall be sufficient if the certification states the date on which the serious
99.5 health condition commenced, the probable duration of the condition, the appropriate medical
99.6 facts within the knowledge of the health care provider as required by the commissioner, a
99.7 statement that the family member requires care, and an estimate of the amount of time that
99.8 the family member will require care.

99.9 (c) Certification for an applicant taking leave related to pregnancy shall be sufficient if
99.10 the certification states the expected due date and recovery period based on appropriate
99.11 medical facts within the knowledge of the health care provider.

99.12 (d) Certification for an applicant taking bonding leave because of the birth of the
99.13 applicant's child shall be sufficient if the certification includes either the child's birth
99.14 certificate or a document issued by the health care provider of the child or the health care
99.15 provider of the person who gave birth, stating the child's birth date.

99.16 (e) Certification for an applicant taking bonding leave because of the placement of a
99.17 child with the applicant for adoption or foster care shall be sufficient if the applicant provides
99.18 a document issued by the health care provider of the child, an adoption or foster care agency
99.19 involved in the placement, or by other individuals as determined by the commissioner that
99.20 confirms the placement and the date of placement. To the extent that the status of an applicant
99.21 as an adoptive or foster parent changes while an application for benefits is pending, or while
99.22 the covered individual is receiving benefits, the applicant must notify the department of
99.23 such change in status in writing.

99.24 (f) Certification for an applicant taking leave because of a qualifying exigency shall be
99.25 sufficient if the certification includes:

99.26 (1) a copy of the family member's active-duty orders;

99.27 (2) other documentation issued by the United States armed forces; or

99.28 (3) other documentation permitted by the commissioner.

99.29 (g) Certification for an applicant taking safety leave is sufficient if the certification
99.30 includes a court record or documentation signed by a volunteer or employee of a victim's
99.31 services organization, an attorney, a police officer, or an antiviolence counselor. The
99.32 commissioner must not require disclosure of details relating to an applicant's or applicant's
99.33 family member's domestic abuse, sexual assault, or stalking.

100.1 (h) Certifications under paragraphs (a) to (e) must be reviewed and signed by a health
100.2 care provider with knowledge of the qualifying event associated with the leave.

100.3 (i) For a leave taken on an intermittent or reduced-schedule basis, based on a serious
100.4 health condition of an applicant or applicant's family member, the certification under this
100.5 subdivision must include an explanation of how such leave would be medically beneficial
100.6 to the individual with the serious health condition.

100.7 Subd. 4. **Not eligible.** An applicant is ineligible for family or medical leave benefits for
100.8 any portion of a typical workweek:

100.9 (1) that occurs before the effective date of a benefit account;

100.10 (2) that the applicant has an outstanding misrepresentation overpayment balance under
100.11 section 268B.185, subdivision 5, including any penalties and interest;

100.12 (3) that the applicant fails or refuses to provide information on an issue of ineligibility
100.13 required under section 268B.07, subdivision 2; or

100.14 (4) for which the applicant worked for pay.

100.15 Subd. 5. **Vacation, sick leave, and supplemental benefit payments.** (a) An applicant
100.16 is not eligible to receive benefits for any portion of a typical workweek the applicant is
100.17 receiving, has received, or will receive vacation pay, sick pay, or personal time off pay, also
100.18 known as "PTO."

100.19 (b) Paragraph (a) does not apply:

100.20 (1) upon a permanent separation from employment;

100.21 (2) to payments from a vacation fund administered by a union or a third party not under
100.22 the control of the employer; or

100.23 (3) to supplemental benefit payments, as defined in section 268B.01, subdivision 37.

100.24 (c) Payments under this subdivision are applied to the period immediately following the
100.25 later of the date of separation from employment or the date the applicant first becomes
100.26 aware that the employer will be making a payment. The date the payment is actually made
100.27 or received, or that an applicant must agree to a release of claims, does not affect the
100.28 application of this subdivision.

100.29 Subd. 6. **Workers' compensation and disability insurance offset.** (a) An applicant is
100.30 not eligible to receive benefits for any portion of a week in which the applicant is receiving
100.31 or has received compensation for loss of wages equal to or in excess of the applicant's
100.32 weekly family or medical leave benefit amount under:

101.1 (1) the workers' compensation law of this state;

101.2 (2) the workers' compensation law of any other state or similar federal law; or

101.3 (3) any insurance or trust fund paid in whole or in part by an employer.

101.4 (b) This subdivision does not apply to an applicant who has a claim pending for loss of
101.5 wages under paragraph (a). If the applicant later receives compensation as a result of the
101.6 pending claim, the applicant is subject to paragraph (a) and the family or medical leave
101.7 benefits paid are overpaid benefits under section 268B.185.

101.8 (c) If the amount of compensation described under paragraph (a) for any week is less
101.9 than the applicant's weekly family or medical leave benefit amount, benefits requested for
101.10 that week are reduced by the amount of that compensation payment.

101.11 **Subd. 7. Separation, severance, or bonus payments.** (a) An applicant is not eligible
101.12 to receive benefits for any week the applicant is receiving, has received, or will receive
101.13 separation pay, severance pay, bonus pay, or any other payments paid by an employer
101.14 because of, upon, or after separation from employment. This subdivision applies if the
101.15 payment is:

101.16 (1) considered wages under section 268B.01, subdivision 43; or

101.17 (2) subject to the Federal Insurance Contributions Act (FICA) tax imposed to fund Social
101.18 Security and Medicare.

101.19 (b) Payments under this subdivision are applied to the period immediately following the
101.20 later of the date of separation from employment or the date the applicant first becomes
101.21 aware that the employer will be making a payment. The date the payment is actually made
101.22 or received, or that an applicant must agree to a release of claims, does not affect the
101.23 application of this paragraph.

101.24 (c) This subdivision does not apply to vacation pay, sick pay, personal time off pay, or
101.25 supplemental benefit payment under subdivision 4.

101.26 (d) This subdivision applies to all the weeks of payment.

101.27 (e) Under this subdivision, if the payment with respect to a week is equal to or more
101.28 than the applicant's weekly benefit amount, the applicant is ineligible for benefits for that
101.29 week. If the payment with respect to a week is less than the applicant's weekly benefit
101.30 amount, benefits are reduced by the amount of the payment.

102.1 Subd. 8. Social Security disability benefits. (a) An applicant who is receiving, has
102.2 received, or has filed for primary Social Security disability benefits for any week is ineligible
102.3 for benefits for that week, unless:

102.4 (1) the Social Security Administration approved the collecting of primary Social Security
102.5 disability benefits each month the applicant was employed during the base period; or

102.6 (2) the applicant provides a statement from an appropriate health care professional who
102.7 is aware of the applicant's Social Security disability claim and the basis for that claim,
102.8 certifying that the applicant is available for suitable employment.

102.9 (b) If an applicant meets the requirements of paragraph (a), clause (1) or (2), there is no
102.10 deduction from the applicant's weekly benefit amount for any Social Security disability
102.11 benefits.

102.12 (c) Information from the Social Security Administration is conclusive, absent specific
102.13 evidence showing that the information was erroneous.

102.14 **Sec. 11. [268B.07] DETERMINATION ON ISSUES OF ELIGIBILITY.**

102.15 Subdivision 1. Employer notification. (a) Upon a determination that an applicant is
102.16 entitled to benefits, the commissioner must promptly send a notification to each current
102.17 employer of the applicant, if any, in accordance with paragraph (b).

102.18 (b) The notification under paragraph (a) must include, at a minimum:

102.19 (1) the name of the applicant;

102.20 (2) that the applicant has applied for and received benefits;

102.21 (3) the week the benefits commence;

102.22 (4) the weekly benefit amount payable; and

102.23 (5) the maximum duration of benefits.

102.24 Subd. 2. Determination. (a) The commissioner must determine any issue of ineligibility
102.25 raised by information required from an applicant and send to the applicant and any current
102.26 base period employer, by mail or electronic transmission, a document titled a determination
102.27 of eligibility or a determination of ineligibility, as is appropriate, within two weeks.

102.28 (b) If an applicant obtained benefits through misrepresentation, the department is
102.29 authorized to issue a determination of ineligibility within 48 months of the establishment
102.30 of the benefit account.

103.1 (c) If the department has filed an intervention in a worker's compensation matter under
103.2 section 176.361, the department is authorized to issue a determination of ineligibility within
103.3 48 months of the establishment of the benefit account.

103.4 (d) A determination of eligibility or determination of ineligibility is final unless an appeal
103.5 is filed by the applicant within 20 calendar days after sending. The determination must
103.6 contain a prominent statement indicating the consequences of not appealing. Proceedings
103.7 on the appeal are conducted in accordance with section 268B.08.

103.8 (e) An issue of ineligibility required to be determined under this section includes any
103.9 question regarding the denial or allowing of benefits under this chapter.

103.10 Subd. 3. **Amended determination.** Unless an appeal has been filed, the commissioner,
103.11 on the commissioner's own motion, may reconsider a determination of eligibility or
103.12 determination of ineligibility that has not become final and issue an amended determination.
103.13 Any amended determination must be sent to the applicant and any employer in the current
103.14 base period by mail or electronic transmission. Any amended determination is final unless
103.15 an appeal is filed by the applicant within 20 calendar days after sending. Proceedings on
103.16 the appeal are conducted in accordance with section 268B.08.

103.17 Subd. 4. **Benefit payment.** If a determination or amended determination allows benefits
103.18 to an applicant, the family or medical leave benefits must be paid regardless of any appeal
103.19 period or any appeal having been filed.

103.20 Subd. 5. **Overpayment.** A determination or amended determination that holds an
103.21 applicant ineligible for benefits for periods an applicant has been paid benefits is an
103.22 overpayment of those family or medical leave benefits. A determination or amended
103.23 determination issued under this section that results in an overpayment of benefits must set
103.24 out the amount of the overpayment and the requirement that the overpaid benefits must be
103.25 repaid according to section 268B.185.

103.26 Sec. 12. **[268B.08] APPEAL PROCESS.**

103.27 Subdivision 1. **Hearing.** (a) The commissioner shall designate a chief benefit judge.

103.28 (b) Upon a timely appeal to a determination having been filed or upon a referral for
103.29 direct hearing, the chief benefit judge must set a time and date for a de novo due-process
103.30 hearing and send notice to an applicant and an employer, by mail or electronic transmission,
103.31 not less than ten calendar days before the date of the hearing.

103.32 (c) The commissioner may adopt rules on procedures for hearings. The rules need not
103.33 conform to common law or statutory rules of evidence and other technical rules of procedure.

104.1 (d) The chief benefit judge has discretion regarding the method by which the hearing is
104.2 conducted.

104.3 Subd. 2. **Decision.** (a) After the conclusion of the hearing, upon the evidence obtained,
104.4 the benefit judge must serve by mail or electronic transmission to all parties the decision,
104.5 reasons for the decision, and written findings of fact.

104.6 (b) Decisions of a benefit judge are not precedential.

104.7 Subd. 3. **Request for reconsideration.** Any party, or the commissioner, may, within
104.8 30 calendar days after service of the benefit judge's decision, file a request for reconsideration
104.9 asking the judge to reconsider that decision.

104.10 Subd. 4. **Appeal to court of appeals.** Any final determination on a request for
104.11 reconsideration may be appealed by any party directly to the Minnesota Court of Appeals.

104.12 Subd. 5. **Benefit judges.** (a) Only employees of the department who are attorneys licensed
104.13 to practice law in Minnesota may serve as a chief benefit judge, senior benefit judges who
104.14 are supervisors, or benefit judges.

104.15 (b) The chief benefit judge must assign a benefit judge to conduct a hearing and may
104.16 transfer to another benefit judge any proceedings pending before another benefit judge.

104.17 Sec. 13. [268B.085] LEAVE.

104.18 Subdivision 1. **Right to leave.** Ninety calendar days from the date of hire, an employee
104.19 has a right to leave from employment for any day, or portion of a day, for which the employee
104.20 would be eligible for benefits under this chapter, regardless of whether the employee actually
104.21 applied for benefits and regardless of whether the employee is covered under a private plan
104.22 or the public program under this chapter.

104.23 Subd. 2. **Notice to employer.** (a) If the need for leave is foreseeable, an employee must
104.24 provide the employer at least 30 days' advance notice before leave under this chapter is to
104.25 begin. If 30 days' notice is not practicable because of a lack of knowledge of approximately
104.26 when leave will be required to begin, a change in circumstances, or a medical emergency,
104.27 notice must be given as soon as practicable. Whether leave is to be continuous or is to be
104.28 taken intermittently or on a reduced-schedule basis, notice need only be given one time, but
104.29 the employee must advise the employer as soon as practicable if dates of scheduled leave
104.30 change or are extended, or were initially unknown. In those cases where the employee is
104.31 required to provide at least 30 days' notice of foreseeable leave and does not do so, the
104.32 employee must explain the reasons why notice was not practicable upon request from the
104.33 employer.

105.1 (b) "As soon as practicable" means as soon as both possible and practical, taking into
105.2 account all of the facts and circumstances in the individual case. When an employee becomes
105.3 aware of a need for leave under this chapter less than 30 days in advance, it should be
105.4 practicable for the employee to provide notice of the need for leave either the same day or
105.5 the next day, unless the need for leave is based on a medical emergency. In all cases,
105.6 however, the determination of when an employee could practicably provide notice must
105.7 take into account the individual facts and circumstances.

105.8 (c) An employee shall provide at least verbal notice sufficient to make the employer
105.9 aware that the employee needs leave allowed under this chapter and the anticipated timing
105.10 and duration of the leave. An employer may require an employee giving notice of leave to
105.11 include a certification for the leave as described in section 268B.06, subdivision 3. Such
105.12 certification, if required by an employer, is timely when the employee delivers it as soon
105.13 as practicable given the circumstances requiring the need for leave, and the required contents
105.14 of the certification.

105.15 (d) An employer may require an employee to comply with the employer's usual and
105.16 customary notice and procedural requirements for requesting leave, absent unusual
105.17 circumstances or other circumstances caused by the reason for the employee's need for
105.18 leave. Leave under this chapter must not be delayed or denied where an employer's usual
105.19 and customary notice or procedural requirements require notice to be given sooner than set
105.20 forth in this subdivision.

105.21 (e) If an employer has failed to provide notice to the employee as required under section
105.22 268B.26, paragraph (a), (b), or (c), the employee is not required to comply with the notice
105.23 requirements of this subdivision.

105.24 Subd. 3. **Bonding leave.** Bonding leave taken under this chapter begins at a time requested
105.25 by the employee. Bonding leave must begin within 12 months of the birth, adoption, or
105.26 placement of a foster child, except that, in the case where the child must remain in the
105.27 hospital longer than the mother, the leave must begin within 12 months after the child leaves
105.28 the hospital.

105.29 Subd. 4. **Intermittent or reduced-leave schedule.** (a) Leave under this chapter, based
105.30 on a serious health condition, may be taken intermittently or on a reduced-leave schedule
105.31 if such leave would be medically beneficial to the individual with the serious health condition.
105.32 For all other leaves under this chapter, leave may be taken intermittently or on a
105.33 reduced-leave schedule. Intermittent leave is leave taken in separate blocks of time due to

106.1 a single, seven-day qualifying event. A reduced-leave schedule is a leave schedule that
106.2 reduces an employee's usual number of working hours per workweek or hours per workday.

106.3 (b) Leave taken intermittently or on a reduced-schedule basis counts toward the
106.4 maximums described in section 268B.04, subdivision 5.

106.5 Sec. 14. **[268B.09] EMPLOYMENT PROTECTIONS.**

106.6 Subdivision 1. **Retaliation prohibited.** An employer must not retaliate against an
106.7 employee for requesting or obtaining benefits, or for exercising any other right under this
106.8 chapter.

106.9 Subd. 2. **Interference prohibited.** An employer must not obstruct or impede an
106.10 application for leave or benefits or the exercise of any other right under this chapter.

106.11 Subd. 3. **Waiver of rights void.** Any agreement to waive, release, or commute rights
106.12 to benefits or any other right under this chapter is void.

106.13 Subd. 4. **No assignment of benefits.** Any assignment, pledge, or encumbrance of benefits
106.14 is void. Benefits are exempt from levy, execution, attachment, or any other remedy provided
106.15 for the collection of debt. Any waiver of this subdivision is void.

106.16 Subd. 5. **Continued insurance.** During any leave for which an employee is entitled to
106.17 benefits under this chapter, the employer must maintain coverage under any group insurance
106.18 policy, group subscriber contract, or health care plan for the employee and any dependents
106.19 as if the employee was not on leave, provided, however, that the employee must continue
106.20 to pay any employee share of the cost of such benefits.

106.21 Subd. 6. **Employee right to reinstatement.** (a) On return from leave under this chapter,
106.22 an employee is entitled to be returned to the same position the employee held when leave
106.23 commenced or to an equivalent position with equivalent benefits, pay, and other terms and
106.24 conditions of employment. An employee is entitled to reinstatement even if the employee
106.25 has been replaced or the employee's position has been restructured to accommodate the
106.26 employee's absence.

106.27 (b)(1) An equivalent position is one that is virtually identical to the employee's former
106.28 position in terms of pay, benefits, and working conditions, including privileges, prerequisites,
106.29 and status. It must involve the same or substantially similar duties and responsibilities,
106.30 which must entail substantially equivalent skill, effort, responsibility, and authority.

106.31 (2) If an employee is no longer qualified for the position because of the employee's
106.32 inability to attend a necessary course, renew a license, fly a minimum number of hours, or

107.1 similar condition, as a result of the leave, the employee must be given a reasonable
107.2 opportunity to fulfill those conditions upon return from leave.

107.3 (c)(1) An employee is entitled to any unconditional pay increases which may have
107.4 occurred during the leave period, such as cost of living increases. Pay increases conditioned
107.5 upon seniority, length of service, or work performed must be granted in accordance with
107.6 the employer's policy or practice with respect to other employees on an equivalent leave
107.7 status for a reason that does not qualify for leave under this chapter. An employee is entitled
107.8 to be restored to a position with the same or equivalent pay premiums, such as a shift
107.9 differential. If an employee departed from a position averaging ten hours of overtime, and
107.10 corresponding overtime pay, each week an employee is ordinarily entitled to such a position
107.11 on return from leave under this chapter.

107.12 (2) Equivalent pay includes any bonus or payment, whether it is discretionary or
107.13 nondiscretionary, made to employees consistent with clause (1). If a bonus or other payment
107.14 is based on the achievement of a specified goal such as hours worked, products sold, or
107.15 perfect attendance, and the employee has not met the goal due to leave under this chapter,
107.16 the payment may be denied, unless otherwise paid to employees on an equivalent leave
107.17 status for a reason that does not qualify for leave under this chapter.

107.18 (d) Benefits under this section include all benefits provided or made available to
107.19 employees by an employer, including group life insurance, health insurance, disability
107.20 insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether
107.21 benefits are provided by a practice or written policy of an employer through an employee
107.22 benefit plan as defined in section 3(3) of United States Code, title 29, section 1002(3).

107.23 (1) At the end of an employee's leave under this chapter, benefits must be resumed in
107.24 the same manner and at the same levels as provided when the leave began, and subject to
107.25 any changes in benefit levels that may have taken place during the period of leave affecting
107.26 the entire workforce, unless otherwise elected by the employee. Upon return from a leave
107.27 under this chapter, an employee must not be required to requalify for any benefits the
107.28 employee enjoyed before leave began, including family or dependent coverages.

107.29 (2) An employee may, but is not entitled to, accrue any additional benefits or seniority
107.30 during a leave under this chapter. Benefits accrued at the time leave began must be available
107.31 to an employee upon return from leave.

107.32 (3) With respect to pension and other retirement plans, leave under this chapter must
107.33 not be treated as or counted toward a break in service for purposes of vesting and eligibility
107.34 to participate. If the plan requires an employee to be employed on a specific date in order

108.1 to be credited with a year of service for vesting, contributions, or participation purposes,
108.2 an employee on leave under this chapter must be treated as employed on that date. Periods
108.3 of leave under this chapter need not be treated as credited service for purposes of benefit
108.4 accrual, vesting, and eligibility to participate.

108.5 (4) Employees on leave under this chapter must be treated as if they continued to work
108.6 for purposes of changes to benefit plans. Employees on leave under this chapter are entitled
108.7 to changes in benefit plans, except those which may be dependent upon seniority or accrual
108.8 during the leave period, immediately upon return from leave or to the same extent they
108.9 would have qualified if no leave had been taken.

108.10 (e) An equivalent position must have substantially similar duties, conditions,
108.11 responsibilities, privileges, and status as the employee's original position.

108.12 (1) The employee must be reinstated to the same or a geographically proximate worksite
108.13 from where the employee had previously been employed. If the employee's original worksite
108.14 has been closed, the employee is entitled to the same rights as if the employee had not been
108.15 on leave when the worksite closed.

108.16 (2) The employee is ordinarily entitled to return to the same shift or the same or an
108.17 equivalent work schedule.

108.18 (3) The employee must have the same or an equivalent opportunity for bonuses,
108.19 profit-sharing, and other similar discretionary and nondiscretionary payments.

108.20 (4) This chapter does not prohibit an employer from accommodating an employee's
108.21 request to be restored to a different shift, schedule, or position which better suits the
108.22 employee's personal needs on return from leave, or to offer a promotion to a better position.
108.23 However, an employee must not be induced by the employer to accept a different position
108.24 against the employee's wishes.

108.25 (f) The requirement that an employee be restored to the same or equivalent job with the
108.26 same or equivalent pay, benefits, and terms and conditions of employment does not extend
108.27 to de minimis, intangible, or unmeasurable aspects of the job.

108.28 Subd. 7. **Limitations on an employee's right to reinstatement.** An employee has no
108.29 greater right to reinstatement or to other benefits and conditions of employment than if the
108.30 employee had been continuously employed during the period of leave under this chapter.
108.31 An employer must be able to show that an employee would not otherwise have been
108.32 employed at the time reinstatement is requested in order to deny restoration to employment.

109.1 (1) If an employee is laid off during the course of taking a leave under this chapter and
109.2 employment is terminated, the employer's responsibility to continue the leave, maintain
109.3 group health plan benefits, and restore the employee cease at the time the employee is laid
109.4 off, provided the employer has no continuing obligations under a collective bargaining
109.5 agreement or otherwise. An employer would have the burden of proving that an employee
109.6 would have been laid off during the period of leave under this chapter and, therefore, would
109.7 not be entitled to restoration. Restoration to a job slated for layoff when the employee's
109.8 original position would not meet the requirements of an equivalent position.

109.9 (2) If a shift has been eliminated or overtime has been decreased, an employee would
109.10 not be entitled to return to work that shift or the original overtime hours upon restoration.
109.11 However, if a position on, for example, a night shift has been filled by another employee,
109.12 the employee is entitled to return to the same shift on which employed before taking leave
109.13 under this chapter.

109.14 (3) If an employee was hired for a specific term or only to perform work on a discrete
109.15 project, the employer has no obligation to restore the employee if the employment term or
109.16 project is over and the employer would not otherwise have continued to employ the employee.

109.17 Subd. 8. Remedies. (a) In addition to any other remedies available to an employee in
109.18 law or equity, an employer who violates the provisions of this section is liable to any
109.19 employee affected for:

109.20 (1) damages equal to the amount of:

109.21 (i) any wages, salary, employment benefits, or other compensation denied or lost to such
109.22 employee by reason of the violation, or, in cases in which wages, salary, employment
109.23 benefits, or other compensation have not been denied or lost to the employee, any actual
109.24 monetary losses sustained by the employee as a direct result of the violation; and

109.25 (ii) reasonable interest on the amount described in item (i); and

109.26 (2) such equitable relief as may be appropriate, including employment, reinstatement,
109.27 and promotion.

109.28 (b) An action to recover damages or equitable relief prescribed in paragraph (a) may be
109.29 maintained against any employer in any federal or state court of competent jurisdiction by
109.30 any one or more employees for and on behalf of:

109.31 (1) the employees; or

109.32 (2) the employees and other employees similarly situated.

110.1 (c) The court in an action under this section must, in addition to any judgment awarded
110.2 to the plaintiff or plaintiffs, allow reasonable attorney fees, reasonable expert witness fees,
110.3 and other costs of the action to be paid by the defendant.

110.4 (d) Nothing in this section shall be construed to allow an employee to recover damages
110.5 from an employer for the denial of benefits under this chapter by the department, unless the
110.6 employer unlawfully interfered with the application for benefits under subdivision 2.

110.7 **Sec. 15. [268B.10] SUBSTITUTION OF A PRIVATE PLAN.**

110.8 Subdivision 1. **Application for substitution.** Employers may apply to the commissioner
110.9 for approval to meet their obligations under this chapter through the substitution of a private
110.10 plan that provides paid family, paid medical, or paid family and medical benefits. In order
110.11 to be approved as meeting an employer's obligations under this chapter, a private plan must
110.12 confer all of the same rights, protections, and benefits provided to employees under this
110.13 chapter, including but not limited to benefits under section 268B.04 and employment
110.14 protections under section 268B.09. An employee covered by a private plan under this section
110.15 retains all applicable rights and remedies under section 268B.09.

110.16 Subd. 2. **Private plan requirements; medical benefit program.** (a) The commissioner
110.17 must approve an application for private provision of the medical benefit program if the
110.18 commissioner determines:

110.19 (1) all of the employees of the employer are to be covered under the provisions of the
110.20 employer plan;

110.21 (2) eligibility requirements for benefits and leave are no more restrictive than as provided
110.22 under this chapter;

110.23 (3) the weekly benefits payable under the private plan for any week are at least equal to
110.24 the weekly benefit amount payable under this chapter, taking into consideration any coverage
110.25 with respect to concurrent employment by another employer;

110.26 (4) the total number of weeks for which benefits are payable under the private plan is
110.27 at least equal to the total number of weeks for which benefits would have been payable
110.28 under this chapter;

110.29 (5) no greater amount is required to be paid by employees toward the cost of benefits
110.30 under the employer plan than by this chapter;

110.31 (6) wage replacement benefits are stated in the plan separately and distinctly from other
110.32 benefits;

111.1 (7) the private plan will provide benefits and leave for any serious health condition or
111.2 pregnancy for which benefits are payable, and leave provided, under this chapter;

111.3 (8) the private plan will impose no additional condition or restriction on the use of
111.4 medical benefits beyond those explicitly authorized by this chapter or regulations
111.5 promulgated pursuant to this chapter;

111.6 (9) the private plan will allow any employee covered under the private plan who is
111.7 eligible to receive medical benefits under this chapter to receive medical benefits under the
111.8 employer plan; and

111.9 (10) coverage will continue under the private plan while an employee remains employed
111.10 by the employer.

111.11 (b) Notwithstanding paragraph (a), a private plan may provide shorter durations of leave
111.12 and benefit eligibility if the total dollar value of wage replacement benefits under the private
111.13 plan for an employee for any particular qualifying event meets or exceeds what the total
111.14 dollar value would be under the public family and medical benefit program.

111.15 **Subd. 3. Private plan requirements; family benefit program.** (a) The commissioner
111.16 must approve an application for private provision of the family benefit program if the
111.17 commissioner determines:

111.18 (1) all of the employees of the employer are to be covered under the provisions of the
111.19 employer plan;

111.20 (2) eligibility requirements for benefits and leave are no more restrictive than as provided
111.21 under this chapter;

111.22 (3) the weekly benefits payable under the private plan for any week are at least equal to
111.23 the weekly benefit amount payable under this chapter, taking into consideration any coverage
111.24 with respect to concurrent employment by another employer;

111.25 (4) the total number of weeks for which benefits are payable under the private plan is
111.26 at least equal to the total number of weeks for which benefits would have been payable
111.27 under this chapter;

111.28 (5) no greater amount is required to be paid by employees toward the cost of benefits
111.29 under the employer plan than by this chapter;

111.30 (6) wage replacement benefits are stated in the plan separately and distinctly from other
111.31 benefits;

112.1 (7) the private plan will provide benefits and leave for any care for a family member
112.2 with a serious health condition, bonding with a child, qualifying exigency, or safety leave
112.3 event for which benefits are payable, and leave provided, under this chapter;

112.4 (8) the private plan will impose no additional condition or restriction on the use of family
112.5 benefits beyond those explicitly authorized by this chapter or regulations promulgated
112.6 pursuant to this chapter;

112.7 (9) the private plan will allow any employee covered under the private plan who is
112.8 eligible to receive medical benefits under this chapter to receive medical benefits under the
112.9 employer plan; and

112.10 (10) coverage will continue under the private plan while an employee remains employed
112.11 by the employer.

112.12 (b) Notwithstanding paragraph (a), a private plan may provide shorter durations of leave
112.13 and benefit eligibility if the total dollar value of wage replacement benefits under the private
112.14 plan for an employee for any particular qualifying event meets or exceeds what the total
112.15 dollar value would be under the public family and medical benefit program.

112.16 Subd. 4. **Use of private insurance products.** Nothing in this section prohibits an
112.17 employer from meeting the requirements of a private plan through a private insurance
112.18 product. If the employer plan involves a private insurance product, that insurance product
112.19 must conform to any applicable law or rule.

112.20 Subd. 5. **Private plan approval and oversight fee.** An employer with an approved
112.21 private plan is not required to pay premiums established under section 268B.14. An employer
112.22 with an approved private plan is responsible for a private plan approval and oversight fee
112.23 equal to \$250 for employers with fewer than 50 employees, \$500 for employers with 50 to
112.24 499 employees, and \$1,000 for employers with 500 or more employees. The employer must
112.25 pay this fee (1) upon initial application for private plan approval, and (2) any time the
112.26 employer applies to amend the private plan. The commissioner must review and report on
112.27 the adequacy of this fee to cover private plan administrative costs annually beginning October
112.28 1, 2022, as part of the annual report established in section 268B.21.

112.29 Subd. 6. **Plan duration.** A private plan under this section must be in effect for a period
112.30 of at least one year and, thereafter, continuously unless the commissioner finds that the
112.31 employer has given notice of withdrawal from the plan in a manner specified by the
112.32 commissioner in this section or rule. The plan may be withdrawn by the employer within
112.33 30 days of the effective date of any law increasing the benefit amounts or within 30 days
112.34 of the date of any change in the rate of premiums. If the plan is not withdrawn, it must be

113.1 amended to conform to provide the increased benefit amount or change in the rate of the
113.2 employee's premium on the date of the increase or change.

113.3 Subd. 7. **Appeals.** An employer may appeal any adverse action regarding that employer's
113.4 private plan to the commissioner, in a manner specified by the commissioner.

113.5 Subd. 8. **Employees no longer covered.** (a) An employee is no longer covered by an
113.6 approved private plan if a leave under this chapter occurs after the employment relationship
113.7 with the private plan employer ends, or if the commissioner revokes the approval of the
113.8 private plan.

113.9 (b) An employee no longer covered by an approved private plan is, if otherwise eligible,
113.10 immediately entitled to benefits under this chapter to the same extent as though there had
113.11 been no approval of the private plan.

113.12 Subd. 9. **Posting of notice regarding private plan.** An employer with a private plan
113.13 must provide a notice prepared by or approved by the commissioner regarding the private
113.14 plan consistent with section 268B.26.

