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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 521

02/02/2015 Authored by Mullery and Kahn

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act
1.2 relating to employment; providing for voluntary paid parental leave; requiring
1.3 a report; appropriating money; proposing coding for new law in Minnesota
1.4 Statutes, chapter 181.

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

1.6 Section 1. **[181.941] VOLUNTARY PAID PARENTAL LEAVE PROGRAM.**

1.7 Subdivision 1. **Created.** The commissioner of labor and industry shall reimburse
1.8 an employer as defined in section 181.940, subdivision 3, that provides qualified paid
1.9 parental leave. "Qualified paid parental leave" or "leave" is an employer-paid leave of
1.10 absence to an employee who is a natural or adoptive parent in conjunction with the
1.11 birth or adoption of a child. Qualified paid parental leave does not include sick leave or
1.12 vacation leave. Qualified paid parental leave must occur within the first year of birth or
1.13 during the first year in which the employee becomes an adoptive parent. To qualify for
1.14 reimbursement under subdivision 2, an employer must pay an employee at least \$200 per
1.15 week of qualified paid parental leave unless the employee's preleave salary was \$300 or
1.16 less, in which case the employer must pay at least \$100 per week. Qualified paid parental
1.17 leave must be at least six consecutive weeks in duration.

1.18 Subd. 2. **Reimbursement amount.** Reimbursement is one-half the employer
1.19 weekly leave payment; except that, for employees with weekly preleave wages below
1.20 \$300, reimbursement is \$100 if the employer pays qualified paid parental leave of at least
1.21 that amount. Except for employees with a preleave salary of \$300 or less, reimbursement
1.22 cannot exceed one-third of an employee's preleave salary. Reimbursement is limited to 26
1.23 weeks. Reimbursement is subject to a maximum of \$250 per week. The commissioner
1.24 shall adjust the maximum reimbursement annually by the United States All-Items

2.1 Consumer Price Index to reflect inflation. Benefits received under this section are income
2.2 for the purposes of section 119B.035.

2.3 Subd. 3. **Notification.** The commissioner of labor and industry shall notify
2.4 employers of the voluntary paid parental leave program through the department's
2.5 newsletter, Web site, and other communications with employers.

2.6 Subd. 4. **Evaluation.** By February 1, 2017, the commissioner of labor and industry
2.7 shall report to the legislature on the number of employers requesting paid parental leave
2.8 reimbursement, including an estimation of the number, size, and industry type of employers
2.9 obtaining reimbursement; the number of employees who have taken parental leave under
2.10 the program; the average and range of leave lengths reimbursed; and the average and ranges
2.11 of payments, as well as implementation issues identified by the commissioner. In addition,
2.12 the commissioner shall obtain a sample of at least 30 participating families to provide
2.13 additional information on employees' and employers' experiences, including information
2.14 on the salary ranges of participating employees, employee and employer satisfaction or
2.15 dissatisfaction with the program, and other information identified by the commissioner.

2.16 Subd. 5. **Appropriation.** There is annually appropriated from the general fund to
2.17 the commissioner of labor and industry sums sufficient to make the payments required
2.18 under this section. Up to five percent of the appropriation may be used for administration.

2.19 **EFFECTIVE DATE.** This section is effective July 1, 2015, and applies to
2.20 employer-paid leave benefits paid on or after that date.