113.15 Subd. 10. **Amendment.** (a) The commissioner must approve any amendment to a private
113.16 plan adjusting the provisions thereof, if the commissioner determines:

113.17 (1) that the plan, as amended, will conform to the standards set forth in this chapter; and

113.18 (2) that notice of the amendment has been delivered to all affected employees at least
113.19 ten days before the submission of the amendment.

113.20 (b) Any amendments approved under this subdivision are effective on the date of the
113.21 commissioner's approval, unless the commissioner and the employer agree on a later date.

113.22 Subd. 11. **Successor employer.** A private plan in effect at the time a successor acquires
113.23 the employer organization, trade, or business, or substantially all the assets thereof, or a
113.24 distinct and severable portion of the organization, trade, or business, and continues its
113.25 operation without substantial reduction of personnel resulting from the acquisition, must
113.26 continue the approved private plan and must not withdraw the plan without a specific request
113.27 for withdrawal in a manner and at a time specified by the commissioner. A successor may
113.28 terminate a private plan with notice to the commissioner and within 90 days from the date
113.29 of the acquisition.

113.30 Subd. 12. **Revocation of approval by commissioner.** (a) The commissioner may
113.31 terminate any private plan if the commissioner determines the employer:

113.32 (1) failed to pay benefits;

114.1 (2) failed to pay benefits in a timely manner, consistent with the requirements of this
114.2 chapter;

114.3 (3) failed to submit reports as required by this chapter or rule adopted under this chapter;
114.4 or

114.5 (4) otherwise failed to comply with this chapter or rule adopted under this chapter.

114.6 (b) The commissioner must give notice of the intention to terminate a plan to the employer
114.7 at least ten days before taking any final action. The notice must state the effective date and
114.8 the reason for the termination.

114.9 (c) The employer may, within ten days from mailing or personal service of the notice,
114.10 file an appeal to the commissioner in the time, manner, method, and procedure provided by
114.11 the commissioner under subdivision 7.

114.12 (d) The payment of benefits must not be delayed during an employer's appeal of the
114.13 revocation of approval of a private plan.

114.14 (e) If the commissioner revokes approval of an employer's private plan, that employer
114.15 is ineligible to apply for approval of another private plan for a period of three years, beginning
114.16 on the date of revocation.

114.17 Subd. 13. **Employer penalties.** (a) The commissioner may assess the following monetary
114.18 penalties against an employer with an approved private plan found to have violated this
114.19 chapter:

114.20 (1) \$1,000 for the first violation; and

114.21 (2) \$2,000 for the second, and each successive violation.

114.22 (b) The commissioner must waive collection of any penalty if the employer corrects the
114.23 violation within 30 days of receiving a notice of the violation and the notice is for a first
114.24 violation.

114.25 (c) The commissioner may waive collection of any penalty if the commissioner determines
114.26 the violation to be an inadvertent error by the employer.

114.27 (d) Monetary penalties collected under this section shall be deposited in the family and
114.28 medical benefit insurance account.

114.29 (e) Assessment of penalties under this subdivision may be appealed as provided by the
114.30 commissioner under subdivision 7.

115.1 Subd. 14. **Reports, information, and records.** Employers with an approved private
115.2 plan must maintain all reports, information, and records as relating to the private plan and
115.3 claims for a period of six years from creation and provide to the commissioner upon request.

115.4 Subd. 15. **Audit and investigation.** The commissioner may investigate and audit plans
115.5 approved under this section both before and after the plans are approved.

115.6 Sec. 16. **[268B.11] SELF-EMPLOYED AND INDEPENDENT CONTRACTOR**
115.7 **ELECTION OF COVERAGE.**

115.8 Subdivision 1. **Election of coverage.** (a) A self-employed individual or independent
115.9 contractor may file with the commissioner by electronic transmission in a format prescribed
115.10 by the commissioner an application to be entitled to benefits under this chapter for a period
115.11 not less than 104 consecutive calendar weeks. Upon the approval of the commissioner, sent
115.12 by United States mail or electronic transmission, the individual is entitled to benefits under
115.13 this chapter beginning the calendar quarter after the date of approval or beginning in a later
115.14 calendar quarter if requested by the self-employed individual or independent contractor.
115.15 The individual ceases to be entitled to benefits as of the first day of January of any calendar
115.16 year only if, at least 30 calendar days before the first day of January, the individual has filed
115.17 with the commissioner by electronic transmission in a format prescribed by the commissioner
115.18 a notice to that effect.

115.19 (b) The commissioner may terminate any application approved under this section with
115.20 30 calendar days' notice sent by United States mail or electronic transmission if the
115.21 self-employed individual is delinquent on any premiums due under this chapter. If an
115.22 approved application is terminated in this manner during the first 104 consecutive calendar
115.23 weeks of election, the self-employed individual remains obligated to pay the premium under
115.24 subdivision 3 for the remainder of that 104-week period.

115.25 Subd. 2. **Application.** A self-employed individual who applies for coverage under this
115.26 section must provide the commissioner with (1) the amount of the individual's net earnings
115.27 from self-employment, if any, from the two most recent taxable years and all tax documents
115.28 necessary to prove the accuracy of the amounts reported, and (2) any other documentation
115.29 the commissioner requires. A self-employed individual who is covered under this chapter
115.30 must annually provide the commissioner with the amount of the individual's net earnings
115.31 from self-employment within 30 days of filing a federal income tax return.

115.32 Subd. 3. **Premium.** A self-employed individual who elects to receive coverage under
115.33 this chapter must annually pay a premium equal to one-half the percentage in section
115.34 268B.14, subdivision 5, clause (1), times the lesser of:

- 116.1 (1) the individual's self-employment premium base; or
116.2 (2) the maximum earnings subject to the FICA Old-Age, Survivors, and Disability
116.3 Insurance tax.

116.4 Subd. 4. **Benefits.** Notwithstanding anything to the contrary, a self-employed individual
116.5 who has applied to and been approved for coverage by the commissioner under this section
116.6 is entitled to benefits on the same basis as an employee under this chapter, except that a
116.7 self-employed individual's weekly benefit amount under section 268B.04, subdivision 1,
116.8 must be calculated as a percentage of the self-employed individual's self-employment
116.9 premium base, rather than wages.

116.10 **Sec. 17. [268B.12] WAGE REPORTING.**

116.11 Subdivision 1. **Wage detail report.** (a) Each employer must submit, under the employer
116.12 premium account described in section 268B.13, a quarterly wage detail report by electronic
116.13 transmission, in a format prescribed by the commissioner. The report must include for each
116.14 employee in covered employment during the calendar quarter, the employee's name, Social
116.15 Security number, the total wages paid to the employee, and total number of paid hours
116.16 worked. For employees exempt from the definition of employee in section 177.23,
116.17 subdivision 7, clause (6), the employer must report 40 hours worked for each week any
116.18 duties were performed by a full-time employee and must report a reasonable estimate of
116.19 the hours worked for each week duties were performed by a part-time employee. In addition,
116.20 the wage detail report must include the number of employees employed during the payroll
116.21 period that includes the 12th day of each calendar month and, if required by the
116.22 commissioner, the report must be broken down by business location and separate business
116.23 unit. The report is due and must be received by the commissioner on or before the last day
116.24 of the month following the end of the calendar quarter. The commissioner may delay the
116.25 due date on a specific calendar quarter in the event the department is unable to accept wage
116.26 detail reports electronically.

116.27 (b) The employer may report the wages paid to the next lower whole dollar amount.

116.28 (c) An employer need not include the name of the employee or other required information
116.29 on the wage detail report if disclosure is specifically exempted from being reported by
116.30 federal law.

116.31 (d) A wage detail report must be submitted for each calendar quarter even though no
116.32 wages were paid, unless the business has been terminated.

117.1 Subd. 2. **Electronic transmission of report required.** Each employer must submit the
117.2 quarterly wage detail report by electronic transmission in a format prescribed by the
117.3 commissioner. The commissioner has the discretion to accept wage detail reports that are
117.4 submitted by any other means or the commissioner may return the report submitted by other
117.5 than electronic transmission to the employer, and reports returned are considered as not
117.6 submitted and the late fees under subdivision 3 may be imposed.

117.7 Subd. 3. **Failure to timely file report; late fees.** (a) Any employer that fails to submit
117.8 the quarterly wage detail report when due must pay a late fee of \$10 per employee, computed
117.9 based upon the highest of:

117.10 (1) the number of employees reported on the last wage detail report submitted;

117.11 (2) the number of employees reported in the corresponding quarter of the prior calendar
117.12 year; or

117.13 (3) if no wage detail report has ever been submitted, the number of employees listed at
117.14 the time of employer registration.

117.15 The late fee is canceled if the wage detail report is received within 30 calendar days after
117.16 a demand for the report is sent to the employer by mail or electronic transmission. A late
117.17 fee assessed an employer may not be canceled more than twice each 12 months. The amount
117.18 of the late fee assessed may not be less than \$250.

117.19 (b) If the wage detail report is not received in a manner and format prescribed by the
117.20 commissioner within 30 calendar days after demand is sent under paragraph (a), the late
117.21 fee assessed under paragraph (a) doubles and a renewed demand notice and notice of the
117.22 increased late fee will be sent to the employer by mail or electronic transmission.

117.23 (c) Late fees due under this subdivision may be canceled, in whole or in part, under
117.24 section 268B.16.

117.25 Subd. 4. **Missing or erroneous information.** (a) Any employer that submits the wage
117.26 detail report, but fails to include all required employee information or enters erroneous
117.27 information, is subject to an administrative service fee of \$25 for each employee for whom
117.28 the information is partially missing or erroneous.

117.29 (b) Any employer that submits the wage detail report, but fails to include an employee,
117.30 is subject to an administrative service fee equal to two percent of the total wages for each
117.31 employee for whom the information is completely missing.

118.1 Subd. 5. Fees. The fees provided for in subdivisions 3 and 4 are in addition to interest
118.2 and other penalties imposed by this chapter and are collected in the same manner as
118.3 delinquent taxes and credited to the family and medical benefit insurance account.

118.4 Sec. 18. **[268B.13] EMPLOYER PREMIUM ACCOUNTS.**

118.5 The commissioner must maintain a premium account for each employer. The
118.6 commissioner must assess the premium account for all the premiums due under section
118.7 268B.14, and credit the family and medical benefit insurance account with all premiums
118.8 paid.

118.9 Sec. 19. **[268B.14] PREMIUMS.**

118.10 Subdivision 1. Payments. (a) Family and medical leave premiums accrue and become
118.11 payable by each employer for each calendar year on the taxable wages that the employer
118.12 paid to employees in covered employment.

118.13 Each employer must pay premiums quarterly, at the premium rate defined under this
118.14 section, on the taxable wages paid to each employee. The commissioner must compute the
118.15 premium due from the wage detail report required under section 268B.12 and notify the
118.16 employer of the premium due. The premiums must be paid to the family and medical benefit
118.17 insurance account and must be received by the department on or before the last day of the
118.18 month following the end of the calendar quarter.

118.19 (b) If for any reason the wages on the wage detail report under section 268B.12 are
118.20 adjusted for any quarter, the commissioner must recompute the premiums due for that quarter
118.21 and assess the employer for any amount due or credit the employer as appropriate.

118.22 Subd. 2. Payments by electronic payment required. (a) Every employer must make
118.23 any payments due under this chapter by electronic payment.

118.24 (b) All third-party processors, paying on behalf of a client company, must make any
118.25 payments due under this chapter by electronic payment.

118.26 (c) Regardless of paragraph (a) or (b), the commissioner has the discretion to accept
118.27 payment by other means.

118.28 Subd. 3. Employee charge back. Notwithstanding section 177.24, subdivision 4, or
118.29 181.06, subdivision 1, employers and covered business entities may deduct up to 50 percent
118.30 of annual premiums paid under this section from employee wages. Such deductions for any
118.31 given employee must be in equal proportion to the premiums paid based on the wages of
118.32 that employee, and all employees of an employer must be subject to the same percentage

119.1 deduction. Deductions under this section must not cause an employee's wage, after the
119.2 deduction, to fall below the rate required to be paid to the worker by law, including any
119.3 applicable statute, regulation, rule, ordinance, government resolution or policy, contract, or
119.4 other legal authority, whichever rate of pay is greater.

119.5 Subd. 4. **Wages and payments subject to premium.** The maximum wages subject to
119.6 premium in a calendar year is equal to the maximum earnings in that year subject to the
119.7 FICA Old-Age, Survivors, and Disability Insurance tax.

119.8 Subd. 5. **Annual premium rates.** The employer premium rates for the calendar year
119.9 beginning January 1, 2023, shall be as follows:

119.10 (1) for employers participating in both family and medical benefit programs, 0.6 percent;

119.11 (2) for an employer participating in only the medical benefit program and with an
119.12 approved private plan for the family benefit program, 0.486 percent; and

119.13 (3) for an employer participating in only the family benefit program and with an approved
119.14 private plan for the medical benefit program, 0.114 percent.

119.15 Subd. 6. **Premium rate adjustments.** (a) Beginning January 1, 2026, and each calendar
119.16 year thereafter, the commissioner must adjust the annual premium rates using the formula
119.17 in paragraph (b).

119.18 (b) To calculate the employer rates for a calendar year, the commissioner must:

119.19 (1) multiply 1.45 times the amount disbursed from the family and medical benefit
119.20 insurance account for the 52-week period ending September 30 of the prior year;

119.21 (2) subtract the amount in the family and medical benefit insurance account on that
119.22 September 30 from the resulting figure;

119.23 (3) divide the resulting figure by twice the total wages in covered employment of
119.24 employees of employers without approved private plans under section 268B.10 for either
119.25 the family or medical benefit program. For employers with an approved private plan for
119.26 either the medical benefit program or the family benefit program, but not both, count only
119.27 the proportion of wages in covered employment associated with the program for which the
119.28 employer does not have an approved private plan; and

119.29 (4) round the resulting figure down to the nearest one-hundredth of one percent.

119.30 (c) The commissioner must apportion the premium rate between the family and medical
119.31 benefit programs based on the relative proportion of expenditures for each program during
119.32 the preceding year.

120.1 Subd. 7. **Deposit of premiums.** All premiums collected under this section must be
120.2 deposited into the family and medical benefit insurance account.

120.3 Subd. 8. **Nonpayment of premiums by employer.** The failure of an employer to pay
120.4 premiums does not impact the right of an employee to benefits, or any other right, under
120.5 this chapter.

120.6 Sec. 20. **[268B.145] INCOME TAX WITHHOLDING.**

120.7 If the Internal Revenue Service determines that benefits are subject to federal income
120.8 tax, and an applicant elects to have federal income tax deducted and withheld from the
120.9 applicant's benefits, the commissioner must deduct and withhold the amount specified in
120.10 the Internal Revenue Code in a manner consistent with state law.

120.11 Sec. 21. **[268B.15] COLLECTION OF PREMIUMS.**

120.12 Subdivision 1. **Amount computed presumed correct.** Any amount due from an
120.13 employer, as computed by the commissioner, is presumed to be correctly determined and
120.14 assessed, and the burden is upon the employer to show its incorrectness. A statement by the
120.15 commissioner of the amount due is admissible in evidence in any court or administrative
120.16 proceeding and is prima facie evidence of the facts in the statement.

120.17 Subd. 2. **Priority of payments.** (a) Any payment received from an employer must be
120.18 applied in the following order:

120.19 (1) family and medical leave premiums under this chapter; then

120.20 (2) interest on past due premiums; then

120.21 (3) penalties, late fees, administrative service fees, and costs.

120.22 (b) Paragraph (a) is the priority used for all payments received from an employer,
120.23 regardless of how the employer may designate the payment to be applied, except when:

120.24 (1) there is an outstanding lien and the employer designates that the payment made
120.25 should be applied to satisfy the lien;

120.26 (2) the payment is specifically designated by the employer to be applied to an outstanding
120.27 overpayment of benefits of an applicant;

120.28 (3) a court or administrative order directs that the payment be applied to a specific
120.29 obligation;

120.30 (4) a preexisting payment plan provides for the application of payment; or

121.1 (5) the commissioner, under the compromise authority of section 268B.16, agrees to
121.2 apply the payment to a different priority.

121.3 Subd. 3. **Estimating the premium due.** Only if an employer fails to make all necessary
121.4 records available for an audit under section 268B.21 and the commissioner has reason to
121.5 believe the employer has not reported all the required wages on the quarterly wage detail
121.6 reports, may the commissioner then estimate the amount of premium due and assess the
121.7 employer the estimated amount due.

121.8 Subd. 4. **Costs.** (a) Any employer and any applicant subject to section 268B.185,
121.9 subdivision 2, that fails to pay any amount when due under this chapter is liable for any
121.10 filing fees, recording fees, sheriff fees, costs incurred by referral to any public or private
121.11 collection agency, or litigation costs, including attorney fees, incurred in the collection of
121.12 the amounts due.

121.13 (b) If any tendered payment of any amount due is not honored when presented to a
121.14 financial institution for payment, any costs assessed the department by the financial institution
121.15 and a fee of \$25 must be assessed to the person.

121.16 (c) Costs and fees collected under this subdivision are credited to the enforcement account
121.17 under section 268B.185, subdivision 3.

121.18 Subd. 5. **Interest on amounts past due.** If any amounts due from an employer under
121.19 this chapter are not received on the date due, the commissioner must assess interest on any
121.20 amount that remains unpaid. Interest is assessed at the rate of one percent per month or any
121.21 part of a month. Interest is not assessed on unpaid interest. Interest collected under this
121.22 subdivision is credited to the enforcement account under section 268B.185, subdivision 3.

121.23 Subd. 6. **Interest on judgments.** Regardless of section 549.09, if a judgment is entered
121.24 upon any past due amounts from an employer under this chapter, the unpaid judgment bears
121.25 interest at the rate specified in subdivision 5 until the date of payment.

121.26 Subd. 7. **Credit adjustments; refunds.** (a) If an employer makes an application for a
121.27 credit adjustment of any amount paid under this chapter within four years of the date that
121.28 the payment was due, in a manner and format prescribed by the commissioner, and the
121.29 commissioner determines that the payment or any portion thereof was erroneous, the
121.30 commissioner must make an adjustment and issue a credit without interest. If a credit cannot
121.31 be used, the commissioner must refund, without interest, the amount erroneously paid. The
121.32 commissioner, on the commissioner's own motion, may make a credit adjustment or refund
121.33 under this subdivision.

122.1 (b) Any refund returned to the commissioner is considered unclaimed property under
122.2 chapter 345.

122.3 (c) If a credit adjustment or refund is denied in whole or in part, a determination of denial
122.4 must be sent to the employer by mail or electronic transmission. The determination of denial
122.5 is final unless an employer files an appeal within 20 calendar days after sending. Proceedings
122.6 on the appeal are conducted in accordance with section 268B.08.

122.7 (d) If an employer receives a credit adjustment or refund under this section, the employer
122.8 must determine the amount of any overpayment attributable to a deduction from employee
122.9 wages under section 268B.14, subdivision 3, and return any amount erroneously deducted
122.10 to each affected employee.

122.11 Subd. 8. **Priorities under legal dissolutions or distributions.** In the event of any
122.12 distribution of an employer's assets according to an order of any court, including any
122.13 receivership, assignment for benefit of creditors, adjudicated insolvency, or similar
122.14 proceeding, premiums then or thereafter due must be paid in full before all other claims
122.15 except claims for wages of not more than \$1,000 per former employee, earned within six
122.16 months of the commencement of the proceedings. In the event of an employer's adjudication
122.17 in bankruptcy under federal law, premiums then or thereafter due are entitled to the priority
122.18 provided in that law for taxes due in any state.

122.19 Sec. 22. **[268B.155] CHILD SUPPORT DEDUCTION FROM BENEFITS.**

122.20 Subdivision 1. **Definitions.** As used in this section:

122.21 (1) "child support agency" means the public agency responsible for child support
122.22 enforcement, including federally approved comprehensive Tribal IV-D programs; and

122.23 (2) "child support obligations" means obligations that are being enforced by a child
122.24 support agency in accordance with a plan described in United States Code, title 42, sections
122.25 454 and 455 of the Social Security Act that has been approved by the secretary of health
122.26 and human services under part D of title IV of the Social Security Act. This does not include
122.27 any type of spousal maintenance or foster care payments.

122.28 Subd. 2. **Notice upon application.** In an application for family or medical leave benefits,
122.29 the applicant must disclose if child support obligations are owed and, if so, in what state
122.30 and county. If child support obligations are owed, the commissioner must, if the applicant
122.31 establishes a benefit account, notify the child support agency.

123.1 Subd. 3. **Withholding of benefit.** The commissioner must deduct and withhold from
123.2 any family or medical leave benefits payable to an applicant who owes child support
123.3 obligations:

123.4 (1) the amount required under a proper order of a court or administrative agency; or

123.5 (2) if clause (1) is not applicable, the amount determined under an agreement under
123.6 United States Code, title 42, section 454 (20)(B)(i), of the Social Security Act; or

123.7 (3) if clause (1) or (2) is not applicable, the amount specified by the applicant.

123.8 Subd. 4. **Payment.** Any amount deducted and withheld must be paid to the child support
123.9 agency, must for all purposes be treated as if it were paid to the applicant as family or
123.10 medical leave benefits and paid by the applicant to the child support agency in satisfaction
123.11 of the applicant's child support obligations.

123.12 Subd. 5. **Payment of costs.** The child support agency must pay the costs incurred by
123.13 the commissioner in the implementation and administration of this section and sections
123.14 518A.50 and 518A.53.

123.15 Sec. 23. **[268B.16] COMPROMISE.**

123.16 (a) The commissioner may compromise in whole or in part any action, determination,
123.17 or decision that affects only an employer and not an applicant. This paragraph applies if it
123.18 is determined by a court of law, or a confession of judgment, that an applicant, while
123.19 employed, wrongfully took from the employer \$500 or more in money or property.

123.20 (b) The commissioner may at any time compromise any premium or reimbursement due
123.21 from an employer under this chapter.

123.22 (c) Any compromise involving an amount over \$10,000 must be authorized by an attorney
123.23 licensed to practice law in Minnesota who is an employee of the department designated by
123.24 the commissioner for that purpose.

123.25 (d) Any compromise must be in the best interest of the state of Minnesota.

123.26 Sec. 24. **[268B.17] ADMINISTRATIVE COSTS.**

123.27 From July 1, 2023, through December 31, 2023, the commissioner may spend up to
123.28 seven percent of premiums collected under section 268B.15 for administration of this chapter.
123.29 Beginning January 1, 2024, and each calendar year thereafter, the commissioner may spend
123.30 up to seven percent of projected benefit payments for that calendar year for the administration
123.31 of this chapter. The department may enter into interagency agreements with the Department

124.1 of Labor and Industry, including agreements to transfer funds, subject to the limit in this
124.2 section, for the Department of Labor and Industry to fulfill its enforcement authority of this
124.3 chapter.

124.4 Sec. 25. **[268B.18] PUBLIC OUTREACH.**

124.5 Beginning in fiscal year 2023, the commissioner must use at least 0.5 percent of revenue
124.6 collected under this chapter for the purpose of outreach, education, and technical assistance
124.7 for employees, employers, and self-employed individuals eligible to elect coverage under
124.8 section 268B.11. The department may enter into interagency agreements with the Department
124.9 of Labor and Industry, including agreements to transfer funds, subject to the limit in section
124.10 268B.17, to accomplish the requirements of this section. At least one-half of the amount
124.11 spent under this section must be used for grants to community-based groups.

124.12 Sec. 26. **[268B.185] BENEFIT OVERPAYMENTS.**

124.13 Subdivision 1. **Repaying an overpayment.** (a) Any applicant who (1) because of a
124.14 determination or amended determination issued under this chapter, or (2) because of a
124.15 benefit law judge's decision under section 268B.08, has received any family or medical
124.16 leave benefits that the applicant was held not entitled to, is overpaid the benefits and must
124.17 promptly repay the benefits to the family and medical benefit insurance account.

124.18 (b) If the applicant fails to repay the benefits overpaid, including any penalty and interest
124.19 assessed under subdivisions 2 and 4, the total due may be collected by the methods allowed
124.20 under state and federal law.

124.21 Subd. 2. **Overpayment because of misrepresentation.** (a) An applicant has committed
124.22 misrepresentation if the applicant is overpaid benefits by making a false statement or
124.23 representation without a good faith belief as to the correctness of the statement or
124.24 representation.

124.25 (b) After the discovery of facts indicating misrepresentation, the commissioner must
124.26 issue a determination of overpayment penalty assessing a penalty equal to 20 percent of the
124.27 amount overpaid. This penalty is in addition to penalties under section 268B.19.

124.28 (c) Unless the applicant files an appeal within 20 calendar days after the sending of a
124.29 determination of overpayment penalty to the applicant by mail or electronic transmission,
124.30 the determination is final. Proceedings on the appeal are conducted in accordance with
124.31 section 268B.08.

125.1 (d) A determination of overpayment penalty must state the methods of collection the
125.2 commissioner may use to recover the overpayment, penalty, and interest assessed. Money
125.3 received in repayment of overpaid benefits, penalties, and interest is first applied to the
125.4 benefits overpaid, second to the penalty amount due, and third to any interest due.

125.5 (e) The department is authorized to issue a determination of overpayment penalty under
125.6 this subdivision within 48 months of the establishment of the benefit account upon which
125.7 the benefits were obtained through misrepresentation.

125.8 Subd. 3. **Family and medical benefit insurance enforcement account created.** The
125.9 family and medical benefit insurance enforcement account is created in the state treasury.
125.10 Any penalties and interest collected under this section shall be deposited into the account
125.11 under this subdivision and shall be used only for the purposes of administering and enforcing
125.12 this chapter. Only the commissioner may authorize expenditures from the account under
125.13 this subdivision.

125.14 Subd. 4. **Interest.** For any family and medical leave benefits obtained by
125.15 misrepresentation, and any penalty amounts assessed under subdivision 2, the commissioner
125.16 must assess interest on any amount that remains unpaid beginning 30 calendar days after
125.17 the date of a determination of overpayment penalty. Interest is assessed at the rate of one
125.18 percent per month or any part of a month. A determination of overpayment penalty must
125.19 state that interest will be assessed. Interest is not assessed on unpaid interest. Interest collected
125.20 under this subdivision is credited to the family and medical benefit insurance enforcement
125.21 account.

125.22 Subd. 5. **Offset of benefits.** The commissioner may offset from any future family and
125.23 medical leave benefits otherwise payable the amount of a nonmisrepresentation overpayment.
125.24 Except when the nonmisrepresentation overpayment resulted because the applicant failed
125.25 to report deductible earnings or deductible or benefit delaying payments, no single offset
125.26 may exceed 50 percent of the amount of the payment from which the offset is made.

125.27 Subd. 6. **Cancellation of overpayments.** (a) If family and medical leave benefits overpaid
125.28 for reasons other than misrepresentation are not repaid or offset from subsequent benefits
125.29 within six years after the date of the determination or decision holding the applicant overpaid,
125.30 the commissioner must cancel the overpayment balance, and no administrative or legal
125.31 proceedings may be used to enforce collection of those amounts.

125.32 (b) If family and medical leave benefits overpaid because of misrepresentation including
125.33 penalties and interest are not repaid within ten years after the date of the determination of
125.34 overpayment penalty, the commissioner must cancel the overpayment balance and any

126.1 penalties and interest due, and no administrative or legal proceeding may be used to enforce
126.2 collection of those amounts.

126.3 (c) The commissioner may cancel at any time any overpayment, including penalties and
126.4 interest that the commissioner determines is uncollectible because of death or bankruptcy.

126.5 Subd. 7. **Court fees; collection fees.** (a) If the department is required to pay any court
126.6 fees in an attempt to enforce collection of overpaid family and medical leave benefits,
126.7 penalties, or interest, the amount of the court fees may be added to the total amount due.

126.8 (b) If an applicant who has been overpaid family and medical leave benefits because of
126.9 misrepresentation seeks to have any portion of the debt discharged under the federal
126.10 bankruptcy code, and the department files an objection in bankruptcy court to the discharge,
126.11 the cost of any court fees may be added to the debt if the bankruptcy court does not discharge
126.12 the debt.

126.13 (c) If the Internal Revenue Service assesses the department a fee for offsetting from a
126.14 federal tax refund the amount of any overpayment, including penalties and interest, the
126.15 amount of the fee may be added to the total amount due. The offset amount must be put in
126.16 the family and medical benefit insurance enforcement account and that amount credited to
126.17 the total amount due from the applicant.

126.18 Subd. 8. **Collection of overpayments.** (a) The commissioner has discretion regarding
126.19 the recovery of any overpayment for reasons other than misrepresentation. Regardless of
126.20 any law to the contrary, the commissioner is not required to refer any overpayment for
126.21 reasons other than misrepresentation to a public or private collection agency, including
126.22 agencies of this state.

126.23 (b) Amounts overpaid for reasons other than misrepresentation are not considered a
126.24 "debt" to the state of Minnesota for purposes of any reporting requirements to the
126.25 commissioner of management and budget.

126.26 (c) A pending appeal under section 268B.08 does not suspend the assessment of interest,
126.27 penalties, or collection of an overpayment.

126.28 (d) Section 16A.626 applies to the repayment by an applicant of any overpayment,
126.29 penalty, or interest.

126.30 Sec. 27. **[268B.19] APPLICANT ADMINISTRATIVE PENALTIES.**

126.31 (a) Any applicant who makes a false statement or representation without a good faith
126.32 belief as to the correctness of the statement or representation in order to obtain or in an

127.1 attempt to obtain benefits may be assessed, in addition to any other penalties, an
127.2 administrative penalty of being ineligible for benefits for 13 to 104 weeks.

127.3 (b) A determination of ineligibility setting out the weeks the applicant is ineligible must
127.4 be sent to the applicant by mail or electronic transmission. The department is authorized to
127.5 issue a determination of ineligibility under this subdivision within 48 months of the
127.6 establishment of the benefit account upon which the benefits were obtained, or attempted
127.7 to be obtained. Unless an appeal is filed within 20 calendar days of sending, the determination
127.8 is final. Proceedings on the appeal are conducted in accordance with section 268B.08.

127.9 Sec. 28. **[268B.20] EMPLOYER MISCONDUCT; PENALTY.**

127.10 (a) The commissioner must penalize an employer if that employer or any employee,
127.11 officer, or agent of that employer is in collusion with any applicant for the purpose of
127.12 assisting the applicant in receiving benefits fraudulently. The penalty is \$500 or the amount
127.13 of benefits determined to be overpaid, whichever is greater.

127.14 (b) The commissioner must penalize an employer if that employer or any employee,
127.15 officer, or agent of that employer:

127.16 (1) made a false statement or representation knowing it to be false;

127.17 (2) made a false statement or representation without a good-faith belief as to the
127.18 correctness of the statement or representation; or

127.19 (3) knowingly failed to disclose a material fact.

127.20 (c) The penalty is the greater of \$500 or 50 percent of the following resulting from the
127.21 employer's action:

127.22 (1) the amount of any overpaid benefits to an applicant;

127.23 (2) the amount of benefits not paid to an applicant that would otherwise have been paid;

127.24 or

127.25 (3) the amount of any payment required from the employer under this chapter that was
127.26 not paid.

127.27 (d) Penalties must be paid within 30 calendar days of issuance of the determination of
127.28 penalty and credited to the family and medical benefit insurance account.

127.29 (e) The determination of penalty is final unless the employer files an appeal within 30
127.30 calendar days after the sending of the determination of penalty to the employer by United
127.31 States mail or electronic transmission.

128.1 Sec. 29. **[268B.21] RECORDS; AUDITS.**

128.2 **Subdivision 1. Employer records; audits.** (a) Each employer must keep true and accurate
128.3 records on individuals performing services for the employer, containing the information
128.4 the commissioner may require under this chapter. The records must be kept for a period of
128.5 not less than four years in addition to the current calendar year.

128.6 (b) For the purpose of administering this chapter, the commissioner has the power to
128.7 audit, examine, or cause to be supplied or copied, any books, correspondence, papers,
128.8 records, or memoranda that are the property of, or in the possession of, an employer or any
128.9 other person at any reasonable time and as often as may be necessary. Subpoenas may be
128.10 issued under section 268B.22 as necessary, for an audit.

128.11 (c) An employer or other person that refuses to allow an audit of its records by the
128.12 department or that fails to make all necessary records available for audit in the state upon
128.13 request of the commissioner may be assessed an administrative penalty of \$500. The penalty
128.14 collected is credited to the family and medical benefit insurance account.

128.15 (d) An employer, or other person, that fails to provide a weekly breakdown of money
128.16 earned by an applicant upon request of the commissioner, information necessary for the
128.17 detection of applicant misrepresentation under section 268B.185, subdivision 2, may be
128.18 assessed an administrative penalty of \$100. Any notice requesting a weekly breakdown
128.19 must clearly state that a \$100 penalty may be assessed for failure to provide the information.
128.20 The penalty collected is credited to the family and medical benefit insurance account.

128.21 **Subd. 2. Department records; destruction.** (a) The commissioner may make summaries,
128.22 compilations, duplications, or reproductions of any records pertaining to this chapter that
128.23 the commissioner considers advisable for the preservation of the information.

128.24 (b) Regardless of any law to the contrary, the commissioner may destroy any records
128.25 that are no longer necessary for the administration of this chapter. In addition, the
128.26 commissioner may destroy any record from which the information has been electronically
128.27 captured and stored.

128.28 Sec. 30. **[268B.22] SUBPOENAS; OATHS.**

128.29 (a) The commissioner or benefit judge has authority to administer oaths and affirmations,
128.30 take depositions, certify to official acts, and issue subpoenas to compel the attendance of
128.31 individuals and the production of documents and other personal property necessary in
128.32 connection with the administration of this chapter.

129.1 (b) Individuals subpoenaed, other than applicants or officers and employees of an
129.2 employer that is the subject of the inquiry, are paid witness fees the same as witness fees
129.3 in civil actions in district court. The fees need not be paid in advance.

129.4 (c) The subpoena is enforceable through the district court in Ramsey County.

129.5 Sec. 31. **[268B.23] LIEN; LEVY; SETOFF; AND CIVIL ACTION.**

129.6 Subdivision 1. Lien. (a) Any amount due under this chapter, from an applicant or an
129.7 employer, becomes a lien upon all the property, within this state, both real and personal, of
129.8 the person liable, from the date of assessment. For the purposes of this section, "date of
129.9 assessment" means the date the obligation was due.

129.10 (b) The lien is not enforceable against any purchaser, mortgagee, pledgee, holder of a
129.11 Uniform Commercial Code security interest, mechanic's lien, or judgment lien creditor,
129.12 until a notice of lien has been filed with the county recorder of the county where the property
129.13 is situated, or in the case of personal property belonging to a nonresident person in the Office
129.14 of the Secretary of State. When the notice of lien is filed with the county recorder, the fee
129.15 for filing and indexing is as provided in sections 272.483 and 272.484.

129.16 (c) Notices of liens, lien renewals, and lien releases, in a form prescribed by the
129.17 commissioner, may be filed with the county recorder or the secretary of state by mail,
129.18 personal delivery, or electronic transmission into the computerized filing system of the
129.19 secretary of state. The secretary of state must, on any notice filed with that office, transmit
129.20 the notice electronically to the appropriate county recorder. The filing officer, whether the
129.21 county recorder or the secretary of state, must endorse and index a printout of the notice as
129.22 if the notice had been mailed or delivered.

129.23 (d) County recorders and the secretary of state must enter information on lien notices,
129.24 renewals, and releases into the central database of the secretary of state. For notices filed
129.25 electronically with the county recorders, the date and time of receipt of the notice and county
129.26 recorder's file number, and for notices filed electronically with the secretary of state, the
129.27 secretary of state's recording information, must be entered into the central database before
129.28 the close of the working day following the day of the original data entry by the commissioner.

129.29 (e) The lien imposed on personal property, even though properly filed, is not enforceable
129.30 against a purchaser of tangible personal property purchased at retail or personal property
129.31 listed as exempt in sections 550.37, 550.38, and 550.39.

129.32 (f) A notice of lien filed has priority over any security interest arising under chapter 336,
129.33 article 9, that is perfected prior in time to the lien imposed by this subdivision, but only if:

130.1 (1) the perfected security interest secures property not in existence at the time the notice
130.2 of lien is filed; and

130.3 (2) the property comes into existence after the 45th calendar day following the day the
130.4 notice of lien is filed, or after the secured party has actual notice or knowledge of the lien
130.5 filing, whichever is earlier.

130.6 (g) The lien is enforceable from the time the lien arises and for ten years from the date
130.7 of filing the notice of lien. A notice of lien may be renewed before expiration for an additional
130.8 ten years.

130.9 (h) The lien is enforceable by levy under subdivision 2 or by judgment lien foreclosure
130.10 under chapter 550.

130.11 (i) The lien may be imposed upon property defined as homestead property in chapter
130.12 510 but may be enforced only upon the sale, transfer, or conveyance of the homestead
130.13 property.

130.14 (j) The commissioner may sell and assign to a third party the commissioner's right of
130.15 redemption in specific real property for liens filed under this subdivision. The assignee is
130.16 limited to the same rights of redemption as the commissioner, except that in a bankruptcy
130.17 proceeding, the assignee does not obtain the commissioner's priority. Any proceeds from
130.18 the sale of the right of redemption are credited to the family and medical benefit insurance
130.19 account.

130.20 Subd. 2. Levy. (a) If any amount due under this chapter, from an applicant or an employer,
130.21 is not paid when due, the amount may be collected by the commissioner by direct levy upon
130.22 all property and rights of property of the person liable for the amount due except property
130.23 exempt from execution under section 550.37. For the purposes of this section, "levy" includes
130.24 the power of distraint and seizure by any means.

130.25 (b) In addition to a direct levy, the commissioner may issue a warrant to the sheriff of
130.26 any county who must proceed within 60 calendar days to levy upon the property or rights
130.27 to property of the delinquent person within the county, except property exempt under section
130.28 550.37. The sheriff must sell that property necessary to satisfy the total amount due, together
130.29 with the commissioner's and sheriff's costs. The sales are governed by the law applicable
130.30 to sales of like property on execution of a judgment.

130.31 (c) Notice and demand for payment of the total amount due must be mailed to the
130.32 delinquent person at least ten calendar days before action being taken under paragraphs (a)
130.33 and (b).

131.1 (d) If the commissioner has reason to believe that collection of the amount due is in
131.2 jeopardy, notice and demand for immediate payment may be made. If the total amount due
131.3 is not paid, the commissioner may proceed to collect by direct levy or issue a warrant without
131.4 regard to the ten calendar day period.

131.5 (e) In executing the levy, the commissioner must have all of the powers provided in
131.6 chapter 550 or any other law that provides for execution against property in this state. The
131.7 sale of property levied upon and the time and manner of redemption is as provided in chapter
131.8 550. The seal of the court is not required. The levy may be made whether or not the
131.9 commissioner has commenced a legal action for collection.

131.10 (f) Where any assessment has been made by the commissioner, the property seized for
131.11 collection of the total amount due must not be sold until any determination of liability has
131.12 become final. No sale may be made unless a portion of the amount due remains unpaid for
131.13 a period of more than 30 calendar days after the determination of liability becomes final.
131.14 Seized property may be sold at any time if:

131.15 (1) the delinquent person consents in writing to the sale; or

131.16 (2) the commissioner determines that the property is perishable or may become greatly
131.17 reduced in price or value by keeping, or that the property cannot be kept without great
131.18 expense.

131.19 (g) Where a levy has been made to collect the amount due and the property seized is
131.20 properly included in a formal proceeding commenced under sections 524.3-401 to 524.3-505
131.21 and maintained under full supervision of the court, the property may not be sold until the
131.22 probate proceedings are completed or until the court orders.

131.23 (h) The property seized must be returned if the owner:

131.24 (1) gives a surety bond equal to the appraised value of the owner's interest in the property,
131.25 as determined by the commissioner; or

131.26 (2) deposits with the commissioner security in a form and amount the commissioner
131.27 considers necessary to insure payment of the liability.

131.28 (i) If a levy or sale would irreparably injure rights in property that the court determines
131.29 superior to rights of the state, the court may grant an injunction to prohibit the enforcement
131.30 of the levy or to prohibit the sale.

131.31 (j) Any person who fails or refuses to surrender without reasonable cause any property
131.32 or rights to property subject to levy is personally liable in an amount equal to the value of
131.33 the property or rights not so surrendered, but not exceeding the amount due.

132.1 (k) If the commissioner has seized the property of any individual, that individual may,
132.2 upon giving 48 hours notice to the commissioner and to the court, bring a claim for equitable
132.3 relief before the district court for the release of the property upon terms and conditions the
132.4 court considers equitable.

132.5 (l) Any person in control or possession of property or rights to property upon which a
132.6 levy has been made who surrenders the property or rights to property, or who pays the
132.7 amount due is discharged from any obligation or liability to the person liable for the amount
132.8 due with respect to the property or rights to property.

132.9 (m) The notice of any levy may be served personally or by mail.

132.10 (n) The commissioner may release the levy upon all or part of the property or rights to
132.11 property levied upon if the commissioner determines that the release will facilitate the
132.12 collection of the liability, but the release does not prevent any subsequent levy. If the
132.13 commissioner determines that property has been wrongfully levied upon, the commissioner
132.14 must return:

132.15 (1) the specific property levied upon, at any time; or

132.16 (2) an amount of money equal to the amount of money levied upon, at any time before
132.17 the expiration of nine months from the date of levy.

132.18 (o) Regardless of section 52.12, a levy upon a person's funds on deposit in a financial
132.19 institution located in this state, has priority over any unexercised right of setoff of the
132.20 financial institution to apply the levied funds toward the balance of an outstanding loan or
132.21 loans owed by the person to the financial institution. A claim by the financial institution
132.22 that it exercised its right to setoff before the levy must be substantiated by evidence of the
132.23 date of the setoff, and verified by an affidavit from a corporate officer of the financial
132.24 institution. For purposes of determining the priority of any levy under this subdivision, the
132.25 levy is treated as if it were an execution under chapter 550.

132.26 Subd. 3. **Right of setoff.** (a) Upon certification by the commissioner to the commissioner
132.27 of management and budget, or to any state agency that disburses its own funds, that a person,
132.28 applicant, or employer has a liability under this chapter, and that the state has purchased
132.29 personal services, supplies, contract services, or property from that person, the commissioner
132.30 of management and budget or the state agency must set off and pay to the commissioner an
132.31 amount sufficient to satisfy the unpaid liability from funds appropriated for payment of the
132.32 obligation of the state otherwise due the person. No amount may be set off from any funds
132.33 exempt under section 550.37 or funds due an individual who receives assistance under
132.34 chapter 256.

133.1 (b) All funds, whether general or dedicated, are subject to setoff.

133.2 (c) Regardless of any law to the contrary, the commissioner has first priority to setoff
133.3 from any funds otherwise due from the department to a delinquent person.

133.4 **Subd. 4. Collection by civil action.** (a) Any amount due under this chapter, from an
133.5 applicant or employer, may be collected by civil action in the name of the state of Minnesota.
133.6 Civil actions brought under this subdivision must be heard as provided under section 16D.14.
133.7 In any action, judgment must be entered in default for the relief demanded in the complaint
133.8 without proof, together with costs and disbursements, upon the filing of an affidavit of
133.9 default.

133.10 (b) Any person that is not a resident of this state and any resident person removed from
133.11 this state, is considered to appoint the secretary of state as its agent for the acceptance of
133.12 process in any civil action. The commissioner must file process with the secretary of state,
133.13 together with a payment of a fee of \$15 and that service is considered sufficient service and
133.14 has the same force and validity as if served personally within this state. Notice of the service
133.15 of process, together with a copy of the process, must be sent by certified mail to the person's
133.16 last known address. An affidavit of compliance with this subdivision, and a copy of the
133.17 notice of service must be appended to the original of the process and filed in the court.

133.18 (c) No court filing fees, docketing fees, or release of judgment fees may be assessed
133.19 against the state for actions under this subdivision.

133.20 **Subd. 5. Injunction forbidden.** No injunction or other legal action to prevent the
133.21 determination, assessment, or collection of any amounts due under this chapter, from an
133.22 applicant or employer, are allowed.

133.23 **Sec. 32. [268B.24] CONCILIATION SERVICES.**

133.24 The Department of Labor and Industry may offer conciliation services to employers and
133.25 employees to resolve disputes concerning alleged violations of employment protections
133.26 identified in section 268B.09.

133.27 **Sec. 33. [268B.25] ANNUAL REPORTS.**

133.28 (a) Beginning on or before December 1, 2023, the commissioner must annually report
133.29 to the Department of Management and Budget and the house of representatives and senate
133.30 committee chairs with jurisdiction over this chapter on program administrative expenditures
133.31 and revenue collection for the prior fiscal year, including but not limited to:

133.32 (1) total revenue raised through premium collection;

134.1 (2) the number of self-employed individuals or independent contractors electing coverage
134.2 under section 268B.11 and amount of associated revenue;

134.3 (3) the number of covered business entities paying premiums under this chapter and
134.4 associated revenue;

134.5 (4) administrative expenditures including transfers to other state agencies expended in
134.6 the administration of the chapter;

134.7 (5) summary of contracted services expended in the administration of this chapter;

134.8 (6) grant amounts and recipients under sections 268B.29 and 268B.18;

134.9 (7) an accounting of required outreach expenditures;

134.10 (8) summary of private plan approvals including the number of employers and employees
134.11 covered under private plans; and

134.12 (9) adequacy and use of the private plan approval and oversight fee.

134.13 (b) Beginning on or before December 1, 2023, the commissioner must annually publish
134.14 a publicly available report providing the following information for the previous fiscal year:

134.15 (1) total eligible claims;

134.16 (2) the number and percentage of claims attributable to each category of benefit;

134.17 (3) claimant demographics by age, gender, average weekly wage, occupation, and the
134.18 type of leave taken;

134.19 (4) the percentage of claims denied and the reasons therefor, including but not limited
134.20 to insufficient information and ineligibility and the reason therefor;

134.21 (5) average weekly benefit amount paid for all claims and by category of benefit;

134.22 (6) changes in the benefits paid compared to previous fiscal years;

134.23 (7) processing times for initial claims processing, initial determinations, and final
134.24 decisions;

134.25 (8) average duration for cases completed; and

134.26 (9) the number of cases remaining open at the close of such year.

134.27 **Sec. 34. [268B.26] NOTICE REQUIREMENTS.**

134.28 (a) Each employer must post in a conspicuous place on each of its premises a workplace
134.29 notice prepared or approved by the commissioner providing notice of benefits available

135.1 under this chapter. The required workplace notice must be in English and each language
135.2 other than English which is the primary language of five or more employees or independent
135.3 contractors of that workplace, if such notice is available from the department.

135.4 (b) Each employer must issue to each employee not more than 30 days from the beginning
135.5 date of the employee's employment, or 30 days before premium collection begins, whichever
135.6 is later, the following written information provided or approved by the department in the
135.7 primary language of the employee:

135.8 (1) an explanation of the availability of family and medical leave benefits provided under
135.9 this chapter, including rights to reinstatement and continuation of health insurance;

135.10 (2) the amount of premium deductions made by the employer under this chapter;

135.11 (3) the employer's premium amount and obligations under this chapter;

135.12 (4) the name and mailing address of the employer;

135.13 (5) the identification number assigned to the employer by the department;

135.14 (6) instructions on how to file a claim for family and medical leave benefits;

135.15 (7) the mailing address, e-mail address, and telephone number of the department; and

135.16 (8) any other information required by the department.

135.17 Delivery is made when an employee provides written acknowledgment of receipt of the
135.18 information, or signs a statement indicating the employee's refusal to sign such
135.19 acknowledgment.

135.20 (c) Each employer shall provide to each independent contractor with whom it contracts,
135.21 at the time such contract is made or, for existing contracts, within 30 days of the effective
135.22 date of this section, the following written information provided or approved by the department
135.23 in the self-employed individual's primary language:

135.24 (1) the address and telephone number of the department; and

135.25 (2) any other information required by the department.

135.26 (d) An employer that fails to comply with this subdivision may be issued, for a first
135.27 violation, a civil penalty of \$50 per employee and per independent contractor with whom
135.28 it has contracted, and for each subsequent violation, a civil penalty of \$300 per employee
135.29 or self-employed individual with whom it has contracted. The employer shall have the
135.30 burden of demonstrating compliance with this section.

136.1 (e) Employer notice to an employee under this section may be provided in paper or
136.2 electronic format. For notice provided in electronic format only, the employer must provide
136.3 employee access to an employer-owned computer during an employee's regular working
136.4 hours to review and print required notices.

136.5 Sec. 35. **[268B.27] RELATIONSHIP TO OTHER LEAVE; CONSTRUCTION.**

136.6 Subdivision 1. **Concurrent leave.** An employer may require leave taken under this
136.7 chapter to run concurrently with leave taken for the same purpose under section 181.941
136.8 or the Family and Medical Leave Act, United States Code, title 29, sections 2601 to 2654,
136.9 as amended.

136.10 Subd. 2. **Construction.** Nothing in this chapter shall be construed to:

136.11 (1) allow an employer to compel an employee to exhaust accumulated sick, vacation,
136.12 or personal time before or while taking leave under this chapter;

136.13 (2) except as provided under section 268B.01, subdivision 37, prohibit an employer
136.14 from providing additional benefits, including but not limited to covering the portion of
136.15 earnings not provided under this chapter during periods of leave covered under this chapter;
136.16 or

136.17 (3) limit the parties to a collective bargaining agreement from bargaining and agreeing
136.18 with respect to leave benefits and related procedures and employee protections that meet
136.19 or exceed, and do not otherwise conflict with, the minimum standards and requirements in
136.20 this chapter.

136.21 Sec. 36. **[268B.28] SEVERABLE.**

136.22 If the United States Department of Labor or a court of competent jurisdiction determines
136.23 that any provision of the family and medical benefit insurance program under this chapter
136.24 is not in conformity with, or is inconsistent with, the requirements of federal law, the
136.25 provision has no force or effect. If only a portion of the provision, or the application to any
136.26 person or circumstances, is determined not in conformity, or determined inconsistent, the
136.27 remainder of the provision and the application of the provision to other persons or
136.28 circumstances are not affected.

136.29 Sec. 37. **[268B.29] SMALL BUSINESS ASSISTANCE GRANTS.**

136.30 (a) Employers with 50 or fewer employees may apply to the department for grants under
136.31 this section.

137.1 (b) The commissioner may approve a grant of up to \$3,000 if the employer hires a
137.2 temporary worker to replace an employee on family or medical leave for a period of seven
137.3 days or more.

137.4 (c) For an employee's family or medical leave, the commissioner may approve a grant
137.5 of up to \$1,000 as reimbursement for significant additional wage-related costs due to the
137.6 employee's leave.

137.7 (d) To be eligible for consideration for a grant under this section, the employer must
137.8 provide the department written documentation showing the temporary worker hired or
137.9 significant wage-related costs incurred are due to an employee's use of leave under this
137.10 chapter.

137.11 (e) The grants under this section may be funded from the family and medical benefit
137.12 insurance account.

137.13 (f) For the purposes of this section, the commissioner shall average the number of
137.14 employees reported by an employer over the last four completed calendar quarters to
137.15 determine the size of the employer.

137.16 (g) An employer who has an approved private plan is not eligible to receive a grant under
137.17 this section.

137.18 (h) The commissioner may award grants under this section only up to a maximum of
137.19 \$5,000,000 per calendar year.

137.20 Sec. 38. **EFFECTIVE DATES.**

137.21 (a) Benefits under Minnesota Statutes, chapter 268B, shall not be applied for or paid
137.22 until January 1, 2024, and thereafter.

137.23 (b) Sections 1, 2, 4, 5, 6, 36, and 38 are effective July 1, 2021.

137.24 (c) Section 15 is effective July 1, 2022.

137.25 (d) Sections 3, 17, 18, 19, 21, 23, 24, 25, 29, 30, 31, and 33 are effective January 1,
137.26 2023.

137.27 (e) Sections 7, 8, 9, 10, 11, 12, 13, 14, 16, 20, 22, 26, 27, 28, 32, 34, 35, and 37 are
137.28 effective January 1, 2024.

138.1

ARTICLE 5

138.2

FAMILY AND MEDICAL LEAVE BENEFIT AS EARNINGS

138.3 Section 1. Minnesota Statutes 2020, section 256J.561, is amended by adding a subdivision
138.4 to read:

138.5 Subd. 4. Parents receiving family and medical leave benefits. A parent who meets
138.6 the criteria under subdivision 2 and who receives benefits under chapter 268B is not required
138.7 to participate in employment services.

138.8 Sec. 2. Minnesota Statutes 2020, section 256J.95, subdivision 3, is amended to read:

138.9 Subd. 3. **Eligibility for diversionary work program.** (a) Except for the categories of
138.10 family units listed in clauses (1) to (8), all family units who apply for cash benefits and who
138.11 meet MFIP eligibility as required in sections 256J.11 to 256J.15 are eligible and must
138.12 participate in the diversionary work program. Family units or individuals that are not eligible
138.13 for the diversionary work program include:

138.14 (1) child only cases;

138.15 (2) single-parent family units that include a child under 12 months of age. A parent is
138.16 eligible for this exception once in a parent's lifetime;

138.17 (3) family units with a minor parent without a high school diploma or its equivalent;

138.18 (4) family units with an 18- or 19-year-old caregiver without a high school diploma or
138.19 its equivalent who chooses to have an employment plan with an education option;

138.20 (5) family units with a caregiver who received DWP benefits within the 12 months prior
138.21 to the month the family applied for DWP, except as provided in paragraph (c);

138.22 (6) family units with a caregiver who received MFIP within the 12 months prior to the
138.23 month the family applied for DWP;

138.24 (7) family units with a caregiver who received 60 or more months of TANF assistance;
138.25 ~~and~~

138.26 (8) family units with a caregiver who is disqualified from the work participation cash
138.27 benefit program, DWP, or MFIP due to fraud; and

138.28 (9) single-parent family units where a parent is receiving family and medical leave
138.29 benefits under chapter 268B.

139.1 (b) A two-parent family must participate in DWP unless both caregivers meet the criteria
139.2 for an exception under paragraph (a), clauses (1) through (5), or the family unit includes a
139.3 parent who meets the criteria in paragraph (a), clause (6), (7), or (8).

139.4 (c) Once DWP eligibility is determined, the four months run consecutively. If a participant
139.5 leaves the program for any reason and reapplies during the four-month period, the county
139.6 must redetermine eligibility for DWP.

139.7 Sec. 3. Minnesota Statutes 2020, section 256J.95, subdivision 11, is amended to read:

139.8 Subd. 11. **Universal participation required.** (a) All DWP caregivers, except caregivers
139.9 who meet the criteria in paragraph (d), are required to participate in DWP employment
139.10 services. Except as specified in paragraphs (b) and (c), employment plans under DWP must,
139.11 at a minimum, meet the requirements in section 256J.55, subdivision 1.

139.12 (b) A caregiver who is a member of a two-parent family that is required to participate
139.13 in DWP who would otherwise be ineligible for DWP under subdivision 3 may be allowed
139.14 to develop an employment plan under section 256J.521, subdivision 2, that may contain
139.15 alternate activities and reduced hours.

139.16 (c) A participant who is a victim of family violence shall be allowed to develop an
139.17 employment plan under section 256J.521, subdivision 3. A claim of family violence must
139.18 be documented by the applicant or participant by providing a sworn statement which is
139.19 supported by collateral documentation in section 256J.545, paragraph (b).

139.20 (d) One parent in a two-parent family unit ~~that has a natural born child under 12 months~~
139.21 ~~of age is not required to have an employment plan until the child reaches 12 months of age~~
139.22 ~~unless the family unit has already used the exclusion under section 256J.561, subdivision~~
139.23 ~~3, or the previously allowed child under age one exemption under section 256J.56, paragraph~~
139.24 ~~(a), clause (5). if that parent:~~

139.25 (1) receives family and medical leave benefits under chapter 268B; or

139.26 (2) has a natural born child under 12 months of age until the child reaches 12 months
139.27 of age unless the family unit has already used the exclusion under section 256J.561,
139.28 subdivision 3, or the previously allowed child under age one exemption under section
139.29 256J.56, paragraph (a), clause (5).

139.30 (e) The provision in paragraph (d) ends the first full month after the child reaches 12
139.31 months of age. This provision is allowable only once in a caregiver's lifetime. In a two-parent
139.32 household, only one parent shall be allowed to use this category.

140.1 (f) The participant and job counselor must meet in the month after the month the child
140.2 reaches 12 months of age to revise the participant's employment plan. The employment plan
140.3 for a family unit that has a child under 12 months of age that has already used the exclusion
140.4 in section 256J.561 must be tailored to recognize the caregiving needs of the parent.

140.5 Sec. 4. Minnesota Statutes 2020, section 256P.01, subdivision 3, is amended to read:

140.6 Subd. 3. **Earned income.** "Earned income" means cash or in-kind income earned through
140.7 the receipt of wages, salary, commissions, bonuses, tips, gratuities, profit from employment
140.8 activities, net profit from self-employment activities, payments made by an employer for
140.9 regularly accrued vacation or sick leave, severance pay based on accrued leave time, benefits
140.10 paid under chapter 268B, payments from training programs at a rate at or greater than the
140.11 state's minimum wage, royalties, honoraria, or other profit from activity that results from
140.12 the client's work, service, effort, or labor. The income must be in return for, or as a result
140.13 of, legal activity.

140.14 Sec. 5. **EFFECTIVE DATE.**

140.15 Sections 1 to 4 are effective January 1, 2024.

140.16

ARTICLE 6

140.17

UNEMPLOYMENT INSURANCE

140.18 Section 1. Minnesota Statutes 2020, section 268.035, subdivision 21c, is amended to read:

140.19 Subd. 21c. **Reemployment assistance training.** (a) An applicant is in "reemployment
140.20 assistance training" when:

140.21 (1)(i) a reasonable opportunity for suitable employment for the applicant does not exist
140.22 in the labor market area and additional training will assist the applicant in obtaining suitable
140.23 employment;

140.24 (2) (ii) the curriculum, facilities, staff, and other essentials are adequate to achieve the
140.25 training objective;

140.26 (3) (iii) the training is vocational or short term academic training directed to an occupation
140.27 or skill that will substantially enhance the employment opportunities available to the applicant
140.28 in the applicant's labor market area;

140.29 (4) (iv) the training course is full time by the training provider; and

140.30 (5) (v) the applicant is making satisfactory progress in the training;

141.1 (2) the applicant can provide proof of enrollment in one or more programs offered by
141.2 an adult basic education consortium under section 124D.518. Programs may include but
141.3 are not limited to:

141.4 (i) general educational development diploma preparation;

141.5 (ii) local credit completion adult high school diploma preparation;

141.6 (iii) state competency-based adult high school diploma preparation;

141.7 (iv) basic skills enhancement training focused on math, functional literacy, reading, or
141.8 writing;

141.9 (v) computer skills training; or

141.10 (vi) English as a second language instruction;

141.11 (3) the applicant can provide proof of enrollment in an English as a second language
141.12 program taught by a licensed instructor;

141.13 (4) the applicant can provide proof of enrollment in an over-the-road truck driving
141.14 training program offered by a college or university within the Minnesota state system; or

141.15 (5) the applicant can provide proof of enrollment in a program funded under section
141.16 116L.99.

141.17 (b) Full-time training provided through the dislocated worker program, the Trade Act
141.18 of 1974, as amended, or the North American Free Trade Agreement is "reemployment
141.19 assistance training," if that training course is in accordance with the requirements of that
141.20 program.

141.21 (c) Apprenticeship training provided in order to meet the requirements of an
141.22 apprenticeship program under chapter 178 is "reemployment assistance training."

141.23 (d) An applicant is in reemployment assistance training only if the training course has
141.24 actually started or is scheduled to start within 30 calendar days.

141.25 Sec. 2. Minnesota Statutes 2020, section 268.085, subdivision 2, is amended to read:

141.26 Subd. 2. **Not eligible.** An applicant is ineligible for unemployment benefits for any week:

141.27 (1) that occurs before the effective date of a benefit account;

141.28 (2) that the applicant, at any time during the week, has an outstanding misrepresentation
141.29 overpayment balance under section 268.18, subdivision 2, including any penalties and
141.30 interest;

142.1 ~~(3) that occurs in a period when the applicant is a student in attendance at, or on vacation~~
142.2 ~~from a secondary school including the period between academic years or terms;~~

142.3 ~~(4)~~(3) that the applicant is incarcerated or performing court-ordered community service.
142.4 The applicant's weekly unemployment benefit amount is reduced by one-fifth for each day
142.5 the applicant is incarcerated or performing court-ordered community service;

142.6 ~~(5)~~(4) that the applicant fails or refuses to provide information on an issue of ineligibility
142.7 required under section 268.101;

142.8 ~~(6)~~(5) that the applicant is performing services 32 hours or more, in employment, covered
142.9 employment, noncovered employment, volunteer work, or self-employment regardless of
142.10 the amount of any earnings; or

142.11 ~~(7)~~(6) with respect to which the applicant has filed an application for unemployment
142.12 benefits under any federal law or the law of any other state. If the appropriate agency finally
142.13 determines that the applicant is not entitled to establish a benefit account under federal law
142.14 or the law of any other state, this clause does not apply.

142.15 **EFFECTIVE DATE.** This section is effective August 1, 2021.

142.16 Sec. 3. Minnesota Statutes 2020, section 268.085, subdivision 4a, is amended to read:

142.17 Subd. 4a. **Social Security disability benefits.** (a) An applicant who is receiving, has
142.18 received, or has filed for primary Social Security disability benefits for any week is ineligible
142.19 for unemployment benefits for that week, unless:

142.20 (1) the Social Security Administration approved the collecting of primary Social Security
142.21 disability benefits each month the applicant was employed during the base period; or

142.22 (2) the applicant provides a statement from an appropriate health care professional who
142.23 is aware of the applicant's Social Security disability claim and the basis for that claim,
142.24 certifying that the applicant is available for suitable employment.

142.25 (b) If an applicant meets the requirements of paragraph (a), clause (1) or (2), there is no
142.26 deduction from the applicant's weekly benefit amount for any Social Security disability
142.27 benefits.

142.28 ~~(c) If an applicant meets the requirements of paragraph (a), clause (2), there must be~~
142.29 ~~deducted from the applicant's weekly unemployment benefit amount 50 percent of the~~
142.30 ~~weekly equivalent of the primary Social Security disability benefits the applicant is receiving,~~
142.31 ~~has received, or has filed for, with respect to that week.~~

143.1 ~~If the Social Security Administration determines that the applicant is not entitled to~~
143.2 ~~receive primary Social Security disability benefits for any week the applicant has applied~~
143.3 ~~for those benefits, then this paragraph does not apply to that week.~~

143.4 ~~(d)~~ (c) Information from the Social Security Administration is conclusive, absent specific
143.5 evidence showing that the information was erroneous.

143.6 ~~(e)~~ (d) This subdivision does not apply to Social Security survivor benefits.

143.7 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2021.

143.8 Sec. 4. Minnesota Statutes 2020, section 268.085, subdivision 7, is amended to read:

143.9 Subd. 7. **School employees; between terms denial.** (a) Wage credits from employment
143.10 with an educational institution or institutions may not be used for unemployment benefit
143.11 purposes for any week during the period between two successive academic years or terms
143.12 if:

143.13 (1) the applicant had employment for an educational institution or institutions in the
143.14 prior academic year or term; and

143.15 (2) there is a reasonable assurance that the applicant will have employment for an
143.16 educational institution or institutions in the following academic year or term.

143.17 This paragraph applies to a vacation period or holiday recess if the applicant was
143.18 employed immediately before the vacation period or holiday recess, and there is a reasonable
143.19 assurance that the applicant will be employed immediately following the vacation period
143.20 or holiday recess. This paragraph also applies to the period between two regular but not
143.21 successive terms if there is an agreement for that schedule between the applicant and the
143.22 educational institution.

143.23 This paragraph does not apply if the subsequent employment is substantially less
143.24 favorable than the employment of the prior academic year or term, or the employment prior
143.25 to the vacation period or holiday recess.

143.26 (b) Paragraph (a) does not apply to:

143.27 (1) an applicant who, at the end of the prior academic year or term, had an agreement
143.28 for a definite period of employment between academic years or terms in other than an
143.29 instructional, research, or principal administrative capacity and the educational institution
143.30 or institutions failed to provide that employment; or

143.31 (2) an applicant in a position for which no license is required by the Professional Educator
143.32 Licensing and Standards Board or the Board of School Administrators.

144.1 (c) If unemployment benefits are denied to any applicant under paragraph (a) who was
144.2 employed in the prior academic year or term in other than an instructional, research, or
144.3 principal administrative capacity and who was not offered an opportunity to perform the
144.4 employment in the following academic year or term, the applicant is entitled to retroactive
144.5 unemployment benefits for each week during the period between academic years or terms
144.6 that the applicant filed a timely continued request for unemployment benefits, but
144.7 unemployment benefits were denied solely because of paragraph (a).

144.8 (d) This subdivision applies to employment with an educational service agency if the
144.9 applicant performed the services at an educational institution or institutions. "Educational
144.10 service agency" means a governmental entity established and operated for the purpose of
144.11 providing services to one or more educational institutions.

144.12 (e) This subdivision applies to employment with Minnesota, a political subdivision, or
144.13 a nonprofit organization, if the services are provided to or on behalf of an educational
144.14 institution or institutions.

144.15 (f) Paragraph (a) applies beginning the Sunday of the week that there is a reasonable
144.16 assurance of employment.

144.17 (g) Employment and a reasonable assurance with multiple education institutions must
144.18 be aggregated for purposes of application of this subdivision.

144.19 (h) If all of the applicant's employment with any educational institution or institutions
144.20 during the prior academic year or term consisted of on-call employment, and the applicant
144.21 has a reasonable assurance of any on-call employment with any educational institution or
144.22 institutions for the following academic year or term, it is not considered substantially less
144.23 favorable employment.

144.24 (i) A "reasonable assurance" may be written, oral, implied, or established by custom or
144.25 practice.

144.26 (j) An "educational institution" is a school, college, university, or other educational entity
144.27 operated by Minnesota, a political subdivision or instrumentality thereof, or a nonprofit
144.28 organization.

144.29 (k) An "instructional, research, or principal administrative capacity" does not include
144.30 an educational assistant.

145.1 Sec. 5. Minnesota Statutes 2020, section 268.101, subdivision 2, is amended to read:

145.2 Subd. 2. **Determination.** (a) The commissioner must determine any issue of ineligibility
145.3 raised by information required from an applicant under subdivision 1, paragraph (a) or (c),
145.4 and send to the applicant and any involved employer, by mail or electronic transmission, a
145.5 document titled a determination of eligibility or a determination of ineligibility, as is
145.6 appropriate. The determination on an issue of ineligibility as a result of a quit or a discharge
145.7 of the applicant must state the effect on the employer under section 268.047. A determination
145.8 must be made in accordance with this paragraph even if a notified employer has not raised
145.9 the issue of ineligibility.

145.10 (b) The commissioner must determine any issue of ineligibility raised by an employer
145.11 and send to the applicant and that employer, by mail or electronic transmission, a document
145.12 titled a determination of eligibility or a determination of ineligibility as is appropriate. The
145.13 determination on an issue of ineligibility as a result of a quit or discharge of the applicant
145.14 must state the effect on the employer under section 268.047.

145.15 If a base period employer:

145.16 (1) was not the applicant's most recent employer before the application for unemployment
145.17 benefits;

145.18 (2) did not employ the applicant during the six calendar months before the application
145.19 for unemployment benefits; and

145.20 (3) did not raise an issue of ineligibility as a result of a quit or discharge of the applicant
145.21 within ten calendar days of notification under subdivision 1, paragraph (b);

145.22 then any exception under section 268.047, subdivisions 2 and 3, begins the Sunday two
145.23 weeks following the week that the issue of ineligibility as a result of a quit or discharge of
145.24 the applicant was raised by the employer.

145.25 A communication from an employer must specifically set out why the applicant should
145.26 be determined ineligible for unemployment benefits for that communication to be considered
145.27 to have raised an issue of ineligibility for purposes of this section. A statement of "protest"
145.28 or a similar term without more information does not constitute raising an issue of ineligibility
145.29 for purposes of this section.

145.30 (c) Subject to section 268.031, an issue of ineligibility is determined based upon that
145.31 information required of an applicant, any information that may be obtained from an applicant
145.32 or employer, and information from any other source.

146.1 (d) Regardless of the requirements of this subdivision, the commissioner is not required
146.2 to send to an applicant a copy of the determination where the applicant has satisfied a period
146.3 of ineligibility because of a quit or a discharge under section 268.095, subdivision 10.

146.4 (e) The department is authorized to issue a determination on an issue of ineligibility
146.5 within 24 months from the establishment of a benefit account based upon information from
146.6 any source, even if the issue of ineligibility was not raised by the applicant or an employer.

146.7 If an applicant obtained unemployment benefits through misrepresentation under section
146.8 268.18, subdivision 2, the department is authorized to issue a determination of ineligibility
146.9 within 48 months of the establishment of the benefit account.

146.10 If the department has filed an intervention in a worker's compensation matter under
146.11 section 176.361, the department is authorized to issue a determination of ineligibility within
146.12 48 months of the establishment of the benefit account.

146.13 (f) A determination of eligibility or determination of ineligibility is final unless an appeal
146.14 is filed by the applicant or employer within ~~20~~ 60 calendar days after sending. The
146.15 determination must contain a prominent statement indicating the consequences of not
146.16 appealing. Proceedings on the appeal are conducted in accordance with section 268.105.

146.17 (g) An issue of ineligibility required to be determined under this section includes any
146.18 question regarding the denial or allowing of unemployment benefits under this chapter
146.19 except for issues under section 268.07. An issue of ineligibility for purposes of this section
146.20 includes any question of effect on an employer under section 268.047.

146.21 Sec. 6. Minnesota Statutes 2020, section 268.133, is amended to read:

146.22 **268.133 UNEMPLOYMENT BENEFITS WHILE IN ENTREPRENEURIAL**
146.23 **TRAINING.**

146.24 Unemployment benefits are available to dislocated workers participating in the converting
146.25 layoffs into Minnesota businesses (CLIMB) program under section 116L.17, subdivision
146.26 11. Applicants participating in CLIMB are considered in reemployment assistance training
146.27 under section 268.035, subdivision 21c. All requirements under section 268.069, subdivision
146.28 1, must be met, except the commissioner may waive:

146.29 (1) the deductible earnings provisions in section 268.085, subdivision 5; and

146.30 (2) the 32 hours of work limitation in section 268.085, subdivision 2, clause ~~(6)~~ (5). A
146.31 maximum of 500 applicants may receive a waiver at any given time.

146.32 **EFFECTIVE DATE.** This section is effective August 1, 2021.

147.1 Sec. 7. Minnesota Statutes 2020, section 268.136, subdivision 1, is amended to read:

147.2 Subdivision 1. **Shared work plan requirements.** An employer may submit a proposed
147.3 shared work plan for an employee group to the commissioner for approval in a manner and
147.4 format set by the commissioner. The proposed shared work plan must include:

147.5 (1) a certified statement that the normal weekly hours of work of all of the proposed
147.6 participating employees were full time or regular part time but are now reduced, or will be
147.7 reduced, with a corresponding reduction in pay, in order to prevent layoffs;

147.8 (2) the name and Social Security number of each participating employee;

147.9 (3) the number of layoffs that would have occurred absent the employer's ability to
147.10 participate in a shared work plan;

147.11 (4) a certified statement that each participating employee was first hired by the employer
147.12 at least ~~one year~~ three months before the proposed shared work plan is submitted and is not
147.13 a seasonal, temporary, or intermittent worker;

147.14 (5) the hours of work each participating employee will work each week for the duration
147.15 of the shared work plan, which must be at least 50 percent of the normal weekly hours but
147.16 no more than 80 percent of the normal weekly hours, except that the plan may provide for
147.17 a uniform vacation shutdown of up to two weeks;

147.18 (6) a certified statement that any health benefits and pension benefits provided by the
147.19 employer to participating employees will continue to be provided under the same terms and
147.20 conditions as though the participating employees' hours of work each week had not been
147.21 reduced;

147.22 (7) a certified statement that the terms and implementation of the shared work plan is
147.23 consistent with the employer's obligations under state and federal law;

147.24 (8) an acknowledgment that the employer understands that unemployment benefits paid
147.25 under a shared work plan will be used in computing the future tax rate of a taxpaying
147.26 employer or charged to the reimbursable account of a nonprofit or government employer;

147.27 (9) the proposed duration of the shared work plan, which must be at least two months
147.28 and not more than one year, although a plan may be extended for up to an additional year
147.29 upon approval of the commissioner;

147.30 (10) a starting date beginning on a Sunday at least 15 calendar days after the date the
147.31 proposed shared work plan is submitted; and

148.1 (11) a signature of an owner or officer of the employer who is listed as an owner or
148.2 officer on the employer's account under section 268.045.

148.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

148.4 Sec. 8. **CONTINUED SUSPENSION OF ONE-WEEK WAITING PERIOD.**

148.5 Notwithstanding Minnesota Statutes, section 268.085, subdivision 1, the one-week
148.6 nonpayable waiting period to receive unemployment benefits is waived for applicants for
148.7 unemployment insurance benefit accounts established between December 27, 2020, and
148.8 September 4, 2021.

148.9 **EFFECTIVE DATE.** This section is effective retroactively from December 27, 2020.

148.10 Sec. 9. **CONTINUED SUSPENSION OF FIVE-WEEK BUSINESS OWNER**
148.11 **BENEFIT LIMITATION.**

148.12 Notwithstanding Minnesota Statutes, section 268.085, subdivision 9, the five-week
148.13 limitation for receipt of unemployment benefits for business owners is suspended for
148.14 applicants for unemployment insurance benefit accounts established between December
148.15 27, 2020, and September 4, 2021.

148.16 **EFFECTIVE DATE.** This section is effective retroactively from December 27, 2020.

148.17 Sec. 10. **LEAVE OF ABSENCE DUE TO COVID-19.**

148.18 Notwithstanding Minnesota Statutes, section 268.085, subdivision 13a, for an applicant
148.19 applying for an unemployment insurance benefit account established between December
148.20 27, 2020, and September 4, 2021, a leave of absence is presumed to be an involuntary leave
148.21 of absence and not ineligible if:

148.22 (1) a determination has been made by health authorities or by a health care professional
148.23 that the presence of the applicant in the workplace would jeopardize the health of others,
148.24 whether or not the applicant has actually contracted a communicable disease;

148.25 (2) a quarantine or isolation order has been issued to the applicant pursuant to Minnesota
148.26 Statutes, sections 144.419 to 144.4196;

148.27 (3) there is a recommendation from health authorities or from a health care professional
148.28 that the applicant should self-isolate or self-quarantine due to elevated risk from COVID-19
148.29 due to being immunocompromised;

149.1 (4) the applicant has been instructed by the applicant's employer not to come to the
149.2 employer's place of business due to an outbreak of a communicable disease; or

149.3 (5) the applicant has received a notification from a school district, day care, or other
149.4 child care provider that either (i) classes are canceled, or (ii) the applicant's ordinary child
149.5 care is unavailable, provided that the applicant made reasonable effort to obtain other child
149.6 care and requested time off or other accommodation from the employer and no reasonable
149.7 accommodation was available.

149.8 **EFFECTIVE DATE.** This section is effective retroactively from December 27, 2020.

149.9 **Sec. 11. SUITABLE EMPLOYMENT DURING COVID-19 PANDEMIC.**

149.10 Notwithstanding the definition of "suitable employment" provided in Minnesota Statutes,
149.11 section 268.035, subdivision 23a, for an applicant applying for unemployment insurance
149.12 benefits between December 27, 2020, and September 4, 2021, employment is not suitable
149.13 under Minnesota Statutes, section 268.035, subdivision 23a, paragraphs (a) and (b), if:

149.14 (1) the employment puts the health and safety of the applicant at risk due to potential
149.15 exposure of the applicant to COVID-19; or

149.16 (2) the employment puts the health and safety of other workers and the general public
149.17 at risk due to potential exposure of the other workers and the general public to COVID-19.

149.18 **EFFECTIVE DATE.** This section is effective retroactively from December 27, 2020.

149.19 **Sec. 12. PANDEMIC UNEMPLOYMENT ASSISTANCE TO HIGH SCHOOL**
149.20 **STUDENTS.**

149.21 Pandemic Unemployment Assistance payments made to high school students under the
149.22 federal CARES Act, United States Code, title 15, chapter 116, and extended by the federal
149.23 Consolidated Appropriations Act, 2021, Public Law 116-260, subject to any necessary
149.24 federal approval, must not be counted as income when determining eligibility for the
149.25 programs administered by the Department of Human Services.

149.26 **EFFECTIVE DATE.** This section is effective retroactively from January 7, 2021.

149.27 **Sec. 13. REPEALER.**

149.28 (a) Minnesota Statutes 2020, section 268.085, subdivision 4, is repealed January 1, 2021.

149.29 (b) Minnesota Statutes 2020, section 268.085, subdivision 8, is repealed.

151.1 \$476,000 each year is for system upgrades.
 151.2 This appropriation is available until June 30,
 151.3 2023. The base amount in fiscal year 2024 is
 151.4 zero. This appropriation includes funds for
 151.5 information technology project services and
 151.6 support subject to Minnesota Statutes, section
 151.7 16E.0466. Any ongoing information
 151.8 technology costs must be incorporated into
 151.9 the service level agreement and must be paid
 151.10 to the Office of MN.IT Services by the
 151.11 commissioner of labor and industry under the
 151.12 rates and mechanism specified in that
 151.13 agreement.

151.14 **Subd. 3. Labor Standards and Apprenticeship** 7,391,000 7,675,000

| | | | |
|--------|-------------------------------|------------------|------------------|
| 151.15 | <u>Appropriations by Fund</u> | | |
| 151.16 | <u>General</u> | <u>5,644,000</u> | <u>5,928,000</u> |
| 151.17 | <u>Workforce</u> | | |
| 151.18 | <u>Development</u> | <u>1,747,000</u> | <u>1,747,000</u> |

151.19 (a) \$2,046,000 each year is for wage theft
 151.20 prevention.
 151.21 (b) \$151,000 each year is from the workforce
 151.22 development fund for prevailing wage
 151.23 enforcement.
 151.24 (c) \$1,271,000 each year is from the workforce
 151.25 development fund for the apprenticeship
 151.26 program under Minnesota Statutes, chapter
 151.27 178.
 151.28 (d) \$100,000 each year is from the workforce
 151.29 development fund for labor education and
 151.30 advancement program grants under Minnesota
 151.31 Statutes, section 178.11, to expand and
 151.32 promote registered apprenticeship training for
 151.33 minorities and women.

- 152.1 (e) \$225,000 each year is from the workforce
152.2 development fund for grants to the
152.3 Construction Careers Foundation for the
152.4 Helmets to Hard Hats Minnesota initiative.
152.5 Grant funds must be used to recruit, retain,
152.6 assist, and support National Guard, reserve,
152.7 and active duty military members' and
152.8 veterans' participation into apprenticeship
152.9 programs registered with the Department of
152.10 Labor and Industry and connect them with
152.11 career training and employment in the building
152.12 and construction industry. The recruitment,
152.13 selection, employment, and training must be
152.14 without discrimination due to race, color,
152.15 creed, religion, national origin, sex, sexual
152.16 orientation, marital status, physical or mental
152.17 disability, receipt of public assistance, or age.
152.18 This is a onetime appropriation.
- 152.19 (f) \$84,000 the first year and \$34,000 the
152.20 second year are for outreach and enforcement
152.21 efforts related to changes to the parenting
152.22 leave and accommodation law.
- 152.23 (g) \$84,000 the first year and \$34,000 the
152.24 second year are for outreach and enforcement
152.25 efforts related to changes to the Women's
152.26 Economic Security Act.
- 152.27 (h) \$1,306,000 the first year and \$1,941,000
152.28 the second year are for earned sick and safe
152.29 time compliance and enforcement efforts
152.30 under Minnesota Statutes, sections 181.9445
152.31 to 181.9448, and chapter 177. The base
152.32 amount in fiscal years 2024 and 2025 is
152.33 \$1,631,000.
- 152.34 (i) \$300,000 each year is for earned sick and
152.35 safe time grants to community organizations

153.1 under Minnesota Statutes, section 177.50,
 153.2 subdivision 4.
 153.3 (j) \$131,000 the first year and \$27,000 the
 153.4 second year are for purposes of implementing
 153.5 the Emergency Rehire and Retention Law.
 153.6 The base amount in fiscal year 2024 and after
 153.7 is zero.

153.8 (k) \$344,000 the first year and \$147,000 the
 153.9 second year are for the purposes of the Safe
 153.10 Workplaces for Meat and Poultry Processing
 153.11 Workers Act under Minnesota Statutes,
 153.12 sections 179.87 to 179.8757.

| | | |
|---|-------------------|-------------------|
| 153.13 <u>Subd. 4. Workers' Compensation</u> | <u>11,882,000</u> | <u>11,882,000</u> |
| 153.14 <u>This appropriation is from the workers'</u> | | |
| 153.15 <u>compensation fund.</u> | | |

| | | |
|---|------------------|------------------|
| 153.16 <u>Subd. 5. Workplace Safety</u> | <u>5,070,000</u> | <u>5,070,000</u> |
| 153.17 <u>This appropriation is from the workers'</u> | | |
| 153.18 <u>compensation fund.</u> | | |

| | | |
|---|------------------|------------------|
| 153.19 <u>Subd. 6. Workforce Development Initiatives</u> | <u>1,700,000</u> | <u>1,600,000</u> |
|---|------------------|------------------|

| | | |
|--------------------------------------|------------------|------------------|
| 153.20 <u>Appropriations by Fund</u> | | |
| 153.21 <u>General</u> | <u>200,000</u> | <u>200,000</u> |
| 153.22 <u>Workforce</u> | | |
| 153.23 <u>Development</u> | <u>1,500,000</u> | <u>1,400,000</u> |

153.24 (a) \$200,000 each year is for identification of
 153.25 competency standards under Minnesota
 153.26 Statutes, section 175.45.

153.27 (b) \$1,100,000 each year is from the
 153.28 workforce development fund for the youth
 153.29 skills training grants under Minnesota Statutes,
 153.30 section 175.46. Of this amount, \$100,000 each
 153.31 year is for administration of the program.

153.32 (c) \$300,000 each year is from the workforce
 153.33 development fund for the pipeline program.

154.1 (d) \$100,000 the first year is from the
 154.2 workforce development fund for the Career
 154.3 Pathway Demonstration Program under article
 154.4 2, section 30, for a grant to Independent
 154.5 School District No. 294, Houston, for the
 154.6 Minnesota Virtual Academy's career pathway
 154.7 program with Operating Engineers Local 49.
 154.8 The program may include up to five semesters
 154.9 of courses and must lead to eligibility into the
 154.10 Operating Engineers Local 49 apprenticeship
 154.11 program. The grant may be used to encourage
 154.12 and support student participation in the career
 154.13 pathway program through additional academic,
 154.14 counseling, and other support services
 154.15 provided by the student's enrolling school
 154.16 district. The Minnesota Virtual Academy may
 154.17 contract with a student's enrolling school
 154.18 district to provide these services. The
 154.19 appropriation is available until June 30, 2023.

154.20 **Sec. 3. WORKERS' COMPENSATION COURT**
 154.21 **OF APPEALS**

| | | | |
|-----------|-------------------------|-----------|-------------------------|
| \$ | <u>2,283,000</u> | \$ | <u>2,283,000</u> |
|-----------|-------------------------|-----------|-------------------------|

154.22 This appropriation is from the workers'
 154.23 compensation fund.

154.24 **Sec. 4. BUREAU OF MEDIATION SERVICES**

| | | | |
|-----------|-------------------------|-----------|-------------------------|
| \$ | <u>2,805,000</u> | \$ | <u>2,850,000</u> |
|-----------|-------------------------|-----------|-------------------------|

154.25 (a) \$68,000 each year is for grants to area
 154.26 labor management committees. Grants may
 154.27 be awarded for a 12-month period beginning
 154.28 July 1 each year. Any unencumbered balance
 154.29 remaining at the end of the first year does not
 154.30 cancel but is available for the second year.

154.31 (b) \$560,000 each year is for purposes of the
 154.32 Public Employment Relations Board under
 154.33 Minnesota Statutes, section 179A.041.

155.1 (c) \$47,000 each year is for rulemaking,
 155.2 staffing, and other costs associated with peace
 155.3 officer grievance procedures.

155.4 **Sec. 5. MINNESOTA MANAGEMENT AND**
 155.5 **BUDGET**

| | | | |
|-----------|---------------------|-----------|-------------------|
| \$ | <u>3,000</u> | \$ | <u>-0-</u> |
|-----------|---------------------|-----------|-------------------|

155.6 \$3,000 the first year is for printing costs
 155.7 associated with earned sick and safe time. This
 155.8 is a onetime appropriation.

155.9 **Sec. 6. ATTORNEY GENERAL**

| | | | |
|-----------|-----------------------|-----------|-----------------------|
| \$ | <u>222,000</u> | \$ | <u>222,000</u> |
|-----------|-----------------------|-----------|-----------------------|

155.10 \$222,000 each year is for enforcement of the
 155.11 Safe Workplaces for Meat and Poultry
 155.12 Processing Workers Act under Minnesota
 155.13 Statutes, sections 179.87 to 179.8757.

155.14 **Sec. 7. CANCELLATION; FISCAL YEAR 2021.**

155.15 (a) \$203,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First
 155.16 Special Session chapter 7, article 1, section 3, subdivision 2, is canceled.

155.17 (b) \$102,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First
 155.18 Special Session chapter 7, article 1, section 5, is canceled.

155.19 **Sec. 8. Laws 2019, First Special Session chapter 7, article 1, section 3, subdivision 4, is**
 155.20 **amended to read:**

| | | |
|---|------------|------------|
| 155.21 Subd. 4. <u>Workers' Compensation</u> | 14,882,000 | 11,882,000 |
|---|------------|------------|

155.22 \$3,000,000 the first year is from the workers'
 155.23 compensation fund for workers' compensation
 155.24 system upgrades. This amount is available
 155.25 until June 30, ~~2021~~ 2023. This is a onetime
 155.26 appropriation.

155.27 **ARTICLE 8**

155.28 **LABOR AND INDUSTRY POLICY**

155.29 **Section 1. Minnesota Statutes 2020, section 13.7905, subdivision 6, is amended to read:**

155.30 **Subd. 6. Occupational safety and health. (a) Certain data gathered or prepared by the**
 155.31 **commissioner of labor and industry as part of occupational safety and health inspections or**

156.1 reports are classified under sections 182.659, subdivision 8, 182.663, subdivision 4, and
156.2 182.668, subdivision 2.

156.3 (b) Certain data gathered or prepared by the commissioner of labor and industry as part
156.4 of occupational safety and health citations are classified under section 182.66, subdivision
156.5 4.

156.6 Sec. 2. Minnesota Statutes 2020, section 13.7905, is amended by adding a subdivision to
156.7 read:

156.8 Subd. 8. Data on individuals who are minors. Disclosure of data on minors is governed
156.9 by section 181A.112.

156.10 Sec. 3. Minnesota Statutes 2020, section 177.24, is amended by adding a subdivision to
156.11 read:

156.12 Subd. 3a. Gratuities; credit cards or charges. (a) Gratuities received by an employee
156.13 through a debit, charge, or credit card payment shall be credited to that pay period in which
156.14 they are received by the employee.

156.15 (b) Where a gratuity is received by an employee through a debit, charge, or credit card
156.16 payment, the full amount of gratuity indicated in the payment must be distributed to the
156.17 employee for the pay period in which it is received and no later than the next scheduled pay
156.18 period.

156.19 **EFFECTIVE DATE.** This section is effective August 1, 2021.

156.20 Sec. 4. Minnesota Statutes 2020, section 177.27, subdivision 4, is amended to read:

156.21 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
156.22 employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,
156.23 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d), 181.275,
156.24 subdivision 2a, 181.722, 181.79, ~~and~~ 181.939 to 181.943, and 181.987, or with any rule
156.25 promulgated under section 177.28. The commissioner shall issue an order requiring an
156.26 employer to comply with sections 177.41 to 177.435 or 181.987 if the violation is repeated.
156.27 For purposes of this subdivision only, a violation is repeated if at any time during the two
156.28 years that preceded the date of violation, the commissioner issued an order to the employer
156.29 for violation of sections 177.41 to 177.435 or 181.987 and the order is final or the
156.30 commissioner and the employer have entered into a settlement agreement that required the
156.31 employer to pay back wages that were required by sections 177.41 to 177.435. The
156.32 department shall serve the order upon the employer or the employer's authorized

157.1 representative in person or by certified mail at the employer's place of business. An employer
157.2 who wishes to contest the order must file written notice of objection to the order with the
157.3 commissioner within 15 calendar days after being served with the order. A contested case
157.4 proceeding must then be held in accordance with sections 14.57 to 14.69. If, within 15
157.5 calendar days after being served with the order, the employer fails to file a written notice
157.6 of objection with the commissioner, the order becomes a final order of the commissioner.

157.7 **EFFECTIVE DATE.** This section is effective October 15, 2021.

157.8 Sec. 5. Minnesota Statutes 2020, section 178.012, subdivision 1, is amended to read:

157.9 Subdivision 1. **Apprenticeship rules.** Federal regulations governing apprenticeship in
157.10 effect on ~~July 1, 2013~~ January 18, 2017, as provided by Code of Federal Regulations, title
157.11 29, ~~part~~ parts 29, sections 29.1 to 29.6 and 29.11, and 30, are the apprenticeship rules in
157.12 this state, subject to amendment by this chapter or by rule under section 178.041.

157.13 Sec. 6. Minnesota Statutes 2020, section 179A.10, subdivision 2, is amended to read:

157.14 Subd. 2. **State employees.** Unclassified employees, unless otherwise excluded, are
157.15 included within the units which include the classifications to which they are assigned for
157.16 purposes of compensation. Supervisory employees shall only be assigned to units 12 ~~and~~,
157.17 16, and 18. The following are the appropriate units of executive branch state employees:

157.18 (1) law enforcement unit;

157.19 (2) craft, maintenance, and labor unit;

157.20 (3) service unit;

157.21 (4) health care nonprofessional unit;

157.22 (5) health care professional unit;

157.23 (6) clerical and office unit;

157.24 (7) technical unit;

157.25 (8) correctional guards unit;

157.26 (9) state university instructional unit;

157.27 (10) state college instructional unit;

157.28 (11) state university administrative unit;

157.29 (12) professional engineering unit;

- 158.1 (13) health treatment unit;
- 158.2 (14) general professional unit;
- 158.3 (15) professional state residential instructional unit;
- 158.4 (16) supervisory employees unit; ~~and~~
- 158.5 (17) public safety radio communications operator unit; and
- 158.6 (18) law enforcement supervisors unit.

158.7 Each unit consists of the classifications or positions assigned to it in the schedule of
158.8 state employee job classification and positions maintained by the commissioner. The
158.9 commissioner may only make changes in the schedule in existence on the day prior to
158.10 August 1, 1984, as required by law or as provided in subdivision 4.

158.11 Sec. 7. Minnesota Statutes 2020, section 179A.10, subdivision 3, is amended to read:

158.12 Subd. 3. **State employee severance.** Each of the following groups of employees has the
158.13 right, as specified in this subdivision, to separate from the general professional, health
158.14 treatment, or general supervisory units provided for in subdivision 2: attorneys, physicians,
158.15 and professional employees of the Minnesota Office of Higher Education who are
158.16 compensated under section 43A.18, subdivision 4, ~~State Patrol supervisors, enforcement~~
158.17 ~~supervisors employed by the Department of Natural Resources, and criminal apprehension~~
158.18 ~~investigative supervisors.~~ This right must be exercised by petition during the 60-day period
158.19 commencing 270 days prior to the termination of a contract covering the units. If one of
158.20 these groups of employees exercises the right to separate from the units they have no right
158.21 to meet and negotiate, but retain the right to meet and confer with the commissioner of
158.22 management and budget and with the appropriate appointing authority on any matter of
158.23 concern to them. The right to separate must be exercised as follows: An employee
158.24 organization or group of employees claiming that a majority of any one of these groups of
158.25 employees on a statewide basis wish to separate from their units may petition the
158.26 commissioner for an election during the petitioning period. If the petition is supported by
158.27 a showing of at least 30 percent support for the petitioner from the employees, the
158.28 commissioner shall hold an election to ascertain the wishes of the majority with respect to
158.29 the issue of remaining within or severing from the units provided in subdivision 2. This
158.30 election must be conducted within 30 days of the close of the petition period. If a majority
158.31 of votes cast endorse severance from the unit in favor of separate meet and confer status
158.32 for any one of these groups of employees, the commissioner shall certify that result. This
158.33 election, where not inconsistent with other provisions of this section, is governed by section

159.1 179A.12. If a group of employees elects to sever, the group may rejoin that unit by following
159.2 the same procedures specified above for severance, but may only do so during the periods
159.3 provided for severance.

159.4 Sec. 8. Minnesota Statutes 2020, section 181.53, is amended to read:

159.5 **181.53 CONDITIONS PRECEDENT TO EMPLOYMENT NOT REQUIRED.**

159.6 (a) No person, whether acting directly or through an agent, or as the agent or employee
159.7 of another, shall require as a condition precedent to employment any written statement as
159.8 to the participation of the applicant in a strike, or as to a personal record, for more than one
159.9 year immediately preceding the date of application; nor shall any person, acting in any of
159.10 these capacities, use or require blanks or forms of application for employment in
159.11 contravention of this section. Nothing in this section precludes an employer from requesting
159.12 or considering an applicant's criminal history pursuant to section 364.021 or other applicable
159.13 law.

159.14 (b) Except as provided in paragraph (c), no person or employer, whether acting directly
159.15 or through an agent, shall seek to obtain; require consent to a request for; or use an employee
159.16 or prospective employee's credit information, including the employee or prospective
159.17 employee's credit score, credit history, credit account balances, payment history, savings
159.18 or checking account balances, or savings or checking account numbers:

159.19 (1) as a condition precedent to employment;

159.20 (2) as a basis for hiring, compensation, or any other term, privilege, or condition of
159.21 employment; or

159.22 (3) as a basis for discharge or any other adverse employment action.

159.23 (c) Paragraph (b) does not apply if:

159.24 (1) the information sought is required by a state or federal law or regulation;

159.25 (2) the employer or prospective employer is a financial institution or a credit union;

159.26 (3) the employer or prospective employer has a bona fide business purpose for requesting
159.27 the information that is substantially related to the employee or prospective employee's
159.28 position; or

159.29 (4) the employee or prospective employee's position:

159.30 (i) is a managerial position that involves setting the financial direction or control of the
159.31 employer or prospective employer;

160.1 (ii) involves routine access to confidential financial and personal information, other than
160.2 information customarily provided in a routine retail transaction;

160.3 (iii) involves regular access to cash totaling \$10,000 or more of the employer, the
160.4 prospective employer, a customer, or a client;

160.5 (iv) is a peace officer; or

160.6 (v) requires a financial fiduciary responsibility to the employer, the prospective employer,
160.7 a customer, or a client, including the authority to issue payments, collect debts, transfer
160.8 money, or enter into contracts.

160.9 (d) In addition to any remedies otherwise provided by law, an employee or prospective
160.10 employee injured by a violation of paragraph (b) may bring a civil action to recover any
160.11 and all damages recoverable at law, together with costs and disbursements, including
160.12 reasonable attorney fees, and may receive such injunctive and other equitable relief as
160.13 determined by the court. If the district court determines that a violation of paragraph (b)
160.14 occurred, the court may order any appropriate relief, including but not limited to
160.15 reinstatement, back pay, restoration of lost service credit if appropriate, compensatory
160.16 damages, and the expungement of any adverse records of an employee or prospective
160.17 employee who was the subject of the alleged acts of misconduct.

160.18 Sec. 9. Minnesota Statutes 2020, section 181.939, is amended to read:

160.19 **181.939 NURSING MOTHERS, LACTATING EMPLOYEES, AND PREGNANCY**
160.20 **ACCOMMODATIONS.**

160.21 Subdivision 1. **Nursing mothers.** (a) An employer must provide reasonable ~~unpaid~~
160.22 break ~~time~~ times each day to an employee who needs to express breast milk for her infant
160.23 child. The break ~~time must, if possible,~~ times may run concurrently with any break ~~time~~
160.24 times already provided to the employee. ~~An employer is not required to provide break time~~
160.25 ~~under this section if to do so would unduly disrupt the operations of the employer. An~~
160.26 employer shall not reduce an employee's compensation for time used for the purpose of
160.27 expressing milk.

160.28 (b) The employer must make reasonable efforts to provide a room or other location, in
160.29 close proximity to the work area, other than a bathroom or a toilet stall, that is shielded from
160.30 view and free from intrusion from coworkers and the public and that includes access to an
160.31 electrical outlet, where the employee can express ~~her~~ milk in privacy. The employer would
160.32 be held harmless if reasonable effort has been made.

161.1 Subd. 2. **Pregnancy accommodations.** (a) An employer must provide reasonable
161.2 accommodations to an employee for health conditions related to pregnancy or childbirth
161.3 upon request, with the advice of a licensed health care provider or certified doula, unless
161.4 the employer demonstrates that the accommodation would impose an undue hardship on
161.5 the operation of the employer's business. A pregnant employee is not required to obtain the
161.6 advice of a licensed health care provider or certified doula, nor may an employer claim
161.7 undue hardship for the following accommodations: (1) more frequent restroom, food, and
161.8 water breaks; (2) seating; and (3) limits on lifting over 20 pounds. The employee and
161.9 employer shall engage in an interactive process with respect to an employee's request for a
161.10 reasonable accommodation. Reasonable accommodation may include but is not limited to
161.11 temporary transfer to a less strenuous or hazardous position, seating, frequent restroom
161.12 breaks, and limits to heavy lifting. Notwithstanding any other provision of this subdivision,
161.13 an employer is not required to create a new or additional position in order to accommodate
161.14 an employee pursuant to this subdivision and is not required to discharge an employee,
161.15 transfer another employee with greater seniority, or promote an employee.

161.16 (b) Nothing in this subdivision shall be construed to affect any other provision of law
161.17 relating to sex discrimination or pregnancy or in any way diminish the coverage of pregnancy,
161.18 childbirth, or health conditions related to pregnancy or childbirth under any other provisions
161.19 of any other law.

161.20 (c) An employer shall not require an employee to take a leave or accept an
161.21 accommodation.

161.22 Subd. 3. **Employer.** (e) For the purposes of this section, "employer" means a person or
161.23 entity that employs one or more employees and includes the state and its political
161.24 subdivisions.

161.25 Subd. 4. **No employer retribution.** (d) An employer ~~may~~ shall not retaliate against an
161.26 employee for asserting rights or remedies under this section.

161.27 Sec. 10. Minnesota Statutes 2020, section 181.940, subdivision 2, is amended to read:

161.28 Subd. 2. **Employee.** "Employee" means a person who performs services for hire for an
161.29 employer from whom a leave is requested under sections 181.940 to 181.944 for:

161.30 (1) at least ~~12 months~~ 90 days preceding the request; and

161.31 (2) for an average number of hours per week equal to one-half the full-time equivalent
161.32 position in the employee's job classification as defined by the employer's personnel policies

162.1 or practices or pursuant to the provisions of a collective bargaining agreement, during the
162.2 ~~12-month~~ 90-day period immediately preceding the leave.

162.3 Employee includes all individuals employed at any site owned or operated by the
162.4 employer but does not include an independent contractor.

162.5 Sec. 11. Minnesota Statutes 2020, section 181.940, subdivision 3, is amended to read:

162.6 Subd. 3. **Employer.** "Employer" means a person or entity that employs ~~21~~ one or more
162.7 employees ~~at at least one site, except that, for purposes of the school leave allowed under~~
162.8 ~~section 181.9412, employer means a person or entity that employs one or more employees~~
162.9 ~~in Minnesota. The term~~ and includes an individual, corporation, partnership, association,
162.10 nonprofit organization, group of persons, state, county, town, city, school district, or other
162.11 governmental subdivision.

162.12 Sec. 12. **[181.987] USE OF SKILLED AND TRAINED CONTRACTOR**
162.13 **WORKFORCES AT OIL REFINERIES.**

162.14 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
162.15 the meanings given.

162.16 (b) "Contractor" means a vendor that enters into or seeks to enter into a contract with
162.17 an owner or operator of an oil refinery to perform construction, alteration, demolition,
162.18 installation, repair, maintenance, or hazardous material handling work at the site of the oil
162.19 refinery. Contractor includes all contractors or subcontractors of any tier performing work
162.20 as described in this paragraph at the site of the oil refinery. Contractor does not include
162.21 employees of the owner or operator of an oil refinery.

162.22 (c) "Registered apprenticeship program" means an apprenticeship program registered
162.23 with the Department of Labor and Industry under chapter 178 or with the United States
162.24 Department of Labor Office of Apprenticeship or a recognized state apprenticeship agency
162.25 under Code of Federal Regulations, title 29, parts 29 and 30.

162.26 (d) "Skilled and trained workforce" means a workforce in which a minimum of 85 percent
162.27 of the employees of the contractor or subcontractor of any tier working at the site of the oil
162.28 refinery meet one of the following criteria:

162.29 (1) are currently registered as apprentices in a registered apprenticeship program in the
162.30 applicable trade;

162.31 (2) have graduated from a registered apprenticeship program in the applicable trade; or

163.1 (3) have completed all of the classroom training and work hour requirements needed to
163.2 graduate from the registered apprenticeship program their employer participates in.

163.3 Subd. 2. **Use of contractors by owner, operator; requirement.** (a) An owner or operator
163.4 of an oil refinery shall, when contracting with contractors for the performance of construction,
163.5 alteration, demolition, installation, repair, maintenance, or hazardous material handling
163.6 work at the site of the oil refinery, require that the contractors performing that work, and
163.7 any subcontractors of any tier, use a skilled and trained workforce when performing all
163.8 work at the site of the oil refinery.

163.9 (b) The requirement under this subdivision applies only when each contractor and
163.10 subcontractor of any tier is performing work at the site of the oil refinery.

163.11 Subd. 3. **Penalties.** The Division of Labor Standards shall receive complaints of violations
163.12 of this section. The commissioner of labor and industry shall fine an owner, operator,
163.13 contractor, or subcontractor of any tier not less than \$5,000 nor more than \$10,000 for each
163.14 violation of the requirements in this section. Each shift on which a violation of this section
163.15 occurs shall be considered a separate violation. This penalty is in addition to any penalties
163.16 provided under section 177.27, subdivision 7. In determining the amount of a civil penalty
163.17 under this subdivision, the appropriateness of the penalty to the size of the violator's business
163.18 and the gravity of the violation shall be considered.

163.19 Subd. 4. **Civil actions.** A person injured by a violation of this section may bring a civil
163.20 action for damages against an owner or operator of an oil refinery. The court may award to
163.21 a prevailing plaintiff under this subdivision damages, attorney fees, costs, disbursements,
163.22 and any other appropriate relief as otherwise provided by law.

163.23 **EFFECTIVE DATE.** This section is effective October 15, 2021.

163.24 Sec. 13. **[181A.112] DATA ON INDIVIDUALS WHO ARE MINORS.**

163.25 (a) When the commissioner collects, creates, receives, maintains, or disseminates the
163.26 following data on individuals who the commissioner knows are minors, the data are
163.27 considered private data on individuals, as defined in section 13.02, subdivision 12, except
163.28 for data classified as public data according to section 13.43:

163.29 (1) name;

163.30 (2) date of birth;

163.31 (3) Social Security number;

163.32 (4) telephone number;

164.1 (5) e-mail address;

164.2 (6) physical or mailing address;

164.3 (7) location data;

164.4 (8) online account access information; and

164.5 (9) other data that would identify participants who have registered for events, programs,

164.6 or classes sponsored by the Department of Labor and Industry.

164.7 (b) Data about minors classified under this section maintain their classification as private

164.8 data on individuals after the individual is no longer a minor.

164.9 Sec. 14. Minnesota Statutes 2020, section 182.66, is amended by adding a subdivision to
164.10 read:

164.11 Subd. 4. **Classification of citation data.** Notwithstanding section 13.39, subdivision 2,
164.12 the data in a written citation is classified as public as soon as the commissioner has received
164.13 confirmation that the employer has received the citation. All data in the citation is public,
164.14 including but not limited to the employer's name; the employer's address; the address of the
164.15 worksite; the date or dates of inspection; the date the citation was issued; the provision of
164.16 the act, standard, rule, or order alleged to have been violated; the severity level of the citation;
164.17 the description of the nature of the violation; the proposed abatement date; the proposed
164.18 penalty; and any abatement guidelines.

164.19 Sec. 15. Minnesota Statutes 2020, section 182.666, subdivision 1, is amended to read:

164.20 Subdivision 1. **Willful or repeated violations.** Any employer who willfully or repeatedly
164.21 violates the requirements of section 182.653, or any standard, rule, or order adopted under
164.22 the authority of the commissioner as provided in this chapter, may be assessed a fine not to
164.23 exceed ~~\$70,000~~ \$136,532 for each violation. The minimum fine for a willful violation is
164.24 ~~\$5,000~~ \$9,753.

164.25 Sec. 16. Minnesota Statutes 2020, section 182.666, subdivision 2, is amended to read:

164.26 Subd. 2. **Serious violations.** Any employer who has received a citation for a serious
164.27 violation of its duties under section 182.653, or any standard, rule, or order adopted under
164.28 the authority of the commissioner as provided in this chapter, shall be assessed a fine not
164.29 to exceed ~~\$7,000~~ \$13,653 for each violation. If a serious violation under section 182.653,
164.30 subdivision 2, causes or contributes to the death of an employee, the employer shall be
164.31 assessed a fine of up to \$25,000 for each violation.

165.1 Sec. 17. Minnesota Statutes 2020, section 182.666, subdivision 3, is amended to read:

165.2 Subd. 3. **Nonserious violations.** Any employer who has received a citation for a violation
165.3 of its duties under section 182.653, subdivisions 2 to 4, where the violation is specifically
165.4 determined not to be of a serious nature as provided in section 182.651, subdivision 12,
165.5 may be assessed a fine of up to ~~\$7,000~~ \$13,653 for each violation.

165.6 Sec. 18. Minnesota Statutes 2020, section 182.666, subdivision 4, is amended to read:

165.7 Subd. 4. **Failure to correct a violation.** Any employer who fails to correct a violation
165.8 for which a citation has been issued under section 182.66 within the period permitted for
165.9 its correction, which period shall not begin to run until the date of the final order of the
165.10 commissioner in the case of any review proceedings under this chapter initiated by the
165.11 employer in good faith and not solely for delay or avoidance of penalties, may be assessed
165.12 a fine of not more than ~~\$7,000~~ \$13,653 for each day during which the failure or violation
165.13 continues.

165.14 Sec. 19. Minnesota Statutes 2020, section 182.666, subdivision 5, is amended to read:

165.15 Subd. 5. **Posting violations.** Any employer who violates any of the posting requirements,
165.16 as prescribed under this chapter, except those prescribed under section 182.661, subdivision
165.17 3a, shall be assessed a fine of up to ~~\$7,000~~ \$13,653 for each violation.

165.18 Sec. 20. Minnesota Statutes 2020, section 182.666, is amended by adding a subdivision
165.19 to read:

165.20 Subd. 6a. **Increases for inflation.** (a) Each year, beginning in 2022, the commissioner
165.21 shall determine the percentage change in the Minneapolis-St. Paul-Bloomington, MN-WI,
165.22 Consumer Price Index for All Urban Consumers (CPI-U) from the month of October in the
165.23 preceding calendar year to the month of October in the current calendar year.

165.24 (b) The commissioner shall increase the fines in subdivisions 1 to 5, except for the fine
165.25 for a serious violation under section 182.653, subdivision 2, that causes or contributes to
165.26 the death of an employee, by the percentage change determined by the commissioner under
165.27 paragraph (a), if the percentage change is greater than zero. The fines shall be increased to
165.28 the nearest dollar.

165.29 (c) If the percentage change determined by the commissioner under paragraph (a) is not
165.30 greater than zero, the commissioner shall not change any of the fines in subdivisions 1 to
165.31 5.

166.1 (d) A fine increase under this subdivision takes effect on the next January 1 after the
166.2 commissioner determines the percentage change under paragraph (a) and the increase applies
166.3 to all fines assessed on or after the next January 1.

166.4 (e) No later than December 1 of each year, the commissioner shall give notice in the
166.5 State Register of any increase to the fines in subdivisions 1, 2, 3, 4, and 5.

166.6 Sec. 21. **[299F.48] AUTOMATIC SPRINKLER SYSTEMS IN EXISTING**
166.7 **HIGH-RISE BUILDINGS.**

166.8 Subdivision 1. **Requirements.** This section applies to an existing building in which at
166.9 least one story used for human occupancy is 75 feet or more above the lowest level of fire
166.10 department vehicle access. An automatic sprinkler system must be installed in those portions
166.11 of the entire existing building in which an automatic sprinkler system would be required if
166.12 the building were constructed on the effective date of this section. The automatic sprinkler
166.13 system must comply with standards in the State Fire Code and the State Building Code and
166.14 must be fully operational by August 1, 2033.

166.15 Subd. 2. **Exemptions.** (a) Subdivision 1 does not apply to:

166.16 (1) a monument or war memorial that is included in the National Register of Historic
166.17 Places or the state register of historic places;

166.18 (2) an airport control tower or control room;

166.19 (3) an open parking structure;

166.20 (4) a building used for agricultural purposes;

166.21 (5) a residential building in which at least 70 percent of the dwelling units are owner
166.22 occupied;

166.23 (6) elevator equipment rooms and elevator shafts;

166.24 (7) electric generation and distribution facilities operated by a public utility, a municipal
166.25 utility, or a cooperative electric association;

166.26 (8) areas utilized for surgery, surgical recovery, emergency backup power systems, and
166.27 electrical closets within facilities licensed by the Department of Health; or

166.28 (9) a manufacturing facility that is required to meet the fire safety standards adopted by
166.29 the Occupational Safety and Health Administration in Code of Federal Regulations, title
166.30 29, part 1910, subpart L.

167.1 (b) Subdivision 1 does not apply to an area used exclusively for telecommunications
167.2 equipment and associated generator and power equipment and under exclusive control of
167.3 a telecommunications provider if:

167.4 (1) the area is separated from the remainder of the building by construction equivalent
167.5 to a one-hour fire resistant wall and two-hour floor and ceiling assemblies; and

167.6 (2) the area has an automatic fire detection and alarm system that complies with standards
167.7 in the State Fire Code and State Building Code.

167.8 Subd. 3. **Reporting.** By August 1, 2023, the owner of a building subject to subdivision
167.9 1 shall submit to the state fire marshal a letter stating the owner's intent to comply with this
167.10 section and a plan for achieving compliance by the deadline in subdivision 1.

167.11 Subd. 4. **Extensions.** The commissioner, or the state fire marshal as the commissioner's
167.12 designee, may grant extensions to the deadline for reporting under subdivision 3 or the
167.13 deadline for compliance under subdivision 1. Any extension must observe the spirit and
167.14 intent of this section and be tailored to ensure public welfare and safety. To be eligible for
167.15 an extension, the building owner must apply to the commissioner and demonstrate a genuine
167.16 inability to comply within the time prescribed despite appropriate effort to do so.

167.17 Subd. 5. **Rules.** The commissioner may adopt rules to implement this section.

167.18 Subd. 6. **Working group.** The commissioner may appoint a working group to advise
167.19 the commissioner on the implementation of this section, including the adoption of rules,
167.20 and to advise the commissioner on applications for extensions. If appointed, a working
167.21 group must include a representative from: the state fire marshal's office, the Department of
167.22 Administration, the Minnesota State Fire Chiefs Association, a chapter of the Minnesota
167.23 Building Owners and Managers Association, the Minneapolis Public Housing Authority,
167.24 the Minnesota Multi Housing Association, the Minnesota Hotel and Motel Association, the
167.25 Fire Marshals Association of Minnesota, professional engineers or licensed architects, a
167.26 municipal water authority of a city of the first class, a national association of fire sprinkler
167.27 contractors, and a resident of a building subject to subdivision 1.

167.28 Subd. 7. **Effect on other laws.** This section does not supersede the State Building Code
167.29 or State Fire Code.

167.30 Sec. 22. Minnesota Statutes 2020, section 326B.07, subdivision 1, is amended to read:

167.31 Subdivision 1. **Membership.** (a) The Construction Codes Advisory Council consists of
167.32 the following members:

168.1 (1) the commissioner or the commissioner's designee representing the department's
168.2 Construction Codes and Licensing Division;

168.3 (2) the commissioner of public safety or the commissioner of public safety's designee
168.4 representing the Department of Public Safety's State Fire Marshal Division;

168.5 (3) one member, appointed by the commissioner, engaged in each of the following
168.6 occupations or industries:

168.7 (i) certified building officials;

168.8 (ii) fire chiefs or fire marshals;

168.9 (iii) licensed architects;

168.10 (iv) licensed professional engineers;

168.11 (v) commercial building owners and managers;

168.12 (vi) the licensed residential building industry;

168.13 (vii) the commercial building industry;

168.14 (viii) the heating and ventilation industry;

168.15 (ix) a member of the Plumbing Board;

168.16 (x) a member of the Board of Electricity;

168.17 (xi) a member of the Board of High Pressure Piping Systems;

168.18 (xii) the boiler industry;

168.19 (xiii) the manufactured housing industry;

168.20 (xiv) public utility suppliers;

168.21 (xv) the Minnesota Building and Construction Trades Council; ~~and~~

168.22 (xvi) local units of government;

168.23 (xvii) the energy conservation industry; and

168.24 (xviii) a building accessibility advocate.

168.25 (b) The commissioner or the commissioner's designee representing the department's
168.26 Construction Codes and Licensing Division shall serve as chair of the advisory council. For
168.27 members who are not state officials or employees, compensation and removal of members
168.28 of the advisory council are governed by section 15.059. The terms of the members of the
168.29 advisory council shall be four years. The terms of eight of the appointed members shall be

169.1 coterminous with the governor and the terms of the remaining nine appointed members
 169.2 shall end on the first Monday in January one year after the terms of the other appointed
 169.3 members expire. An appointed member may be reappointed. Each council member shall
 169.4 appoint an alternate to serve in their absence.

169.5 Sec. 23. Minnesota Statutes 2020, section 326B.092, subdivision 7, is amended to read:

169.6 Subd. 7. **License fees and license renewal fees.** (a) The license fee for each license is
 169.7 the base license fee plus any applicable board fee, continuing education fee, and contractor
 169.8 recovery fund fee and additional assessment, as set forth in this subdivision.

169.9 (b) For purposes of this section, "license duration" means the number of years for which
 169.10 the license is issued except that if the initial license is not issued for a whole number of
 169.11 years, the license duration shall be rounded up to the next whole number.

169.12 (c) If there is a continuing education requirement for renewal of the license, then a
 169.13 continuing education fee must be included in the renewal license fee. The continuing
 169.14 education fee for all license classifications is \$5.

169.15 ~~(e)~~ (d) The base license fee shall depend on whether the license is classified as an entry
 169.16 level, master, journeyworker, or business license, and on the license duration. The base
 169.17 license fee shall be:

| License Classification | License Duration | |
|------------------------|------------------|---------|
| | 1 year | 2 years |
| Entry level | \$10 | \$20 |
| Journeyworker | \$20 | \$40 |
| Master | \$40 | \$80 |
| Business | | \$180 |

169.24 ~~(d) If there is a continuing education requirement for renewal of the license, then a~~
 169.25 ~~continuing education fee must be included in the renewal license fee. The continuing~~
 169.26 ~~education fee for all license classifications shall be: \$10 if the renewal license duration is~~
 169.27 ~~one year; and \$20 if the renewal license duration is two years.~~

169.28 (e) If the license is issued under sections 326B.31 to 326B.59 or 326B.90 to 326B.925,
 169.29 then a board fee must be included in the license fee and the renewal license fee. The board
 169.30 fee for all license classifications shall be: \$4 if the license duration is one year; and \$8 if
 169.31 the license duration is two years.

169.32 (f) If the application is for the renewal of a license issued under sections 326B.802 to
 169.33 326B.885, then the contractor recovery fund fee required under section 326B.89, subdivision

170.1 3, and any additional assessment required under section 326B.89, subdivision 16, must be
 170.2 included in the license renewal fee.

170.3 (g) Notwithstanding the fee amounts described in paragraphs ~~(e)~~(d) to (f), for the period
 170.4 ~~July 1, 2017~~ October 1, 2021, through September 30, ~~2021~~ 2023, the following fees apply:

| 170.5 License Classification | License Duration | |
|------------------------------|------------------|---------|
| 170.6 | 1 year | 2 years |
| 170.7 Entry level | \$10 | \$20 |
| 170.8 Journeyworker | \$15 | \$30 |
| 170.9 Master | \$30 | \$60 |
| 170.10 Business | | \$120 |

170.11 ~~If there is a continuing education requirement for renewal of the license, then a continuing~~
 170.12 ~~education fee must be included in the renewal license fee. The continuing education fee for~~
 170.13 ~~all license classifications shall be \$5.~~

170.14 Sec. 24. Minnesota Statutes 2020, section 326B.106, subdivision 1, is amended to read:

170.15 Subdivision 1. **Adoption of code.** (a) Subject to paragraphs (c) and (d) and sections
 170.16 326B.101 to 326B.194, the commissioner shall by rule and in consultation with the
 170.17 Construction Codes Advisory Council establish a code of standards for the construction,
 170.18 reconstruction, alteration, and repair of buildings, governing matters of structural materials,
 170.19 design and construction, fire protection, health, sanitation, and safety, including design and
 170.20 construction standards regarding heat loss control, illumination, and climate control. The
 170.21 code must also include duties and responsibilities for code administration, including
 170.22 procedures for administrative action, penalties, and suspension and revocation of certification.
 170.23 The code must conform insofar as practicable to model building codes generally accepted
 170.24 and in use throughout the United States, including a code for building conservation. In the
 170.25 preparation of the code, consideration must be given to the existing statewide specialty
 170.26 codes presently in use in the state. Model codes with necessary modifications and statewide
 170.27 specialty codes may be adopted by reference. The code must be based on the application
 170.28 of scientific principles, approved tests, and professional judgment. To the extent possible,
 170.29 the code must be adopted in terms of desired results instead of the means of achieving those
 170.30 results, avoiding wherever possible the incorporation of specifications of particular methods
 170.31 or materials. To that end the code must encourage the use of new methods and new materials.
 170.32 Except as otherwise provided in sections 326B.101 to 326B.194, the commissioner shall
 170.33 administer and enforce the provisions of those sections.

171.1 (b) The commissioner shall develop rules addressing the plan review fee assessed to
171.2 similar buildings without significant modifications including provisions for use of building
171.3 systems as specified in the industrial/modular program specified in section 326B.194.
171.4 Additional plan review fees associated with similar plans must be based on costs
171.5 commensurate with the direct and indirect costs of the service.

171.6 (c) Beginning with the 2018 edition of the model building codes and every six years
171.7 thereafter, the commissioner shall review the new model building codes and adopt the model
171.8 codes as amended for use in Minnesota, within two years of the published edition date. The
171.9 commissioner may adopt amendments to the building codes prior to the adoption of the
171.10 new building codes to advance construction methods, technology, or materials, or, where
171.11 necessary to protect the health, safety, and welfare of the public, or to improve the efficiency
171.12 or the use of a building.

171.13 (d) Notwithstanding paragraph (c), the commissioner shall act on each new model
171.14 residential energy code and the new model commercial energy code in accordance with
171.15 federal law for which the United States Department of Energy has issued an affirmative
171.16 determination in compliance with United States Code, title 42, section 6833. Beginning in
171.17 2022, the commissioner shall act on the new model commercial energy code by adopting
171.18 each new published edition of ASHRAE 90.1 or a more efficient standard, and amending
171.19 it as necessary to achieve a minimum of eight percent energy efficiency with each edition,
171.20 as measured against energy consumption by an average building in each applicable building
171.21 sector in 2003. These amendments must achieve a net zero energy standard for new
171.22 commercial buildings by 2036 and thereafter. The commissioner may adopt amendments
171.23 prior to adoption of the new energy codes, as amended for use in Minnesota, to advance
171.24 construction methods, technology, or materials, or, where necessary to protect the health,
171.25 safety, and welfare of the public, or to improve the efficiency or use of a building.

171.26 Sec. 25. Minnesota Statutes 2020, section 326B.89, subdivision 1, is amended to read:

171.27 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
171.28 the meanings given them.

171.29 (b) "Gross annual receipts" means the total amount derived from residential contracting
171.30 or residential remodeling activities, regardless of where the activities are performed, and
171.31 must not be reduced by costs of goods sold, expenses, losses, or any other amount.

171.32 (c) "Licensee" means a person licensed as a residential contractor or residential remodeler.

172.1 (d) "Residential real estate" means a new or existing building constructed for habitation
172.2 by one to four families, and includes detached garages intended for storage of vehicles
172.3 associated with the residential real estate.

172.4 (e) "Fund" means the contractor recovery fund.

172.5 (f) "Owner" when used in connection with real property, means a person who has any
172.6 legal or equitable interest in real property and includes a condominium or townhome
172.7 association that owns common property located in a condominium building or townhome
172.8 building or an associated detached garage. Owner does not include any real estate developer
172.9 or any owner using, or intending to use, the property for a business purpose and not as
172.10 owner-occupied residential real estate.

172.11 (g) "Cycle One" means the time period between July 1 and December 31.

172.12 (h) "Cycle Two" means the time period between January 1 and June 30.

172.13 Sec. 26. Minnesota Statutes 2020, section 326B.89, subdivision 5, is amended to read:

172.14 Subd. 5. **Payment limitations.** The commissioner shall not pay compensation from the
172.15 fund to an owner or a lessee in an amount greater than \$75,000 per licensee. The
172.16 commissioner shall not pay compensation from the fund to owners and lessees in an amount
172.17 that totals more than ~~\$300,000~~ \$800,000 per licensee. The commissioner shall only pay
172.18 compensation from the fund for a final judgment that is based on a contract directly between
172.19 the licensee and the homeowner or lessee that was entered into prior to the cause of action
172.20 and that requires licensure as a residential building contractor or residential remodeler.

172.21 Sec. 27. Minnesota Statutes 2020, section 326B.89, subdivision 9, is amended to read:

172.22 Subd. 9. **Satisfaction of applications for compensation.** The commissioner shall pay
172.23 compensation from the fund to an owner or a lessee pursuant to the terms of an agreement
172.24 that has been entered into under subdivision 7, clause (1), or pursuant to a final order that
172.25 has been issued under subdivision 7, clause (2), or subdivision 8 by December 1 of the fiscal
172.26 ~~year following the fiscal year during which the agreement was entered into or during which~~
172.27 ~~the order became final, subject to the limitations of this section. At the end of each fiscal~~
172.28 ~~year the commissioner shall calculate the amount of compensation to be paid from the fund~~
172.29 ~~pursuant to agreements that have been entered into under subdivision 7, clause (1), and final~~
172.30 ~~orders that have been issued under subdivision 7, clause (2), or subdivision 8. If the calculated~~
172.31 ~~amount exceeds the amount available for payment, then the commissioner shall allocate the~~
172.32 ~~amount available among the owners and the lessees in the ratio that the amount agreed to~~

173.1 ~~or ordered to be paid to each owner or lessee bears to the amount calculated. The~~
173.2 ~~commissioner shall mail notice of the allocation to all owners and lessees not less than 45~~
173.3 ~~days following the end of the fiscal year. 31 for applications submitted by July 1 or June~~
173.4 ~~30 for applications submitted by January 1 of the fiscal year. The commissioner shall not~~
173.5 ~~pay compensation to owners or lessees that totals more than \$400,000 per licensee during~~
173.6 ~~Cycle One of a fiscal year nor shall the commissioner pay out during Cycle One if the payout~~
173.7 ~~will result in the exhaustion of a licensee's fund. If compensation paid to owners or lessees~~
173.8 ~~in Cycle One would total more than \$400,000 or would result in exhaustion of a licensee's~~
173.9 ~~fund in Cycle One, the commissioner shall not make a final determination of compensation~~
173.10 ~~for claims against the licensee until the completion of Cycle Two. If the claims against a~~
173.11 ~~licensee for the fiscal year result in the exhaustion of a licensee's fund or the fund as a whole,~~
173.12 ~~the commissioner must prorate the amount available among the owners and lessees based~~
173.13 ~~on the amount agreed to or ordered to be paid to each owner or lessee. The commissioner~~
173.14 ~~shall mail notice of the proration to all owners and lessees no later than March 31 of the~~
173.15 ~~current fiscal year. Any compensation paid by the commissioner in accordance with this~~
173.16 ~~subdivision shall be deemed to satisfy and extinguish any right to compensation from the~~
173.17 ~~fund based upon the verified application of the owner or lessee.~~

173.18 Sec. 28. **LAW ENFORCEMENT SUPERVISORS TRANSITION.**

173.19 (a) Until a negotiated collective bargaining agreement with an exclusive representative
173.20 of the law enforcement supervisors unit established under Minnesota Statutes, section
173.21 179A.10, subdivision 2, clause (18), is approved under Minnesota Statutes, section 3.855:

173.22 (1) state patrol supervisors and enforcement supervisors employed by the Department
173.23 of Natural Resources shall remain in the commissioner's plan;

173.24 (2) criminal apprehension investigative supervisors and other law enforcement supervisor
173.25 positions currently in the general supervisory employees unit shall remain in the general
173.26 supervisory employees unit represented by the Middle Management Association; and

173.27 (3) employees in positions to be included in the law enforcement supervisors unit shall
173.28 be authorized to participate in certification elections for the law enforcement supervisors
173.29 unit and any negotiation and collective bargaining activities of the law enforcement
173.30 supervisors unit.

173.31 (b) In assigning positions included in the law enforcement supervisors unit, employees
173.32 in positions under paragraph (a), clause (2), shall have the right to remain in the general
173.33 supervisory employees unit represented by the Middle Management Association. If a group
173.34 of employees exercises this right, the appropriate unit for such employees shall be the general

174.1 supervisory employees unit represented by the Middle Management Association, and the
174.2 commissioner shall assign them to such unit.

174.3 Sec. 29. **CAREER PATHWAY DEMONSTRATION PROGRAM.**

174.4 Subdivision 1. **Demonstration program.** A career pathway demonstration program is
174.5 created to encourage, support, and continue student participation in a structured career
174.6 pathway program.

174.7 Subd. 2. **Report.** On January 15, 2024, Independent School District No. 294, Houston,
174.8 must submit a written report to the legislative committees having jurisdiction over education
174.9 and workforce development describing students' experiences with the program. The report
174.10 must document the program's spending, list the number of students participating in the
174.11 program and entering the apprenticeship program, and make recommendations for improving
174.12 support of career pathway programs statewide.

174.13 Sec. 30. **REPEALER.**

174.14 (a) Minnesota Statutes 2020, section 181.9414, is repealed.

174.15 (b) Minnesota Rules, part 5200.0080, subpart 7, is repealed effective August 1, 2021.

174.16

ARTICLE 9

174.17

EARNED SICK AND SAFE TIME

174.18 Section 1. Minnesota Statutes 2020, section 181.942, subdivision 1, is amended to read:

174.19 Subdivision 1. **Comparable position.** (a) An employee returning from a leave of absence
174.20 under section 181.941 is entitled to return to employment in the employee's former position
174.21 or in a position of comparable duties, number of hours, and pay. An employee returning
174.22 from a leave of absence longer than one month must notify a supervisor at least two weeks
174.23 prior to return from leave. An employee returning from a leave under section 181.9412 or
174.24 ~~181.9413~~ sections 181.9445 to 181.9448 is entitled to return to employment in the employee's
174.25 former position.

174.26 (b) If, during a leave under sections 181.940 to 181.944, the employer experiences a
174.27 layoff and the employee would have lost a position had the employee not been on leave,
174.28 pursuant to the good faith operation of a bona fide layoff and recall system, including a
174.29 system under a collective bargaining agreement, the employee is not entitled to reinstatement
174.30 in the former or comparable position. In such circumstances, the employee retains all rights

175.1 under the layoff and recall system, including a system under a collective bargaining
175.2 agreement, as if the employee had not taken the leave.

175.3 **Sec. 2. [181.9445] DEFINITIONS.**

175.4 **Subdivision 1. Definitions.** For the purposes of section 177.50 and sections 181.9445
175.5 to 181.9447, the terms defined in this section have the meanings given them.

175.6 **Subd. 2. Commissioner.** "Commissioner" means the commissioner of labor and industry
175.7 or authorized designee or representative.

175.8 **Subd. 3. Domestic abuse.** "Domestic abuse" has the meaning given in section 518B.01.

175.9 **Subd. 4. Earned sick and safe time.** "Earned sick and safe time" means leave, including
175.10 paid time off and other paid leave systems, that is paid at the same hourly rate as an employee
175.11 earns from employment that may be used for the same purposes and under the same
175.12 conditions as provided under section 181.9447.

175.13 **Subd. 5. Employee.** "Employee" means any person who is employed by an employer,
175.14 including temporary and part-time employees, who performs work for at least 80 hours in
175.15 a year for that employer in Minnesota. Employee does not include:

175.16 (1) an independent contractor; or

175.17 (2) an individual employed by an air carrier as a flight deck or cabin crew member who
175.18 is subject to United States Code, title 45, sections 181 to 188, and who is provided with
175.19 paid leave equal to or exceeding the amounts in section 181.9446.

175.20 **Subd. 6. Employer.** "Employer" means a person who has one or more employees.
175.21 Employer includes an individual, a corporation, a partnership, an association, a business
175.22 trust, a nonprofit organization, a group of persons, a state, county, town, city, school district,
175.23 or other governmental subdivision. In the event that a temporary employee is supplied by
175.24 a staffing agency, absent a contractual agreement stating otherwise, that individual shall be
175.25 an employee of the staffing agency for all purposes of section 177.50 and sections 181.9445
175.26 to 181.9448.

175.27 **Subd. 7. Family member.** "Family member" means:

175.28 (1) an employee's:

175.29 (i) child, foster child, adult child, legal ward, or child for whom the employee is legal
175.30 guardian;

175.31 (ii) spouse or registered domestic partner;

- 176.1 (iii) sibling, stepsibling, or foster sibling;
- 176.2 (iv) parent or stepparent;
- 176.3 (v) grandchild, foster grandchild, or stepgrandchild; or
- 176.4 (vi) grandparent or stepgrandparent;
- 176.5 (2) any of the family members listed in clause (1) of a spouse or registered domestic
- 176.6 partner;
- 176.7 (3) any individual related by blood or affinity whose close association with the employee
- 176.8 is the equivalent of a family relationship; and
- 176.9 (4) up to one individual annually designated by the employee.
- 176.10 Subd. 8. **Health care professional.** "Health care professional" means any person licensed
- 176.11 under federal or state law to provide medical or emergency services, including doctors,
- 176.12 physician assistants, nurses, and emergency room personnel.
- 176.13 Subd. 9. **Prevailing wage rate.** "Prevailing wage rate" has the meaning given in section
- 176.14 177.42 and as calculated by the Department of Labor and Industry.
- 176.15 Subd. 10. **Retaliatory personnel action.** "Retaliatory personnel action" means:
- 176.16 (1) any form of intimidation, threat, reprisal, harassment, discrimination, or adverse
- 176.17 employment action, including discipline, discharge, suspension, transfer, or reassignment
- 176.18 to a lesser position in terms of job classification, job security, or other condition of
- 176.19 employment; reduction in pay or hours or denial of additional hours; the accumulation of
- 176.20 points under an attendance point system; informing another employer that the person has
- 176.21 engaged in activities protected by this chapter; or reporting or threatening to report the actual
- 176.22 or suspected citizenship or immigration status of an employee, former employee, or family
- 176.23 member of an employee to a federal, state, or local agency; and
- 176.24 (2) interference with or punishment for participating in any manner in an investigation,
- 176.25 proceeding, or hearing under this chapter.
- 176.26 Subd. 11. **Sexual assault.** "Sexual assault" means an act that constitutes a violation
- 176.27 under sections 609.342 to 609.3453 or 609.352.
- 176.28 Subd. 12. **Stalking.** "Stalking" has the meaning given in section 609.749.
- 176.29 Subd. 13. **Year.** "Year" means a regular and consecutive 12-month period, as determined
- 176.30 by an employer and clearly communicated to each employee of that employer.

177.1 **Sec. 3. [181.9446] ACCRUAL OF EARNED SICK AND SAFE TIME.**

177.2 (a) An employee accrues a minimum of one hour of earned sick and safe time for every
177.3 30 hours worked up to a maximum of 48 hours of earned sick and safe time in a year.
177.4 Employees may not accrue more than 48 hours of earned sick and safe time in a year unless
177.5 the employer agrees to a higher amount.

177.6 (b) Employers must permit an employee to carry over accrued but unused sick and safe
177.7 time into the following year. The total amount of accrued but unused earned sick and safe
177.8 time for an employee must not exceed 80 hours at any time, unless an employer agrees to
177.9 a higher amount.

177.10 (c) Employees who are exempt from overtime requirements under United States Code,
177.11 title 29, section 213(a)(1), as amended through the effective date of this section, are deemed
177.12 to work 40 hours in each workweek for purposes of accruing earned sick and safe time,
177.13 except that an employee whose normal workweek is less than 40 hours will accrue earned
177.14 sick and safe time based on the normal workweek.

177.15 (d) Earned sick and safe time under this section begins to accrue at the commencement
177.16 of employment of the employee.

177.17 (e) Employees may use accrued earned sick and safe time beginning 90 calendar days
177.18 after the day their employment commenced. After 90 days from the day employment
177.19 commenced, employees may use earned sick and safe time as it is accrued. The
177.20 90-calendar-day period under this paragraph includes both days worked and days not worked.

177.21 **Sec. 4. [181.9447] USE OF EARNED SICK AND SAFE TIME.**

177.22 Subdivision 1. **Eligible use.** An employee may use accrued earned sick and safe time
177.23 for:

177.24 (1) an employee's:

177.25 (i) mental or physical illness, injury, or other health condition;

177.26 (ii) need for medical diagnosis, care, or treatment of a mental or physical illness, injury,
177.27 or health condition; or

177.28 (iii) need for preventive medical or health care;

177.29 (2) care of a family member:

177.30 (i) with a mental or physical illness, injury, or other health condition;

178.1 (ii) who needs medical diagnosis, care, or treatment of a mental or physical illness,
178.2 injury, or other health condition; or

178.3 (iii) who needs preventive medical or health care;

178.4 (3) absence due to domestic abuse, sexual assault, or stalking of the employee or
178.5 employee's family member, provided the absence is to:

178.6 (i) seek medical attention related to physical or psychological injury or disability caused
178.7 by domestic abuse, sexual assault, or stalking;

178.8 (ii) obtain services from a victim services organization;

178.9 (iii) obtain psychological or other counseling;

178.10 (iv) seek relocation due to domestic abuse, sexual assault, or stalking; or

178.11 (v) seek legal advice or take legal action, including preparing for or participating in any
178.12 civil or criminal legal proceeding related to or resulting from domestic abuse, sexual assault,
178.13 or stalking;

178.14 (4) closure of the employee's place of business due to weather or other public emergency
178.15 or an employee's need to care for a family member whose school or place of care has been
178.16 closed due to weather or other public emergency; and

178.17 (5) when it has been determined by the health authorities having jurisdiction or by a
178.18 health care professional that the presence of the employee or family member of the employee
178.19 in the community would jeopardize the health of others because of the exposure of the
178.20 employee or family member of the employee to a communicable disease, whether or not
178.21 the employee or family member has actually contracted the communicable disease.

178.22 Subd. 2. **Notice.** An employer may require notice of the need for use of earned sick and
178.23 safe time as provided in this paragraph. If the need for use is foreseeable, an employer may
178.24 require advance notice of the intention to use earned sick and safe time but must not require
178.25 more than seven days' advance notice. If the need is unforeseeable, an employer may require
178.26 an employee to give notice of the need for earned sick and safe time as soon as practicable.

178.27 Subd. 3. **Documentation.** When an employee uses earned sick and safe time for more
178.28 than three consecutive days, an employer may require reasonable documentation that the
178.29 earned sick and safe time is covered by subdivision 1. For earned sick and safe time under
178.30 subdivision 1, clauses (1) and (2), reasonable documentation may include a signed statement
178.31 by a health care professional indicating the need for use of earned sick and safe time. For
178.32 earned sick and safe time under subdivision 1, clause (3), an employer must accept a court

179.1 record or documentation signed by a volunteer or employee of a victims services organization,
179.2 an attorney, a police officer, or an antiviolenace counselor as reasonable documentation. An
179.3 employer must not require disclosure of details relating to domestic abuse, sexual assault,
179.4 or stalking or the details of an employee's or an employee's family member's medical
179.5 condition as related to an employee's request to use earned sick and safe time under this
179.6 section.

179.7 Subd. 4. **Replacement worker.** An employer may not require, as a condition of an
179.8 employee using earned sick and safe time, that the employee seek or find a replacement
179.9 worker to cover the hours the employee uses as earned sick and safe time.

179.10 Subd. 5. **Increment of time used.** Earned sick and safe time may be used in the smallest
179.11 increment of time tracked by the employer's payroll system, provided such increment is not
179.12 more than four hours.

179.13 Subd. 6. **Retaliation prohibited.** An employer shall not take retaliatory personnel action
179.14 against an employee because the employee has requested earned sick and safe time, used
179.15 earned sick and safe time, requested a statement of accrued sick and safe time, or made a
179.16 complaint or filed an action to enforce a right to earned sick and safe time under this section.

179.17 Subd. 7. **Reinstatement to comparable position after leave.** An employee returning
179.18 from a leave under this section is entitled to return to employment in a comparable position.
179.19 If, during a leave under this section, the employer experiences a layoff and the employee
179.20 would have lost a position had the employee not been on leave, pursuant to the good faith
179.21 operation of a bona fide layoff and recall system, including a system under a collective
179.22 bargaining agreement, the employee is not entitled to reinstatement in the former or
179.23 comparable position. In such circumstances, the employee retains all rights under the layoff
179.24 and recall system, including a system under a collective bargaining agreement, as if the
179.25 employee had not taken the leave.

179.26 Subd. 8. **Pay and benefits after leave.** An employee returning from a leave under this
179.27 section is entitled to return to employment at the same rate of pay the employee had been
179.28 receiving when the leave commenced, plus any automatic adjustments in the employee's
179.29 pay scale that occurred during the leave period. The employee returning from a leave is
179.30 entitled to retain all accrued preleave benefits of employment and seniority as if there had
179.31 been no interruption in service, provided that nothing under this section prevents the accrual
179.32 of benefits or seniority during the leave pursuant to a collective bargaining or other agreement
179.33 between the employer and employees.

180.1 Subd. 9. **Part-time return from leave.** An employee, by agreement with the employer,
180.2 may return to work part time during the leave period without forfeiting the right to return
180.3 to employment at the end of the leave, as provided under this section.

180.4 Subd. 10. **Notice and posting by employer.** (a) Employers must give notice to all
180.5 employees that they are entitled to earned sick and safe time, including the amount of earned
180.6 sick and safe time, the accrual year for the employee, and the terms of its use under this
180.7 section; that retaliation against employees who request or use earned sick and safe time is
180.8 prohibited; and that each employee has the right to file a complaint or bring a civil action
180.9 if earned sick and safe time is denied by the employer or the employee is retaliated against
180.10 for requesting or using earned sick and safe time.

180.11 (b) Employers must supply employees with a notice in English and other appropriate
180.12 languages that contains the information required in paragraph (a) at commencement of
180.13 employment or the effective date of this section, whichever is later.

180.14 (c) The means used by the employer must be at least as effective as the following options
180.15 for providing notice:

180.16 (1) posting a copy of the notice at each location where employees perform work and
180.17 where the notice must be readily observed and easily reviewed by all employees performing
180.18 work; or

180.19 (2) providing a paper or electronic copy of the notice to employees.

180.20 The notice must contain all information required under paragraph (a). The commissioner
180.21 shall create and make available to employers a poster and a model notice that contains the
180.22 information required under paragraph (a) for their use in complying with this section.

180.23 (d) An employer that provides an employee handbook to its employees must include in
180.24 the handbook notice of employee rights and remedies under this section.

180.25 Subd. 11. **Required statement to employee.** (a) Upon request of the employee, the
180.26 employer must provide, in writing or electronically, current information stating the
180.27 employee's amount of:

180.28 (1) earned sick and safe time available to the employee; and

180.29 (2) used earned sick and safe time.

180.30 (b) Employers may choose a reasonable system for providing the information in paragraph
180.31 (a), including but not limited to listing information on each pay stub or developing an online
180.32 system where employees can access their own information.

181.1 Subd. 12. **Employer records.** (a) Employers shall retain accurate records documenting
181.2 hours worked by employees and earned sick and safe time taken and comply with all
181.3 requirements under section 177.30.

181.4 (b) An employer must allow an employee to inspect records required by this section and
181.5 relating to that employee at a reasonable time and place.

181.6 Subd. 13. **Confidentiality and nondisclosure.** (a) If, in conjunction with this section,
181.7 an employer possesses:

181.8 (1) health or medical information regarding an employee or an employee's family
181.9 member;

181.10 (2) information pertaining to domestic abuse, sexual assault, or stalking;

181.11 (3) information that the employee has requested or obtained leave under this section; or

181.12 (4) any written or oral statement, documentation, record, or corroborating evidence
181.13 provided by the employee or an employee's family member, the employer must treat such
181.14 information as confidential.

181.15 Information given by an employee may only be disclosed by an employer if the disclosure
181.16 is requested or consented to by the employee, when ordered by a court or administrative
181.17 agency, or when otherwise required by federal or state law.

181.18 (b) Records and documents relating to medical certifications, recertifications, or medical
181.19 histories of employees or family members of employees created for purposes of section
181.20 177.50 or sections 181.9445 to 181.9448 must be maintained as confidential medical records
181.21 separate from the usual personnel files. At the request of the employee, the employer must
181.22 destroy or return the records required by sections 181.9445 to 181.9448 that are older than
181.23 three years prior to the current calendar year.

181.24 (c) Employers must not discriminate against any employee based on records created for
181.25 the purposes of section 177.50 or sections 181.9445 to 181.9448.

181.26 Sec. 5. **[181.9448] EFFECT ON OTHER LAW OR POLICY.**

181.27 Subdivision 1. **No effect on more generous sick and safe time policies.** (a) Nothing
181.28 in sections 181.9445 to 181.9448 shall be construed to discourage employers from adopting
181.29 or retaining earned sick and safe time policies that meet or exceed, and do not otherwise
181.30 conflict with, the minimum standards and requirements provided in sections 181.9445 to
181.31 181.9447.

182.1 (b) Nothing in sections 181.9445 to 181.9447 shall be construed to limit the right of
182.2 parties to a collective bargaining agreement to bargain and agree with respect to earned sick
182.3 and safe time policies or to diminish the obligation of an employer to comply with any
182.4 contract, collective bargaining agreement, or any employment benefit program or plan that
182.5 meets or exceeds, and does not otherwise conflict with, the minimum standards and
182.6 requirements provided in this section.

182.7 (c) Employers who provide earned sick and safe time to their employees under a paid
182.8 time off policy or other paid leave policy that meets or exceeds, and does not otherwise
182.9 conflict with, the minimum standards and requirements provided in sections 181.9445 to
182.10 181.9448 are not required to provide additional earned sick and safe time.

182.11 (d) An employer may opt to satisfy the requirements of sections 181.9445 to 181.9448
182.12 for construction industry employees by:

182.13 (1) paying at least the prevailing wage rate as defined by section 177.42 and as calculated
182.14 by the Department of Labor and Industry; or

182.15 (2) paying at least the required rate established in a registered apprenticeship agreement
182.16 for apprentices registered with the Department of Labor and Industry.

182.17 An employer electing this option is deemed to be in compliance with sections 181.9445 to
182.18 181.9448 for construction industry employees who receive either at least the prevailing
182.19 wage rate or the rate required in the applicable apprenticeship agreement regardless of
182.20 whether the employees are working on private or public projects.

182.21 (e) Sections 181.9445 to 181.9448 do not prohibit an employer from establishing a policy
182.22 whereby employees may donate unused accrued sick and safe time to another employee.

182.23 (f) Sections 181.9445 to 181.9448 do not prohibit an employer from advancing sick and
182.24 safe time to an employee before accrual by the employee.

182.25 Subd. 2. **Termination; separation; transfer.** Sections 181.9445 to 181.9448 do not
182.26 require financial or other reimbursement to an employee from an employer upon the
182.27 employee's termination, resignation, retirement, or other separation from employment for
182.28 accrued earned sick and safe time that has not been used. If an employee is transferred to
182.29 a separate division, entity, or location, but remains employed by the same employer, the
182.30 employee is entitled to all earned sick and safe time accrued at the prior division, entity, or
182.31 location and is entitled to use all earned sick and safe time as provided in sections 181.9445
182.32 to 181.9448. When there is a separation from employment and the employee is rehired
182.33 within 180 days of separation by the same employer, previously accrued earned sick and

183.1 safe time that had not been used must be reinstated. An employee is entitled to use accrued
183.2 earned sick and safe time and accrue additional earned sick and safe time at the
183.3 commencement of reemployment.

183.4 Subd. 3. **Employer succession.** (a) When a different employer succeeds or takes the
183.5 place of an existing employer, all employees of the original employer who remain employed
183.6 by the successor employer are entitled to all earned sick and safe time accrued but not used
183.7 when employed by the original employer, and are entitled to use all earned sick and safe
183.8 time previously accrued but not used.

183.9 (b) If, at the time of transfer of the business, employees are terminated by the original
183.10 employer and hired within 30 days by the successor employer following the transfer, those
183.11 employees are entitled to all earned sick and safe time accrued but not used when employed
183.12 by the original employer, and are entitled to use all earned sick and safe time previously
183.13 accrued but not used.

183.14 Sec. 6. **REPEALER.**

183.15 Minnesota Statutes 2020, section 181.9413, is repealed.

183.16 Sec. 7. **EFFECTIVE DATE.**

183.17 This article is effective 180 days following final enactment.

183.18 **ARTICLE 10**

183.19 **EARNED SICK AND SAFE TIME ENFORCEMENT**

183.20 Section 1. Minnesota Statutes 2020, section 177.27, subdivision 2, is amended to read:

183.21 Subd. 2. **Submission of records; penalty.** The commissioner may require the employer
183.22 of employees working in the state to submit to the commissioner photocopies, certified
183.23 copies, or, if necessary, the originals of employment records which the commissioner deems
183.24 necessary or appropriate. The records which may be required include full and correct
183.25 statements in writing, including sworn statements by the employer, containing information
183.26 relating to wages, hours, names, addresses, and any other information pertaining to the
183.27 employer's employees and the conditions of their employment as the commissioner deems
183.28 necessary or appropriate.

183.29 The commissioner may require the records to be submitted by certified mail delivery
183.30 or, if necessary, by personal delivery by the employer or a representative of the employer,
183.31 as authorized by the employer in writing.

184.1 The commissioner may fine the employer up to ~~\$1,000~~ \$10,000 for each failure to submit
184.2 or deliver records as required by this section, ~~and up to \$5,000 for each repeated failure.~~
184.3 This penalty is in addition to any penalties provided under section 177.32, subdivision 1.
184.4 In determining the amount of a civil penalty under this subdivision, the appropriateness of
184.5 such penalty to the size of the employer's business and the gravity of the violation shall be
184.6 considered.

184.7 Sec. 2. Minnesota Statutes 2020, section 177.27, subdivision 4, is amended to read:

184.8 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
184.9 employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,
184.10 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d), 181.275,
184.11 subdivision 2a, 181.722, 181.79, ~~and~~ 181.939 to 181.943, and 181.9445 to 181.9448, or
184.12 with any rule promulgated under section 177.28. The commissioner shall issue an order
184.13 requiring an employer to comply with sections 177.41 to 177.435 if the violation is repeated.
184.14 For purposes of this subdivision only, a violation is repeated if at any time during the two
184.15 years that preceded the date of violation, the commissioner issued an order to the employer
184.16 for violation of sections 177.41 to 177.435 and the order is final or the commissioner and
184.17 the employer have entered into a settlement agreement that required the employer to pay
184.18 back wages that were required by sections 177.41 to 177.435. The department shall serve
184.19 the order upon the employer or the employer's authorized representative in person or by
184.20 certified mail at the employer's place of business. An employer who wishes to contest the
184.21 order must file written notice of objection to the order with the commissioner within 15
184.22 calendar days after being served with the order. A contested case proceeding must then be
184.23 held in accordance with sections 14.57 to 14.69. If, within 15 calendar days after being
184.24 served with the order, the employer fails to file a written notice of objection with the
184.25 commissioner, the order becomes a final order of the commissioner.

184.26 Sec. 3. Minnesota Statutes 2020, section 177.27, subdivision 7, is amended to read:

184.27 Subd. 7. **Employer liability.** If an employer is found by the commissioner to have
184.28 violated a section identified in subdivision 4, or any rule adopted under section 177.28, and
184.29 the commissioner issues an order to comply, the commissioner shall order the employer to
184.30 cease and desist from engaging in the violative practice and to take such affirmative steps
184.31 that in the judgment of the commissioner will effectuate the purposes of the section or rule
184.32 violated. The commissioner shall order the employer to pay to the aggrieved parties back
184.33 pay, gratuities, and compensatory damages, less any amount actually paid to the employee
184.34 by the employer, and for an additional equal amount as liquidated damages. Any employer

185.1 who is found by the commissioner to have repeatedly or willfully violated a section or
185.2 sections identified in subdivision 4 shall be subject to a civil penalty of up to ~~\$1,000~~ \$10,000
185.3 for each violation for each employee. In determining the amount of a civil penalty under
185.4 this subdivision, the appropriateness of such penalty to the size of the employer's business
185.5 and the gravity of the violation shall be considered. In addition, the commissioner may order
185.6 the employer to reimburse the department and the attorney general for all appropriate
185.7 litigation and hearing costs expended in preparation for and in conducting the contested
185.8 case proceeding, unless payment of costs would impose extreme financial hardship on the
185.9 employer. If the employer is able to establish extreme financial hardship, then the
185.10 commissioner may order the employer to pay a percentage of the total costs that will not
185.11 cause extreme financial hardship. Costs include but are not limited to the costs of services
185.12 rendered by the attorney general, private attorneys if engaged by the department,
185.13 administrative law judges, court reporters, and expert witnesses as well as the cost of
185.14 transcripts. Interest shall accrue on, and be added to, the unpaid balance of a commissioner's
185.15 order from the date the order is signed by the commissioner until it is paid, at an annual rate
185.16 provided in section 549.09, subdivision 1, paragraph (c). The commissioner may establish
185.17 escrow accounts for purposes of distributing damages.

185.18 Sec. 4. **[177.50] EARNED SICK AND SAFE TIME ENFORCEMENT.**

185.19 Subdivision 1. **Definitions.** The definitions in section 181.9445 apply to this section.

185.20 Subd. 2. **Rulemaking authority.** The commissioner may adopt rules to carry out the
185.21 purposes of this section and sections 181.9445 to 181.9448.

185.22 Subd. 3. **Individual remedies.** In addition to any other remedies provided by law, a
185.23 person injured by a violation of sections 181.9445 to 181.9448 may bring a civil action to
185.24 recover general and special damages, along with costs, fees, and reasonable attorney fees,
185.25 and may receive injunctive and other equitable relief as determined by a court. An action
185.26 to recover damages under this subdivision must be commenced within three years of the
185.27 violation of sections 181.9445 to 181.9448 that caused the injury to the employee.

185.28 Subd. 4. **Grants to community organizations.** The commissioner may make grants to
185.29 community organizations for the purpose of outreach to and education for employees
185.30 regarding their rights under sections 181.9445 to 181.9448. The community-based
185.31 organizations must be selected based on their experience, capacity, and relationships in
185.32 high-violation industries. The work under such a grant may include the creation and
185.33 administration of a statewide worker hotline.

186.1 Subd. 5. Report to legislature. (a) The commissioner must submit an annual report to
186.2 the legislature, including to the chairs and ranking minority members of any relevant
186.3 legislative committee. The report must include, but is not limited to:

186.4 (1) a list of all violations of sections 181.9445 to 181.9448, including the employer
186.5 involved, and the nature of any violations; and

186.6 (2) an analysis of noncompliance with sections 181.9445 to 181.9448, including any
186.7 patterns by employer, industry, or county.

186.8 (b) A report under this section must not include an employee's name or other identifying
186.9 information, any health or medical information regarding an employee or an employee's
186.10 family member, or any information pertaining to domestic abuse, sexual assault, or stalking
186.11 of an employee or an employee's family member.

186.12 Subd. 6. Contract for labor or services. It is the responsibility of all employers to not
186.13 enter into any contract or agreement for labor or services where the employer has any actual
186.14 knowledge or knowledge arising from familiarity with the normal facts and circumstances
186.15 of the business activity engaged in, or has any additional facts or information that, taken
186.16 together, would make a reasonably prudent person undertake to inquire whether, taken
186.17 together, the contractor is not complying or has failed to comply with this section. For
186.18 purposes of this subdivision, "actual knowledge" means information obtained by the employer
186.19 that the contractor has violated this section within the past two years and has failed to present
186.20 the employer with credible evidence that such noncompliance has been cured going forward.

186.21 EFFECTIVE DATE. This section is effective 180 days after final enactment.

186.22 **ARTICLE 11**

186.23 **EMERGENCY REHIRE AND RETENTION**

186.24 **Section 1. DEFINITIONS.**

186.25 Subdivision 1. Applicability. For the purposes of sections 1 to 4, the following terms
186.26 have the meanings given.

186.27 Subd. 2. Air carrier. "Air carrier" means a person undertaking by any means, directly
186.28 or indirectly, to provide air transportation of persons, property, or mail.

186.29 Subd. 3. Aircraft. "Aircraft" means any contrivance invented, used, or designed for
186.30 navigation of or flight in the air, but excluding parachutes.

186.31 Subd. 4. Airport. "Airport" means any area of land or water, except a restricted landing
186.32 area, which is designed for the landing and takeoff of aircraft, whether or not facilities are

187.1 provided for the shelter, surfacing, or repair of aircraft, or for receiving or discharging
187.2 passengers or cargo, and all appurtenant areas used or suitable for airport buildings or other
187.3 airport facilities, and all appurtenant rights-of-way, whether heretofore or hereafter
187.4 established.

187.5 Subd. 5. **Airport authority.** "Airport authority" means an authority created pursuant to
187.6 Minnesota Statutes, section 360.0426.

187.7 Subd. 6. **Airport facility management.** "Airport facility management" means a person
187.8 directing or supervising airport management activities, including but not limited to:

187.9 (1) information management;

187.10 (2) building and property management;

187.11 (3) civil services;

187.12 (4) procurement and logistics management; and

187.13 (5) legal services.

187.14 Subd. 7. **Airport hospitality operation.** (a) "Airport hospitality operation" means a
187.15 business that:

187.16 (1) prepares, delivers, inspects, or provides any other service in connection with the
187.17 preparation of food or beverage for aircraft crew or passengers at an airport; or

187.18 (2) provides food and beverage, retail, or other consumer goods or services to the public
187.19 at an airport.

187.20 (b) Airport hospitality operation does not include an air carrier certificated by the Federal
187.21 Aviation Administration.

187.22 Subd. 8. **Airport service provider.** (a) "Airport service provider" means a business that
187.23 performs, under contract with a passenger air carrier, airport facility management, or airport
187.24 authority, functions on the property of the airport that are directly related to the air
187.25 transportation of persons, property, or mail, including but not limited to:

187.26 (1) the loading and unloading of property on aircraft;

187.27 (2) assistance to passengers under Code of Federal Regulations, title 14, part 382;

187.28 (3) security;

187.29 (4) airport ticketing and check-in functions;

187.30 (5) ground-handling of aircraft;

188.1 (6) aircraft cleaning and sanitization functions; or

188.2 (7) airport authority.

188.3 (b) Airport service provider does not include an air carrier certificated by the Federal
188.4 Aviation Administration.

188.5 Subd. 9. **Building service.** "Building service" means janitorial, building maintenance,
188.6 or security services.

188.7 Subd. 10. **Business day.** "Business day" means Monday through Friday, excluding any
188.8 holidays as defined in Minnesota Statutes, section 645.44.

188.9 Subd. 11. **Change in control.** "Change in control" means any sale, assignment, transfer,
188.10 contribution, or other disposition of all or substantially all of the assets used in the operation
188.11 of an enterprise or a discrete portion of the enterprise that continues in operation as an
188.12 enterprise, or a controlling interest, including by consolidation, merger, or reorganization,
188.13 of the incumbent employer or any person who controls the incumbent employer.

188.14 Subd. 12. **Declared emergency.** "Declared emergency" means a national security or
188.15 peacetime emergency declared by the governor under Minnesota Statutes, section 12.31, a
188.16 local emergency declared by the mayor of a municipality or the chair of a county board of
188.17 commissioners under Minnesota Statutes, section 12.29, a federal public health emergency
188.18 declared by the secretary of the federal Department of Health and Human Services, or a
188.19 major disaster or national emergency declared by the president.

188.20 Subd. 13. **Eligible employee.** (a) "Eligible employee" means an individual:

188.21 (1) whose primary place of employment is at an enterprise subject to a change in control;

188.22 (2) who is employed directly by the incumbent employer, or by an employer who has
188.23 contracted with the incumbent employer to provide services at the enterprise subject to a
188.24 change in control; and

188.25 (3) who has worked for the incumbent employer for at least one month prior to the
188.26 execution of the transfer document.

188.27 (b) Eligible employee does not include a managerial, supervisory, or confidential
188.28 employee.

188.29 Subd. 14. **Employee.** "Employee" means an individual who performs services for hire
188.30 for at least two hours in a particular week for an employer.

189.1 Subd. 15. **Employer.** "Employer" means any person who directly, indirectly, or through
189.2 an agent or any other person, including through the services of a temporary service or staffing
189.3 agency or similar entity, owns or operates an enterprise and employs one or more employees.

189.4 Subd. 16. **Enterprise.** "Enterprise" means a hotel, event center, airport hospitality
189.5 operation, airport service provider, or the provision of building service to office, retail, or
189.6 other commercial buildings.

189.7 Subd. 17. **Event center.** (a) "Event center" means a publicly or privately owned structure
189.8 of more than 50,000 square feet or 2,000 seats that is used for the purposes of public
189.9 performances, sporting events, business meetings, or similar events, and includes concert
189.10 halls, stadiums, sports arenas, racetracks, coliseums, and convention centers.

189.11 (b) Event center also includes any contracted, leased, or sublet premises connected to
189.12 or operated in conjunction with the event center's purpose, including food preparation
189.13 facilities, concessions, retail stores, restaurants, bars, and structured parking facilities.

189.14 Subd. 18. **Hotel.** (a) "Hotel" means a building, structure, enclosure, or any part thereof:

189.15 (1) used as, maintained as, advertised as, or held out to be a place where sleeping
189.16 accommodations, lodging, and other related services are furnished to the public; and

189.17 (2) containing 75 or more guest rooms, or suites of rooms, except adjoining rooms do
189.18 not constitute a suite of rooms. The number of guest rooms, or suites of rooms, shall be
189.19 calculated based on the room count on the opening of the hotel or on December 31, 2019,
189.20 whichever is greater.

189.21 (b) Hotel also includes any contracted, leased, or sublet premises connected to or operated
189.22 in conjunction with the hotel's purpose, or providing services thereat.

189.23 Subd. 19. **Incumbent employer.** "Incumbent employer" means a person who owns or
189.24 operates an enterprise subject to a change in control prior to the change in control.

189.25 Subd. 20. **Laid-off employee.** "Laid-off employee" means any employee who was
189.26 employed by the employer for six months or more in the 12 months preceding January 31,
189.27 2020, and whose most recent separation from actively performing services for hire occurred
189.28 after January 31, 2020, and was due to a public health directive, government shutdown
189.29 order, lack of business, a reduction in force, or other economic, nondisciplinary reason
189.30 related to the declared emergency.

189.31 Subd. 21. **Length of service.** "Length of service" means the total of all periods of time
189.32 during which an employee has actively been performing services for hire with the employer,
189.33 including periods of time when the employee was on leave or on vacation.

190.1 Subd. 22. **Person.** "Person" means an individual, corporation, partnership, limited
190.2 partnership, limited liability partnership, limited liability company, business trust, estate,
190.3 trust, association, joint venture, agency, instrumentality, or any other legal or commercial
190.4 entity, whether domestic or foreign.

190.5 Subd. 23. **Successor employer.** "Successor employer" means a person that owns or
190.6 operates an enterprise subject to a change in control after the change in control.

190.7 Subd. 24. **Transfer document.** "Transfer document" means the purchase agreement or
190.8 other documents creating a binding agreement to effect the change in control.

190.9 **Sec. 2. EMERGENCY REHIRE AND RETENTION OF LAID-OFF EMPLOYEES.**

190.10 Subdivision 1. **Rehire and recall requirements.** (a) An employer shall offer its laid-off
190.11 employees in writing, to their last known physical address, and by e-mail and text message
190.12 to the extent the employer possesses such information, all job positions that become available
190.13 after the effective date of this section for which the laid-off employees are qualified. A
190.14 laid-off employee is qualified for a position if the employee either:

190.15 (1) held the same or similar position at the enterprise at the time of the employee's most
190.16 recent separation from actively performing services for hire with the employer; or

190.17 (2) is or can be qualified for the position with the same training that would be provided
190.18 to a new employee hired into that position.

190.19 (b) The employer shall offer positions to laid-off employees in an order of preference
190.20 corresponding to paragraph (a), clauses (1) and (2). If more than one employee is entitled
190.21 to preference for a position, the employer shall offer the position to the laid-off employee
190.22 with the greatest length of service for the enterprise.

190.23 (c) A laid-off employee who is offered a position pursuant to this section shall be given
190.24 at least five business days in which to accept or decline the offer. An employer may make
190.25 simultaneous conditional offers of employment to laid-off employees, with a final offer of
190.26 employment conditioned on application of the priority system in paragraph (b).

190.27 (d) An employer that declines to recall a laid-off employee on the grounds of lack of
190.28 qualifications and instead hires someone other than a laid-off employee shall provide the
190.29 laid-off employee a written notice within 30 days identifying those hired in lieu of that
190.30 recall, along with all reasons for the decision.

190.31 (e) This section also applies in any of the following circumstances:

191.1 (1) the ownership of the employer changed after the separation from employment of a
191.2 laid-off employee but the enterprise is conducting the same or similar operations as before
191.3 the declared emergency;

191.4 (2) the form of organization of the employer changed after the declared emergency;

191.5 (3) substantially all of the assets of the employer were acquired by another entity which
191.6 conducts the same or similar operations using substantially the same assets; or

191.7 (4) the employer relocates the operations at which a laid-off employee was employed
191.8 before the declared emergency to a different location.

191.9 Subd. 2. **Successor employer and retention requirements.** (a)(1) The incumbent
191.10 employer shall, within 15 days after the execution of a transfer document, provide to the
191.11 successor employer the name, address, date of hire, and employment occupation classification
191.12 of each eligible employee.

191.13 (2) The successor employer shall maintain a preferential hiring list of eligible employees
191.14 identified by the incumbent employer under clause (1), and shall be required to hire from
191.15 that list for a period beginning upon the execution of the transfer document and continuing
191.16 for six months after the enterprise is open to the public under the successor employer.

191.17 (3) If the successor employer extends an offer of employment to an eligible employee,
191.18 the successor employer shall retain written verification of that offer for at least three years
191.19 from the date the offer was made. The verification shall include the name, address, date of
191.20 hire, and employment occupation classification of each eligible employee.

191.21 (b)(1) A successor employer shall retain each eligible employee hired pursuant to this
191.22 subdivision for no fewer than 90 days following the eligible employee's employment
191.23 commencement date. During this 90-day transition employment period, eligible employees
191.24 shall be employed under the terms and conditions established by the successor employer
191.25 or as required by law. The successor employer shall provide eligible employees with a
191.26 written offer of employment. This offer shall remain open for at least five business days
191.27 from the date of the offer. A successor employer may make simultaneous conditional offers
191.28 of employment to eligible employees, with a final offer of employment conditioned on
191.29 application of the priority system set forth in clause (2).

191.30 (2) If, within the period established in paragraph (a), clause (2), the successor employer
191.31 determines that it requires fewer eligible employees than were required by the incumbent
191.32 employer, the successor employer shall retain eligible employees by seniority within each
191.33 job classification to the extent that comparable job classifications exist.

192.1 (3) During the 90-day transition employment period, the successor employer shall not
192.2 discharge without cause an eligible employee retained pursuant to this subdivision.

192.3 (4) At the end of the 90-day transition employment period, the successor employer shall
192.4 perform a written performance evaluation for each eligible employee retained pursuant to
192.5 this section. If the eligible employee's performance during the 90-day transition employment
192.6 period is satisfactory, the successor employer shall consider offering the eligible employee
192.7 continued employment under the terms and conditions established by the successor employer
192.8 or as required by law. The successor employer shall retain a record of the written performance
192.9 evaluation for a period of no fewer than three years.

192.10 (c)(1) The incumbent employer shall post written notice of the change in control at the
192.11 location of the affected enterprise within five business days following the execution of the
192.12 transfer document. Notice shall remain posted during any closure of the enterprise and for
192.13 six months after the enterprise is open to the public under the successor employer.

192.14 (2) Notice shall include but not be limited to the name of the incumbent employer and
192.15 its contact information, the name of the successor employer and its contact information,
192.16 and the effective date of the change in control.

192.17 (3) Notice shall be posted in a conspicuous place at the enterprise so as to be readily
192.18 viewed by eligible employees, other employees, and applicants for employment.

192.19 Subd. 3. **Employment protections.** No employer shall refuse to employ, terminate,
192.20 reduce in compensation, or otherwise take any adverse action against any employee for
192.21 seeking to enforce their rights under sections 1 to 4, by any lawful means, for participating
192.22 in proceedings related to these sections, opposing any practice prescribed by these sections,
192.23 or otherwise asserting rights under these sections. This subdivision also applies to any
192.24 employee who mistakenly, but in good faith, alleges noncompliance with these sections.

192.25 Subd. 4. **Collective bargaining rights.** (a) All of the provisions in sections 1 to 4 may
192.26 be waived in a valid collective bargaining agreement, but only if the waiver is explicitly set
192.27 forth in that agreement in clear and unambiguous terms. Unilateral implementation of terms
192.28 and conditions of employment by either party to a collective bargaining relationship shall
192.29 not constitute or be permitted as a waiver of all or any part of the provisions of sections 1
192.30 to 4.

192.31 (b) Nothing in sections 1 to 4 limits the right of employees to bargain collectively with
192.32 their employers through representatives of their own choosing to establish retention or
192.33 rehiring conditions more favorable to the employees than those required by these sections.

193.1 Sec. 3. ENFORCEMENT AND COMPLIANCE.

193.2 Subdivision 1. Enforcement. (a) An employee, including any eligible employee, may
193.3 file an action in the Minnesota District Court, or may file a complaint with the Department
193.4 of Labor and Industry, Labor Standards and Apprenticeship Division, against the employer,
193.5 or in the case of a violation of section 2, subdivision 2, incumbent employer or the successor
193.6 employer, for violations of section 2, and may be awarded any or all of the following, as
193.7 appropriate:

193.8 (1) hiring and reinstatement rights pursuant to section 2, with the 90-day transition
193.9 employment period not commencing until the eligible employee's employment
193.10 commencement date with the successor employer;

193.11 (2) front pay or back pay for each day during which the violation continues, which shall
193.12 be calculated at a rate of compensation not less than the highest of any of the following
193.13 rates:

193.14 (i) the average regular rate of pay received by the employee or eligible employee during
193.15 the last three years of that employee's employment in the same occupation classification;

193.16 (ii) the most recent regular rate received by the employee or eligible employee while
193.17 employed by the employer, incumbent employer, or successor employer; or

193.18 (iii) the regular rate received by the individual in the position during the time that the
193.19 employee or eligible employee should have been employed;

193.20 (3) value of the benefits the employee or eligible employee would have received under
193.21 the employer or successor employer's benefit plan; or

193.22 (4) in an action brought in the district court, a prevailing employee shall be awarded
193.23 reasonable attorneys' fees and costs.

193.24 (b) The Labor Standards and Apprenticeship Division shall investigate complaints filed
193.25 under this section, and if an employer, incumbent employer, or successor employer is found
193.26 to have violated section 2, the division shall determine and issue an award to an employee
193.27 pursuant to paragraph (a).

193.28 (c) No criminal penalties shall be imposed for a violation of section 2.

193.29 (d) This subdivision shall not be construed to limit a discharged employee or eligible
193.30 employee's right to pursue any other remedies available to an employee in law or equity.

194.1 Subd. 2. **Compliance.** The commissioner of labor and industry may issue a compliance
194.2 order under Minnesota Statutes, section 177.27, subdivision 4, requiring an employer to
194.3 comply with section 2.

194.4 Subd. 3. **Interaction with local law.** Nothing in this section shall prohibit a local
194.5 government agency from enacting ordinances that impose greater standards than, or establish
194.6 additional enforcement provisions to, those prescribed by this section.

194.7 **Sec. 4. CITATION.**

194.8 Sections 1 to 4 may be cited as the "Emergency Rehire and Retention Law."

194.9 **Sec. 5. EFFECTIVE DATES.**

194.10 Sections 1 to 4 are effective the day following final enactment and expire December 31,
194.11 2022.

194.12 **ARTICLE 12**

194.13 **ESSENTIAL WORKERS EMERGENCY LEAVE**

194.14 **Section 1. ESSENTIAL WORKERS EMERGENCY LEAVE.**

194.15 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
194.16 the meanings given.

194.17 (b) "Airport service provider" means a business other than an air carrier certificated by
194.18 the Federal Aviation Administration, that performs, under contract with a passenger air
194.19 carrier, airport facility management, or airport authority, functions on the property of the
194.20 airport that are directly related to the air transportation of persons, property, or mail, including
194.21 but not limited to:

194.22 (1) the loading and unloading of property on aircraft;

194.23 (2) assistance to passengers under Code of Federal Regulations, title 14, part 382;

194.24 (3) security;

194.25 (4) airport ticketing and check-in functions;

194.26 (5) ground-handling of aircraft;

194.27 (6) aircraft cleaning and sanitization functions; or

194.28 (7) airport authority.

195.1 (c) "Child" means a biological, adopted, or foster child, stepchild, legal ward, or child
195.2 for whom the essential worker is a legal guardian.

195.3 (d) "Emergency paid sick leave" means paid leave time provided under this section for
195.4 a reason provided in subdivision 2 that is not:

195.5 (1) fully compensated through workers' compensation benefits or unemployment
195.6 insurance benefits; or

195.7 (2) guaranteed to essential workers through other paid sick leave benefits under state
195.8 law or federal law or an executive order related to COVID-19.

195.9 (e) "Essential worker" means a person who performs services for hire for an employer
195.10 for one day or more, and who:

195.11 (1) is an emergency responder or health care provider as defined in Code of Federal
195.12 Regulations, title 29, section 826.30(c), including but not limited to nurses, peace officers,
195.13 firefighters, correctional institution personnel, emergency medical services personnel, and
195.14 social workers;

195.15 (2) is a licensed or unlicensed employee employed by or under contract with:

195.16 (i) a hospital, boarding care home, or outpatient surgical center licensed under Minnesota
195.17 Statutes, sections 144.50 to 144.56;

195.18 (ii) a nursing home licensed under Minnesota Statutes, sections 144A.01 to 144A.162;

195.19 (iii) a housing with services establishment registered under Minnesota Statutes, section
195.20 144D.02, and operating under Minnesota Statutes, sections 144G.01 to 144G.07;

195.21 (iv) the arranged home care provider of an establishment specified in item (iii);

195.22 (v) an unlicensed health care clinic; or

195.23 (vi) an unlicensed office of a physician or advanced practice registered nurse;

195.24 (3) is a public school employee;

195.25 (4) works for an airport service provider; or

195.26 (5) works for a private employer performing work in the following sectors:

195.27 (i) building service, including janitorial, building maintenance, and security services;

195.28 (ii) child care;

195.29 (iii) food service, including food manufacture, production, processing, preparation, sale,
195.30 and delivery;

196.1 (iv) hotel accommodations;

196.2 (v) manufacturing; or

196.3 (vi) retail, including but not limited to sales, fulfillment, distribution, and delivery.

196.4 (f) "Employer" means a person who employs one or more essential workers, including
196.5 but not limited to a corporation, partnership, limited liability company, association, group
196.6 of persons, hospital, state, county, town, city, school district, or governmental subdivision,
196.7 excluding the federal government.

196.8 (g) "Retaliatory personnel action" means any form of intimidation, threat, reprisal,
196.9 harassment, discrimination, or adverse employment action, including discipline, discharge,
196.10 suspension, transfer, or reassignment to a lesser position in terms of job classification, job
196.11 security, or other condition of employment; reduction in pay or hours or denial of additional
196.12 hours; the accumulation of points under an attendance point system; informing another
196.13 employer that the person has engaged in activities protected by this section; or reporting or
196.14 threatening to report the actual or suspected citizenship or immigration status of an employee,
196.15 former employee, or family member of an employee to a federal, state, or local agency.

196.16 Subd. 2. **Emergency paid sick leave.** An employer shall provide emergency paid sick
196.17 leave to an essential worker who is unable to work or telework due to any of the following
196.18 reasons:

196.19 (1) the essential worker is subject to a federal, state, or local quarantine or isolation order
196.20 related to COVID-19;

196.21 (2) the essential worker has been advised by a health care provider to self-quarantine
196.22 due to concerns related to COVID-19;

196.23 (3) the essential worker is experiencing symptoms of COVID-19 and seeking a medical
196.24 diagnosis;

196.25 (4) the essential worker is seeking or awaiting the results of a diagnostic test for, or a
196.26 medical diagnosis of, COVID-19 and the essential worker has been exposed to COVID-19
196.27 or the essential worker's employer has requested a test or diagnosis;

196.28 (5) the essential worker is obtaining an immunization related to COVID-19 or recovering
196.29 from an injury, disability, illness, or condition related to the immunization;

196.30 (6) the essential worker is caring for an individual who is subject to an order as described
196.31 in clause (1) or has been advised as described in clause (2); or

197.1 (7) the essential worker is caring for a child of the essential worker if the school or place
197.2 of care of the child has been closed, or the child care provider of the child is unavailable
197.3 due to COVID-19 precautions.

197.4 Subd. 3. **Duration and use of leave.** (a) An essential worker is entitled to emergency
197.5 paid sick leave as provided under this section for the following number of hours through
197.6 March 31, 2021, and an equal number of hours for the period beginning April 1, 2021:

197.7 (1) up to 80 hours for an essential worker who:

197.8 (i) the employer considers to work full time;

197.9 (ii) works or was scheduled to work on average what are considered full-time hours by
197.10 the employer, including pursuant to any applicable collective bargaining agreement; or

197.11 (iii) works or was scheduled to work at least 40 hours per week for the employer on
197.12 average over a two-week period;

197.13 (2) a number of hours equal to the number of hours that an essential worker works for
197.14 the employer on average over a two-week period for any essential worker who:

197.15 (i) the employer considers to work part time;

197.16 (ii) works or was scheduled to work on average what are considered part-time hours by
197.17 the employer, including pursuant to any applicable collective bargaining agreement; or

197.18 (iii) works or was scheduled to work fewer than 40 hours per week for the employer on
197.19 average over a two-week period; or

197.20 (3) 14 times the average number of hours an essential worker worked per day for the
197.21 employer for the previous six months, or for the entire period the essential worker has
197.22 worked for the employer, whichever is shorter, for an essential worker who works variable
197.23 hours and who is not covered by clause (1) or (2).

197.24 (b) Leave under this section is available for use by an essential worker for a reason listed
197.25 in subdivision 2 beginning the day following final enactment and may be used intermittently,
197.26 provided that any amount of leave taken under this section ends with the essential worker's
197.27 next scheduled work shift immediately following the termination of the essential worker's
197.28 need for leave under a reason provided in subdivision 2.

197.29 (c) After the first workday or portion thereof that an essential worker receives leave
197.30 under this section, an employer may require the essential worker to follow reasonable notice
197.31 procedures to continue receiving leave.

198.1 (d) Leave under this section expires 30 days after a peacetime emergency declared by
198.2 the governor in an executive order that relates to the infectious disease known as COVID-19
198.3 is terminated or rescinded.

198.4 Subd. 4. **Amount of compensation.** (a) An essential worker shall receive compensation
198.5 for each hour of emergency paid sick leave received under this section in an amount that is
198.6 the greater of:

198.7 (1) the essential worker's regular rate of pay for the essential worker's last pay period,
198.8 including pursuant to any collective bargaining agreement that applies;

198.9 (2) the state minimum wage in effect under Minnesota Statutes, section 177.24; or

198.10 (3) the local minimum wage to which the essential worker is entitled.

198.11 (b) In no event shall emergency paid sick time provided under this section exceed \$511
198.12 per day, nor shall emergency paid sick time provided under this section exceed \$5,110 in
198.13 the aggregate for the period ending March 31, 2021, or \$5,110 in the aggregate for the period
198.14 beginning April 1, 2021.

198.15 (c) Unused or remaining leave under this section shall not carry over past the expiration
198.16 of this section.

198.17 (d) Nothing in this section shall be construed to require financial or other reimbursement
198.18 to an essential worker from an employer upon the essential worker's termination, resignation,
198.19 retirement, or other separation from employment for emergency paid sick time under this
198.20 section that has not been used by the essential worker.

198.21 Subd. 5. **Relationship to other leave.** (a) Except as provided in paragraph (c), emergency
198.22 paid sick leave under this section is in addition to any paid or unpaid leave provided to an
198.23 essential worker by an employer under a collective bargaining agreement, negotiated
198.24 agreement, contract, or any other employment policy.

198.25 (b) An essential worker may use leave provided under this section first, and except as
198.26 provided in paragraph (c), an employer shall not require an essential worker to use other
198.27 paid or unpaid leave provided by the employer before the essential worker uses the leave
198.28 provided under this section or in lieu of the leave provided under this section.

198.29 (c) Notwithstanding paragraphs (a) and (b), if an employer has already provided an
198.30 essential worker with additional paid leave for any reason provided in subdivision 2, and
198.31 the leave was in addition to the regular amount of paid leave provided by the employer and
198.32 compensated the essential worker in an amount equal to or greater than the amount of
198.33 compensation provided under this section, the employer may credit the other additional

199.1 paid leave toward the total number of hours of emergency paid sick leave required under
199.2 this section; provided, however, that if the other paid leave compensated the essential worker
199.3 at an amount less than the amount of compensation provided under this section, the employer
199.4 is required to comply with this section to the extent of the deficiency to receive the credit
199.5 under this paragraph.

199.6 (d) An employer shall provide notice to essential workers of the requirements for
199.7 emergency paid sick leave provided under this section.

199.8 (e) Nothing in this section is deemed:

199.9 (1) to limit the rights of an essential worker or employer under any law, rule, regulation,
199.10 or collectively negotiated agreement, or the rights and benefits that accrue to essential
199.11 workers through collective bargaining agreements, or the rights of essential workers with
199.12 respect to any other employment benefits; or

199.13 (2) to prohibit any personnel action that otherwise would have been taken regardless of
199.14 a request to use, or use of, any leave provided by this section.

199.15 (f) Nothing in this section shall prevent an employer from providing, or the parties to a
199.16 collective bargaining agreement from agreeing to, leave benefits that meet or exceed and
199.17 do not otherwise conflict with the requirements for emergency paid sick leave under this
199.18 section.

199.19 **Subd. 6. Nursing home reimbursement for emergency paid sick leave**
199.20 **benefits.** Nursing homes reimbursed under Minnesota Statutes, chapter 256R, may apply
199.21 for reimbursement for emergency paid sick leave costs described in this section from the
199.22 commissioner of human services under Minnesota Statutes, section 12A.10, subdivision 1,
199.23 for expenses incurred. The emergency paid sick leave expenses under this section are not
199.24 allowable costs under Minnesota Statutes, chapter 256R.

199.25 **Subd. 7. Requirements and enforcement.** (a) An employer shall not take any retaliatory
199.26 personnel action against an essential worker for requesting or obtaining emergency paid
199.27 sick leave under this section or for bringing a complaint related to this section, including a
199.28 proceeding that seeks enforcement of this section.

199.29 (b) The Department of Labor and Industry shall enforce this section. The commissioner
199.30 has the authority provided under Minnesota Statutes, section 177.27, subdivision 4, including
199.31 the authority to issue an order requiring an employer to comply with this section. The
199.32 commissioner may investigate complaints of violations of this section as necessary to
199.33 determine whether a violation has occurred. If the commissioner finds that an employer has

200.1 violated this section, the commissioner shall fine the employer up to \$1,000 for each willful
200.2 violation for each essential worker.

200.3 **EFFECTIVE DATE.** This section is effective:

200.4 (1) the day following final enactment for essential workers hired by an employer on or
200.5 after the day following final enactment of this section; and

200.6 (2) retroactively from March 13, 2020, for essential workers who were employed on or
200.7 after March 13, 2020, and are currently employed as of the day following final enactment
200.8 or May 17, 2021, whichever is earlier.

200.9 Subdivisions 1 to 6 sunset on September 30, 2021, or 30 days after a peacetime emergency
200.10 declared by the governor in an executive order that relates to the infectious disease known
200.11 as COVID-19 is terminated or rescinded, whichever is later. Subdivision 7 sunsets June 30,
200.12 2023.

200.13 **ARTICLE 13**

200.14 **SAFE WORKPLACES FOR MEAT AND POULTRY PROCESSING WORKERS**

200.15 Section 1. **[179.87] TITLE.**

200.16 Sections 179.87 to 179.8757 may be titled the Safe Workplaces for Meat and Poultry
200.17 Processing Workers Act.

200.18 Sec. 2. **[179.871] DEFINITIONS.**

200.19 Subdivision 1. **Definitions.** For purposes of sections 179.87 to 179.8757, the terms in
200.20 this section have the meanings given.

200.21 Subd. 2. **Authorized employee representative.** "Authorized employee representative"
200.22 has the meaning given in section 182.651, subdivision 22.

200.23 Subd. 3. **Commissioner.** "Commissioner" means the commissioner of labor and industry
200.24 or the commissioner's designee.

200.25 Subd. 4. **Coordinator.** "Coordinator" means the meatpacking industry worker rights
200.26 coordinator or the coordinator's designee.

200.27 Subd. 5. **Meat-processing worker.** "Meat-processing worker" or "worker" means any
200.28 individual who a meat-processing employer suffers or permits to work directly in contact
200.29 with raw meatpacking products in a meatpacking operation, including independent contractors
200.30 and persons performing work for an employer through a temporary service or staffing
200.31 agency.

201.1 Subd. 6. **Meatpacking operation.** "Meatpacking operation" or "meat-processing
201.2 employer" means a business in which slaughtering, butchering, meat canning, meatpacking,
201.3 meat manufacturing, poultry canning, poultry packing, poultry manufacturing, pet food
201.4 manufacturing, egg production, processing of meatpacking products, or rendering occurs.
201.5 Meatpacking operation or meat-processing employer does not mean a grocery store, deli,
201.6 restaurant, or other business preparing meat or poultry products for immediate consumption.

201.7 Subd. 7. **Meatpacking products.** "Meatpacking products" means meat food products
201.8 and poultry food products as defined in section 31A.02, subdivision 10.

201.9 Subd. 8. **Public health emergency.** "Public health emergency" means a peacetime
201.10 emergency declared by the governor under section 12.31, a federal public health emergency
201.11 declared by the secretary of the Department of Health and Human Services, or a national
201.12 emergency declared by the president due to infectious disease or another significant threat
201.13 to public health.

201.14 **Sec. 3. [179.8715] WORKER RIGHTS COORDINATOR.**

201.15 (a) The commissioner must appoint a meatpacking industry worker rights coordinator
201.16 in the Department of Labor and Industry and provide the coordinator with necessary office
201.17 space, furniture, equipment, supplies, and assistance.

201.18 (b) The coordinator must enforce sections 179.87 to 179.8757, including inspecting,
201.19 reviewing, and recommending improvements to the practices and procedures of meatpacking
201.20 operations in Minnesota. A meat-processing employer must grant the coordinator full access
201.21 to all meatpacking operations in this state at any time that meatpacking products are being
201.22 processed or meat-processing workers are on the job.

201.23 (c) No later than December 1 each year, the coordinator must submit a report to the
201.24 governor and the chairs and ranking minority members of the legislative committees with
201.25 jurisdiction over labor. The report must include recommendations to promote better treatment
201.26 of meat-processing workers. The coordinator shall also post the report on the Department
201.27 of Labor and Industry's website.

201.28 **Sec. 4. [179.872] REFUSAL TO WORK UNDER DANGEROUS CONDITIONS.**

201.29 (a) A meat-processing worker has a right to refuse to work under conditions that the
201.30 worker reasonably believes would expose the worker, other workers, or the public to an
201.31 unreasonable risk of illness or injury, or exposure to illness or injury, including the infectious
201.32 disease known as COVID-19.

202.1 (b) A meat-processing employer must not discriminate or take adverse action against
202.2 any worker for a good faith refusal to work if the worker has requested that the employer
202.3 correct a hazardous condition and that condition remains uncorrected.

202.4 (c) A meat-processing worker who has refused in good faith to work under paragraph
202.5 (a) or (b) and who has not been reassigned to other work by the meat-processing employer
202.6 must, in addition to retaining a right to continued employment, continue to be paid by the
202.7 employer for the hours that would have been worked until such time as the meat-processing
202.8 employer can demonstrate that the condition has been remedied.

202.9 **Sec. 5. [179.874] UNEMPLOYMENT INSURANCE; DANGEROUS MEAT**
202.10 **PACKING CONDITIONS.**

202.11 (a) Notwithstanding any law to the contrary, the provisions of this section govern
202.12 unemployment insurance claims for meat-processing workers.

202.13 (b) An individual who left employment because a meat-processing employer failed to
202.14 cure a working condition that made the work environment unsuitable for health or safety
202.15 reasons has good cause for leaving employment.

202.16 (c) During a public health emergency, an individual must not be required to prove that
202.17 a working condition that made the environment unsuitable for health or safety reasons was
202.18 unique to the worker or that the risk was not customary to the worker's occupation.

202.19 (d) An individual must be deemed to have exhausted reasonable alternatives to leaving
202.20 if the individual, authorized employee representative, or another employee notified the
202.21 meat-processing employer of the unsafe or unhealthy working condition and the employer
202.22 did not cure it or if the employer knew or should have had reason to know that the condition
202.23 made the work environment unsuitable and did not cure it.

202.24 (e) During a public health emergency, an individual has good cause to leave employment
202.25 if the individual leaves to care for a seriously ill or quarantined family or household member.

202.26 (f) An individual has good cause to refuse an offer of employment or reemployment if
202.27 the meat-processing employer has not cured a working condition that makes the work
202.28 environment unsuitable for health or safety reasons, including any condition that required
202.29 the workplace to close or reduce operations pursuant to a state or federal executive order
202.30 issued during a public health emergency.

202.31 (g) An individual has good cause to refuse an offer of employment or reemployment
202.32 from a meat-processing employer if the conditions of work would require the individual to
202.33 violate government public health guidance or to assume an unreasonable health risk.

203.1 (h) An individual has good cause to refuse an offer of employment or reemployment
203.2 from a meat-processing employer if the individual is required to care for a child whose
203.3 school is closed due to a public health emergency or if the individual is required to otherwise
203.4 care for a family or household member during a public health emergency.

203.5 Sec. 6. [179.875] ENFORCEMENT AND COMPLIANCE.

203.6 Subdivision 1. **Administrative enforcement.** The coordinator, either on the coordinator's
203.7 initiative or in response to a complaint, may inspect a meatpacking operation and subpoena
203.8 records and witnesses. If a meat-processing employer does not comply with the coordinator's
203.9 inspection, the coordinator may seek relief as provided in this section.

203.10 Subd. 2. **Compliance authority.** The commissioner of labor and industry may issue a
203.11 compliance order under section 177.27, subdivision 4, requiring an employer to comply
203.12 with sections 179.87 to 179.8757.

203.13 Subd. 3. **Private civil action.** If a meat-processing employer does not comply with a
203.14 provision in sections 179.87 to 179.8757, an aggrieved worker, authorized employee
203.15 representative, or other person may bring a civil action in a court of competent jurisdiction
203.16 within three years of an alleged violation and, upon prevailing, must be awarded the relief
203.17 provided in this section. Pursuing administrative relief is not a prerequisite for bringing a
203.18 civil action.

203.19 Subd. 4. **Other government enforcement.** The attorney general may enforce sections
203.20 179.87 to 179.8757 under section 8.31. A city or county attorney may also enforce these
203.21 sections. Such law enforcement agencies may inspect meatpacking operations and subpoena
203.22 records and witnesses and, where such agencies determine that a violation has occurred,
203.23 may bring a civil action as provided in this section.

203.24 Subd. 5. **Relief.** (a) In a civil action or administrative proceeding brought to enforce
203.25 sections 179.87 to 179.8757, the court or coordinator must order relief as provided in this
203.26 subdivision.

203.27 (b) For any violation of sections 179.87 to 179.8757:

203.28 (1) an injunction to order compliance and restrain continued violations, including through
203.29 a stop work order or business closure;

203.30 (2) payment to a prevailing worker by a meat-processing employer of reasonable costs,
203.31 disbursements, and attorney fees; and

204.1 (3) a civil penalty payable to the state of not less than \$100 per day per worker affected
204.2 by the meat-processing employer's noncompliance with sections 179.87 to 179.8757.

204.3 (c) For any violation of section 179.872:

204.4 (1) reinstatement of the worker to the same position held before any adverse personnel
204.5 action or to an equivalent position, reinstatement of full fringe benefits and seniority rights,
204.6 and compensation for unpaid wages, benefits and other remuneration, or front pay in lieu
204.7 of reinstatement; and

204.8 (2) compensatory damages payable to the aggrieved worker equal to the greater of \$5,000
204.9 or twice the actual damages, including unpaid wages, benefits and other remuneration, and
204.10 punitive damages.

204.11 Subd. 6. **Whistleblower enforcement; penalty distribution.** (a) The relief provided in
204.12 this section may be recovered through a private civil action brought on behalf of the
204.13 commissioner in a court of competent jurisdiction by another individual, including an
204.14 authorized employee representative, pursuant to this subdivision.

204.15 (b) The individual must give written notice to the coordinator of the specific provision
204.16 or provisions of sections 179.87 to 179.8757 alleged to have been violated. The individual
204.17 or representative organization may commence a civil action under this subdivision if no
204.18 enforcement action is taken by the coordinator within 30 days.

204.19 (c) Civil penalties recovered pursuant to this subdivision must be distributed as follows:

204.20 (1) 70 percent to the commissioner for enforcement of sections 179.87 to 179.8757; and

204.21 (2) 30 percent to the individual or authorized employee representative.

204.22 (d) The right to bring an action under this subdivision shall not be impaired by private
204.23 contract. A public enforcement action must be tried promptly, without regard to concurrent
204.24 adjudication of a private claim for the same alleged violation.

204.25 Sec. 7. **[179.8755] RETALIATION AGAINST EMPLOYEES AND**
204.26 **WHISTLEBLOWERS PROHIBITED.**

204.27 (a) No meat-processing employer or other person may discriminate or take adverse
204.28 action against any worker or other person who raises a concern about meatpacking operation
204.29 health and safety practices or hazards to the employer, the employer's agent, other workers,
204.30 a government agency, or to the public, including through print, online, social, or any other
204.31 media.

205.1 (b) If an employer or other person takes adverse action against a worker or other person
205.2 within 90 days of the worker's or person's engagement or attempt to engage in activities
205.3 protected by sections 179.87 to 179.8757, such conduct raises a presumption that the action
205.4 is retaliatory. The presumption may be rebutted by clear and convincing evidence that the
205.5 action was taken for other permissible reasons.

205.6 (c) No meat-processing employer or other person may attempt to require any worker to
205.7 sign a contract or other agreement that would limit or prevent the worker from disclosing
205.8 information about workplace health and safety practices or hazards, or to otherwise abide
205.9 by a workplace policy that would limit or prevent such disclosures. Any such agreements
205.10 or policies are hereby void and unenforceable as contrary to the public policy of this state.
205.11 An employer's attempt to impose such a contract, agreement, or policy shall constitute an
205.12 adverse action enforceable under sections 179.87 to 179.8757.

205.13 (d) Reporting or threatening to report a meat-processing worker's suspected citizenship
205.14 or immigration status, or the suspected citizenship or immigration status of a family member
205.15 of the worker, to a federal, state, or local agency because the worker exercises a right under
205.16 sections 179.87 to 179.8757 constitutes an adverse action for purposes of establishing a
205.17 violation of that worker's rights. For purposes of this paragraph, "family member" means a
205.18 spouse, parent, sibling, child, uncle, aunt, niece, nephew, cousin, grandparent, or grandchild
205.19 related by blood, adoption, marriage, or domestic partnership.

205.20 (e) Any worker who brings a complaint under sections 179.87 to 179.8757 and suffers
205.21 retaliation is entitled to treble damages in addition to lost pay and recovery of attorney fees
205.22 and costs.

205.23 (f) Any company who is found to have retaliated against a food processing worker must
205.24 pay a fine of up to \$5,000 to the commissioner.

205.25 **Sec. 8. [179.8756] MEATPACKING WORKER CHRONIC INJURIES AND**
205.26 **WORKPLACE SAFETY.**

205.27 **Subdivision 1. Safe worker program required; facility committee.** (a) Meat-processing
205.28 employers must adopt a safe worker program as part of the employer's work accident and
205.29 injury reduction program to minimize and prevent musculoskeletal disorders. For purposes
205.30 of this section, "musculoskeletal disorders" includes carpal tunnel syndrome, tendinitis,
205.31 rotator cuff injuries, trigger finger, epicondylitis, muscle strains, and lower back injuries.

206.1 (b) The meat-processing employer's safe worker program must be developed and
206.2 implemented by a committee of individuals who are knowledgeable of the tasks and work
206.3 processes performed by workers at the employer's facility. The committee must include:

206.4 (1) a certified professional ergonomist;

206.5 (2) a licensed, board-certified physician, with preference given to a physician who has
206.6 specialized experience and training in occupational medicine, or if it is not practicable for
206.7 a physician to be a member of the committee, the employer must ensure that its safe worker
206.8 program is reviewed and approved by a licensed, board-certified physician, with preference
206.9 given to a physician who has specialized experience and training in occupational medicine;
206.10 and

206.11 (3) at least three workers employed in the employer's facility who have completed a
206.12 general industry outreach course approved by the commissioner, one of whom must be an
206.13 authorized employee representative if the employer is party to a collective bargaining
206.14 agreement.

206.15 Subd. 2. **Program elements.** (a) The committee must establish written procedures to
206.16 identify ergonomic hazards and contributing risk factors, which must include:

206.17 (1) the ergonomic assessment tools used to measure ergonomic hazards;

206.18 (2) all jobs where the committee has an indication or knowledge that ergonomic hazards
206.19 may exist; and

206.20 (3) workers who perform the same job or a sample of workers in that job who have the
206.21 greatest exposure to the ergonomic hazard.

206.22 (b) The committee must conduct ergonomic assessments to identify hazards and
206.23 contributing risk factors; review all surveillance data at least quarterly to identify ergonomic
206.24 hazards and contributing risk factors; and maintain records of the hazard identification
206.25 process, which, at a minimum, must include the completed ergonomic assessment tools,
206.26 the results of the ergonomic assessments including the jobs and workers evaluated, and the
206.27 assessment dates.

206.28 (c) The committee must implement a written ergonomic hazard prevention and control
206.29 plan to identify and select methods to eliminate, prevent, or control the ergonomic hazards
206.30 and contributing risk factors. The plan must:

206.31 (1) set goals, priorities, and a timeline to eliminate, prevent, or control the ergonomic
206.32 hazards and contributing risk factors identified;

207.1 (2) identify the person or persons responsible for ergonomic hazard assessments and
207.2 implementation of controls;

207.3 (3) rely upon the surveillance data and the ergonomic risk assessment results; and

207.4 (4) take into consideration the severity of the risk, the numbers of workers at risk, and
207.5 the likelihood that the intervention will reduce the risk.

207.6 (d) A meat-processing employer must control, reduce, or eliminate ergonomic hazards
207.7 which lead to musculoskeletal disorders to the extent feasible by using engineering, work
207.8 practice, and administrative controls.

207.9 (e) The committee must monitor at least annually the implementation of the plan including
207.10 the effectiveness of controls and evaluate progress in meeting program goals.

207.11 Subd. 3. **New employee training.** (a) A meat-processing employer must work with the
207.12 committee to provide each new employee with information regarding:

207.13 (1) the committee and its members;

207.14 (2) the facility's hazard prevention and control plan;

207.15 (3) early signs and symptoms of musculoskeletal injuries and the procedures for reporting
207.16 them;

207.17 (4) procedures for reporting other injuries and hazards;

207.18 (5) engineering and administrative hazard controls implemented in the workplace,
207.19 including ergonomic hazard controls; and

207.20 (6) the availability and use of personal protective equipment.

207.21 (b) A meat-processing employer must work with the committee and ensure that new
207.22 workers receive safety training prior to starting a job that the worker has not performed
207.23 before. The employer must provide the safety training during working hours and compensate
207.24 the new employee at the employee's standard rate of pay. The employer also must give a
207.25 new employee an opportunity within 30 days of the employee's hire date to receive a refresher
207.26 training on the topics covered in the new worker safety training. The employer must provide
207.27 new employee training in a language and with vocabulary that the employee can understand.

207.28 Subd. 4. **New task and annual safety training.** (a) Meat-processing employers must
207.29 provide every worker who is assigned a new task if the worker has no previous work
207.30 experience with training on how to safely perform the task, the ergonomic and other hazards
207.31 associated with the task, and training on the early signs and symptoms of musculoskeletal
207.32 injuries and the procedures for reporting them. The employer must give a worker an

208.1 opportunity within 30 days of receiving the new task training to receive refresher training
208.2 on the topics covered in the new task training. The employer must provide this training in
208.3 a language and with vocabulary that the employee can understand.

208.4 (b) Meat-processing employers must provide each worker with no less than eight hours
208.5 of safety training each year. This annual training must address health and safety topics that
208.6 are relevant to the establishment, such as cuts, lacerations, amputations, machine guarding,
208.7 biological hazards, lockout/tagout, hazard communication, ergonomic hazards, and personal
208.8 protective equipment. At least two of the eight hours of annual training must be on topics
208.9 related to the facility's ergonomic injury prevention program, including the assessment of
208.10 surveillance data, the ergonomic hazard prevention and control plan, and the early signs
208.11 and symptoms of musculoskeletal disorders and the procedures for reporting them. The
208.12 employer must provide this training in a language and with vocabulary that the employee
208.13 can understand.

208.14 Subd. 5. **Attestation and record keeping.** Meat-processing employers must maintain
208.15 a written attestation dated and signed by each person who provides training and each
208.16 employee who receives training pursuant to this section. This attestation must certify that
208.17 the employer has provided training consistent with the requirements of this section. The
208.18 employer must ensure that these records are up to date and available to the commissioner,
208.19 the coordinator, and the authorized employee representative upon request.

208.20 Subd. 6. **Medical services and qualifications.** (a) Meat-processing employers must
208.21 ensure that:

208.22 (1) all first-aid providers, medical assistants, nurses, and physicians engaged by the
208.23 employer are licensed and perform their duties within the scope of their licensed practice;

208.24 (2) medical management of musculoskeletal disorders is under direct supervision of a
208.25 licensed physician specializing in occupational medicine who will advise on best practices
208.26 for management and prevention of work-related musculoskeletal disorders; and

208.27 (3) medical management of musculoskeletal injuries follows the most current version
208.28 of the American College of Occupational and Environmental Medicine practice guidelines.

208.29 (b) Meat-processing employers must make a record of all worker visits to medical or
208.30 first aid personnel, regardless of severity or type of illness or injury, and make these records
208.31 available to the coordinator and the authorized employee representative.

208.32 (c) Meat-processing employers must maintain records of all ergonomic injuries suffered
208.33 by workers for at least five years.

209.1 (d) The coordinator may compile, analyze, and publish annually, either in summary or
209.2 detailed form, all reports or information obtained under sections 179.87 to 179.8757,
209.3 including information about safe worker programs, and may cooperate with the United
209.4 States Department of Labor in obtaining national summaries of occupational deaths, injuries,
209.5 and illnesses. The coordinator must preserve the anonymity of each employee with respect
209.6 to whom medical reports or information is obtained.

209.7 (e) Meat-processing employers must not institute or maintain any program, policy, or
209.8 practice that discourages employees from reporting injuries, hazards, or safety standard
209.9 violations.

209.10 Subd. 7. **Rulemaking required.** The commissioner must adopt rules requiring employers
209.11 to maintain accurate records of meat-processing worker exposure to ergonomic hazards.

209.12 Subd. 8. **Pandemic protections.** (a) This subdivision applies during a peacetime public
209.13 health emergency declared under section 12.31, subdivision 2.

209.14 (b) Meat-processing employers must maintain at least a six-foot radius of space around
209.15 and between each worker. An employer may accomplish such distancing by increasing
209.16 physical space between workstations, slowing production speeds, staggering shifts and
209.17 breaks, adjusting shift size, or a combination thereof. The employer must reconfigure
209.18 common or congregate spaces to allow for such distancing, including lunch rooms, break
209.19 rooms, and locker rooms. The coordinator must reinforce social distancing by allowing
209.20 workers to maintain six feet of distance along with the use of plastic barriers.

209.21 (c) Meat-processing employers must provide employees with face masks and must make
209.22 face shields available on request. Face masks, including replacement face masks, and face
209.23 shields must be provided at no cost to the employee. All persons present at the meatpacking
209.24 operation must wear face masks in the facility except in those parts of the facility where
209.25 infection risk is low because workers work in isolation.

209.26 (d) Meat-processing employers must provide all meat-processing workers with the ability
209.27 to frequently and routinely sanitize their hands with either hand-washing or hand-sanitizing
209.28 stations. The employer must ensure that restrooms have running hot and cold water and
209.29 paper towels and are in sanitary condition. The employer must provide gloves to those who
209.30 request them.

209.31 (e) Meat-processing employers must clean and regularly disinfect all frequently touched
209.32 surfaces in the workplace, such as workstations, training rooms, machinery controls, tools,
209.33 protective garments, eating surfaces, bathrooms, showers, and other similar areas. Employers
209.34 must install and maintain ventilation systems that ensure unidirectional air flow, outdoor

210.1 air, and filtration in both production areas and common areas such as cafeterias and locker
210.2 rooms.

210.3 (f) Meat-processing employers must disseminate all required communications, notices,
210.4 and any published materials regarding these protections in English, Spanish, and other
210.5 languages as required for employees to understand the communication.

210.6 (g) Meat-processing employers must provide adequate break time for workers to use
210.7 the bathroom, wash their hands, and don and doff protective equipment.

210.8 (h) Meat-processing employers must provide sufficient personal protective equipment
210.9 for each employee for each shift, plus replacements, at no cost to the employee.

210.10 Meat-processing employers must provide training in proper use of personal protective
210.11 equipment, safety procedures, and sanitation.

210.12 (i) As part of the meat-processing employer's accident, injury, and illness reduction
210.13 program, the employer must create a health and safety committee consisting of equal parts
210.14 company management, employees, and authorized employee representatives. The health
210.15 and safety committee must meet at least twice a year and present results to the commissioner.
210.16 If the meatpacking operation has no collective bargaining agreement, a local labor
210.17 representative must be appointed.

210.18 (j) Meat-processing employers must record all injuries and illnesses in the facility and
210.19 make these records available upon request to the health and safety committee. The employer
210.20 also must make its records available to the commissioner, and where there is a collective
210.21 bargaining agreement, to the authorized bargaining representative.

210.22 (k) Meat-processing employers must provide paid sick time for workers to recuperate
210.23 from illness or injury or to care for ill family members. For purposes of this paragraph,
210.24 "family member" includes:

210.25 (1) biological, adopted, or foster children, stepchildren, children of domestic partners
210.26 or spouses, and legal wards of workers;

210.27 (2) biological parents, stepparents, foster parents, adoptive parents, or legal guardians
210.28 of a worker or a worker's spouse or domestic partner;

210.29 (3) a worker's legally married spouse or domestic partner as registered under the laws
210.30 of any state or political subdivision;

210.31 (4) a worker's grandparent, whether from a biological, step-, foster, or adoptive
210.32 relationship;

211.1 (5) a worker's grandchild, whether from a biological, step-, foster, or adoptive
211.2 relationship;

211.3 (6) a worker's sibling, whether from a biological, step-, foster, or adoptive relationship;
211.4 and

211.5 (7) any other individual related by blood or affinity to the worker whose association
211.6 with the worker is the equal of a family relationship.

211.7 (l) All meat-processing workers must accrue at least one hour of paid sick time for every
211.8 30 hours worked. For purposes of this paragraph, paid sick time means time that is
211.9 compensated at the same hourly rate, including the same benefits, as is normally earned by
211.10 the worker.

211.11 (m) Meat-processing employers may provide all paid sick time a worker is expected to
211.12 accrue at the beginning of the year or at the start of the worker's employment.

211.13 (n) Meat-processing employers must carry an employee's earned paid sick time over
211.14 into the following calendar year. If a worker does not wish to carry over sick time, the
211.15 meat-processing employer must pay the worker for accrued sick time. If a worker chooses
211.16 to receive pay in lieu of carried-over sick time, the employer must provide the worker with
211.17 an amount of paid sick time that meets or exceeds the requirements of sections 179.87 to
211.18 179.8757, to be available for the worker's immediate use at the start of the following calendar
211.19 year.

211.20 (o) Meat-processing employers must maintain records for at least three years showing
211.21 hours worked and paid sick time accrued and used by workers. Employers must allow the
211.22 commissioner and coordinator access to these records in order to ensure compliance with
211.23 the requirements of sections 179.87 to 179.8757.

211.24 (p) If a meat-processing employer transfers a worker to another division or location of
211.25 the same meat-processing employer, the worker is entitled to all earned paid sick time
211.26 accrued in the worker's previous position. If a worker is separated from employment and
211.27 rehired within one year by the same meat-processing employer, the meat-processing employer
211.28 must reinstate the worker's earned sick time to the level accrued by the worker as of the
211.29 date of separation.

211.30 (q) If a meat-processing employer is succeeded by a different employer, all workers of
211.31 the original employer are entitled to all earned paid sick time they accrued when employed
211.32 by the original employer.

212.1 (r) Meat-processing employers must not require workers to find or search for a
212.2 replacement worker to take the place of the worker as a condition of the worker using paid
212.3 sick time.

212.4 (s) Meat-processing employers must not require workers to disclose details of private
212.5 matters as a condition of using paid sick time, including details of a worker or family
212.6 member's illness, domestic violence, sexual abuse or assault, or stalking and harassment.
212.7 If the employer does possess such information, it must be treated as confidential and not
212.8 disclosed without the express permission of the worker.

212.9 (t) Meat-processing employers must provide workers written notice of their rights and
212.10 the employer's requirements under this section at the time the worker begins employment.
212.11 This notice must be provided in English, Spanish, or the employee's language of fluency.
212.12 The amount of paid sick time a worker has accrued, the amount of paid sick time a worker
212.13 has used during the current year, and the amount of pay the worker has received as paid
212.14 sick time must be recorded on or attached to the worker's paycheck. Meat-processing
212.15 employers must display a poster in a conspicuous location in each facility where workers
212.16 are employed that displays the information required under this paragraph. The poster must
212.17 be displayed in English and any language of fluency that is read or spoken by at least five
212.18 percent of the employer's workers.

212.19 (u) Nothing in this subdivision shall be construed to:

212.20 (1) prohibit or discourage an employer from adopting or retaining a paid sick time policy
212.21 that is more generous than the one provided in this subdivision;

212.22 (2) diminish the obligation of an employer to comply with a collective bargaining
212.23 agreement, or any other contract that provides more generous paid sick time to a worker
212.24 than provided for in this subdivision; or

212.25 (3) override any provision of local law that provides greater rights for paid sick time
212.26 than is provided for in this subdivision.

212.27 Subd. 9. **Small processor exemption.** Meat-processing operations having 50 or fewer
212.28 employees are exempt from the requirements of this section.

212.29 Sec. 9. **[179.8757] NOTIFICATION REQUIRED.**

212.30 (a) Meat-processing employers must provide written information and notifications about
212.31 employee rights under section 179.86 and sections 179.87 to 179.8757 to workers in their
212.32 language of fluency at least annually. If a worker is unable to understand written information

213.1 and notifications, the employer must provide such information and notices orally in the
213.2 worker's language of fluency.

213.3 (b) The coordinator must notify covered employers of the provisions of sections 179.87
213.4 to 179.8757 and any recent updates at least annually.

213.5 (c) The coordinator must place information explaining sections 179.87 to 179.8757 on
213.6 the Department of Labor and Industry's website in at least English, Spanish, and any other
213.7 language that at least ten percent of meat-processing workers communicate in fluently. The
213.8 coordinator must also make the information accessible to persons with impaired visual
213.9 acuity.

116L.18 SPECIAL INCUMBENT WORKER TRAINING GRANTS.

Subdivision 1. **Purpose.** The purpose of the special incumbent worker training grants is to expand opportunities for businesses and workers to gain new skills that are in demand in the Minnesota economy. The board shall establish criteria for incumbent worker grants under this section and may encourage creative training models, innovative partnerships, and expansion or replication of promising practices.

Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given them.

(b) "Incumbent worker" means an individual employed by a qualifying employer.

(c) "Qualifying employer" means a for-profit business or nonprofit organization in Minnesota with at least one full-time paid employee. Public sector organizations are not considered qualifying employers.

(d) "Eligible organization" has the meaning given in section 116L.17.

Subd. 3. **Amount of grants.** A grant to an eligible organization may not exceed \$400,000.

Subd. 4. **Matching funds.** The board shall require matching funds from qualifying employers in the form of funding, equipment, or faculty.

Subd. 5. **Use of funds.** Eligible organizations shall use funds granted under this section for direct training services to provide a measurable increase in the job-related skills of participating incumbent workers. Eligible organizations may also provide basic assessment, counseling, and preemployment training services requested by the qualifying employer. No funds may be used for support services as described in section 116L.17, subdivision 4, clause (2).

Subd. 6. **Performance outcome measures.** The board and the commissioner of employment and economic development shall jointly develop performance outcome measures and standards for this program. The commissioner and board shall consult with eligible organizations in establishing standards. Measures at a minimum must include posttraining retention, promotion, and wage increase. The board and commissioner shall provide a report to the legislature by March 1 of each year on the previous fiscal year's program performance. Eligible organizations must provide performance data in a timely manner for the completion of this report.

181.9413 SICK LEAVE BENEFITS; CARE OF RELATIVES.

(a) An employee may use personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's child, as defined in section 181.940, subdivision 4, adult child, spouse, sibling, parent, mother-in-law, father-in-law, grandchild, grandparent, or stepparent, for reasonable periods of time as the employee's attendance may be necessary, on the same terms upon which the employee is able to use sick leave benefits for the employee's own illness or injury. This section applies only to personal sick leave benefits payable to the employee from the employer's general assets.

(b) An employee may use sick leave as allowed under this section for safety leave, whether or not the employee's employer allows use of sick leave for that purpose for such reasonable periods of time as may be necessary. Safety leave may be used for assistance to the employee or assistance to the relatives described in paragraph (a). For the purpose of this section, "safety leave" is leave for the purpose of providing or receiving assistance because of sexual assault, domestic abuse, or harassment or stalking. For the purpose of this paragraph:

(1) "domestic abuse" has the meaning given in section 518B.01;

(2) "sexual assault" means an act that constitutes a violation under sections 609.342 to 609.3453 or 609.352; and

(3) "harass" and "stalking" have the meanings given in section 609.749.

(c) An employer may limit the use of safety leave as described in paragraph (b) or personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's adult child, spouse, sibling, parent, mother-in-law, father-in-law, grandchild, grandparent, or stepparent to no less than 160 hours in any 12-month period. This paragraph does not apply to absences due to the illness or injury of a child, as defined in section 181.940, subdivision 4.

APPENDIX
Repealed Minnesota Statutes: H1342-2

(d) For purposes of this section, "personal sick leave benefits" means time accrued and available to an employee to be used as a result of absence from work due to personal illness or injury, but does not include short-term or long-term disability or other salary continuation benefits.

(e) For the purpose of this section, "child" includes a stepchild and a biological, adopted, and foster child.

(f) For the purpose of this section, "grandchild" includes a step-grandchild, and a biological, adopted, and foster grandchild.

(g) This section does not prevent an employer from providing greater sick leave benefits than are provided for under this section.

(h) An employer shall not retaliate against an employee for requesting or obtaining a leave of absence under this section.

181.9414 PREGNANCY ACCOMMODATIONS.

Subdivision 1. **Accommodation.** An employer must provide reasonable accommodations to an employee for health conditions related to pregnancy or childbirth if she so requests, with the advice of her licensed health care provider or certified doula, unless the employer demonstrates that the accommodation would impose an undue hardship on the operation of the employer's business. A pregnant employee shall not be required to obtain the advice of her licensed health care provider or certified doula, nor may an employer claim undue hardship for the following accommodations: (1) more frequent restroom, food, and water breaks; (2) seating; and (3) limits on lifting over 20 pounds. The employee and employer shall engage in an interactive process with respect to an employee's request for a reasonable accommodation. "Reasonable accommodation" may include, but is not limited to, temporary transfer to a less strenuous or hazardous position, seating, frequent restroom breaks, and limits to heavy lifting. Notwithstanding any other provision of this section, an employer shall not be required to create a new or additional position in order to accommodate an employee pursuant to this section, and shall not be required to discharge any employee, transfer any other employee with greater seniority, or promote any employee.

Subd. 2. **Interaction with other laws.** Nothing in this section shall be construed to affect any other provision of law relating to sex discrimination or pregnancy, or in any way to diminish the coverage of pregnancy, childbirth, or health conditions related to pregnancy or childbirth under any other provisions of any other law.

Subd. 3. **No employer retribution.** An employer shall not retaliate against an employee for requesting or obtaining accommodation under this section.

Subd. 4. **Employee not required to take leave.** An employer shall not require an employee to take a leave or accept an accommodation.

268.085 ELIGIBILITY REQUIREMENTS; PAYMENTS THAT AFFECT BENEFITS.

Subd. 4. **Social Security old age insurance benefits.** (a) If all of the applicant's wage credits were earned while the applicant was claiming Social Security old age benefits, there is no deduction of the Social Security benefits from the applicant's weekly unemployment benefit amount.

(b) Unless paragraph (a) applies, 50 percent of the weekly equivalent of the primary Social Security old age benefit the applicant has received, has filed for, or intends to file for, with respect to that week must be deducted from an applicant's weekly unemployment benefit amount.

(c) Any applicant aged 62 or over is required to state when filing an application for unemployment benefits and when filing continued requests for unemployment benefits if the applicant is receiving, has filed for, or intends to file for, primary Social Security old age benefits.

(d) Information from the Social Security Administration is conclusive, absent specific evidence showing that the information was erroneous.

(e) This subdivision does not apply to Social Security survivor benefits.

Subd. 8. **Services for school contractors.** (a) Wage credits from an employer are subject to subdivision 7, if:

(1) the employment was provided under a contract between the employer and an elementary or secondary school; and

(2) the contract was for services that the elementary or secondary school could have had performed by its employees.

APPENDIX
Repealed Minnesota Statutes: H1342-2

(b) Wage credits from an employer are not subject to subdivision 7 if:

(1) those wage credits were earned by an employee of a private employer performing work under a contract between the employer and an elementary or secondary school; and

(2) the employment was related to food services provided to the school by the employer.

5200.0080 GRATUITIES/TIPS CREDITS.

Subp. 7. **Credit cards or charges.** Gratuities presented to a direct service employee via inclusion on a charge or credit card shall be credited to that pay period in which they are received by the direct service employee and for which they appear on the direct service employee's tip statement.

Where a tip is given by a customer through a credit or charge card, the full amount of tip must be allowed the direct service employee minus only the percentage deducted from the tip in the same ratio as the percentage deducted from the total bill by the service company.