A bill for an act

relating to unemployment insurance; conforming Minnesota law to the requirements necessary to receive federal stimulus funds; appropriating money; amending Minnesota Statutes 2008, sections 268.035, subdivisions 4, as amended, 23a; 268.07, subdivisions 1, 2; 268.095, subdivision 1.

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

Section 1. Minnesota Statutes 2008, section 268.035, subdivision 4, as amended by Laws 2009, chapter 1, section 1, is amended to read:

Subd. 4. **Base period.** (a) "Base period", unless otherwise provided in this subdivision, means the last four completed calendar quarters before the effective date of an applicant's application for unemployment benefits if the application has an effective date occurring after the month following the last completed calendar quarter. The base period defined in this paragraph is considered the primary base period. The base period under this paragraph is as follows:

If the application for unemployment benefits is effective on or between these dates:	The base period is the prior:
February 1 - March 31	January 1 - December 31
May 1 - June 30	April 1 - March 31
August 1 - September 30	July 1 - June 30
November 1 - December 31	October 1 - September 30

(b) If an application for unemployment benefits has an effective date that is during the month following the last completed calendar quarter, then the base period is the first four of the last five completed calendar quarters before the effective date of an applicant's application for unemployment benefits. The base period defined in this paragraph is considered the secondary base period. The base period under this paragraph is as follows:

If the application for unemployment benefits is effective on or between these dates:	The base period is the prior:
January 1 - January 31	October 1 - September 30
April 1 - April 30	January 1 - December 31
July 1 - July 31	April 1 - March 31
October 1 - October 31	July 1 - June 30

(c) If the applicant has insufficient wage credits to establish a benefit account under paragraph (a) or (b), but during the base period under paragraph (a) or (b) an applicant received workers' compensation for temporary disability under chapter 176 or a similar federal law or similar law of another state, or if an applicant whose own serious illness caused a loss of work for which the applicant received compensation for loss of wages from some other source, the applicant may request an extended base period as follows:

(1) if an applicant was compensated for a loss of work of seven to 13 weeks, the base period is the first four of the last six completed calendar quarters before the effective date of the application for unemployment benefits;

(2) if an applicant was compensated for a loss of work of 14 to 26 weeks, the base period is the first four of the last seven completed calendar quarters before the effective date of the application for unemployment benefits;

(3) if an applicant was compensated for a loss of work of 27 to 39 weeks, the base period is the first four of the last eight completed calendar quarters before the effective date of the application for unemployment benefits; and

(4) if an applicant was compensated for a loss of work of 40 to 52 weeks, the base period is the first four of the last nine completed calendar quarters before the effective date of the application for unemployment benefits.

(d) If the applicant has insufficient wage credits to establish a benefit account using the secondary base period under paragraph (b), an alternate base period of the last four completed calendar quarters before the effective date of the applicant's application for unemployment benefits will be used. Establishment of a benefit account is in accordance with section 268.07, subdivision 2.

(e) No base period under paragraph (a), (b), ~~or~~ (c), or (d) may include wage credits upon which a prior benefit account was established.

~~(c) Notwithstanding~~ (f) Regardless of paragraph (a), the secondary base period ~~calculated under~~ in paragraph (b) ~~using the first four of the last five complete calendar quarters before the effective date of the applicant's application for unemployment benefits~~ must be used ~~for an applicant~~ if the applicant has more wage credits under that base period than under the primary base period in paragraph (a).

EFFECTIVE DATE. This section is effective for applications for unemployment benefits filed effective on or after August 2, 2009.

Sec. 2. Minnesota Statutes 2008, section 268.035, subdivision 23a, is amended to read:

Subd. 23a. **Suitable employment.** (a) Suitable employment means employment in the applicant's labor market area that is reasonably related to the applicant's qualifications. In determining whether any employment is suitable for an applicant, the degree of risk involved to the health and safety, physical fitness, prior training, experience, length of unemployment, prospects for securing employment in the applicant's customary occupation, and the distance of the employment from the applicant's residence is considered.

(b) In determining what is suitable employment, primary consideration is given to the temporary or permanent nature of the applicant's separation from employment and whether the applicant has favorable prospects of finding employment in the applicant's usual or customary occupation at the applicant's past wage level within a reasonable period of time.

If prospects are unfavorable, employment at lower skill or wage levels is suitable if the applicant is reasonably suited for the employment considering the applicant's education, training, work experience, and current physical and mental ability.

The total compensation must be considered, including the wage rate, hours of employment, method of payment, overtime practices, bonuses, incentive payments, and fringe benefits.

(c) When potential employment is at a rate of pay lower than the applicant's former rate, consideration must be given to the length of the applicant's unemployment and the proportion of difference in the rates. Employment that may not be suitable because of lower wages during the early weeks of the applicant's unemployment may become suitable as the duration of unemployment lengthens.

(d) For an applicant seasonally unemployed, suitable employment includes temporary work in a lower skilled occupation that pays average gross weekly wages equal to or more than 150 percent of the applicant's weekly unemployment benefit amount.

(e) If a majority of the applicant's wage credits were earned from part-time employment, part-time employment in a position with comparable skills and comparable hours that pays ~~average gross weekly~~ comparable wages ~~equal to or more than 150 percent of the applicant's weekly unemployment benefit amount~~ is considered suitable employment.

Full-time employment is not considered suitable employment for an applicant if a majority of the applicant's wage credits were earned from part-time employment.

(f) To determine suitability of employment in terms of shifts, the arrangement of hours in addition to the total number of hours is to be considered. Employment on a second, third, rotating, or split shift is suitable employment if it is customary in the occupation in the labor market area.

(g) Employment is not considered suitable if:

(1) the position offered is vacant because of a labor dispute;

(2) the wages, hours, or other conditions of employment are substantially less favorable than those prevailing for similar employment in the labor market area; or

(3) as a condition of becoming employed, the applicant would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

EFFECTIVE DATE. This section is effective August 2, 2009.

Sec. 3. Minnesota Statutes 2008, section 268.07, subdivision 1, is amended to read:

Subdivision 1. **Application for unemployment benefits; determination of benefit account.** (a) An application for unemployment benefits may be filed in person, by mail, or by electronic transmission as the commissioner may require. The applicant must be unemployed at the time the application is filed and must provide all requested information in the manner required. If the applicant is not unemployed at the time of the application or fails to provide all requested information, the communication is not considered an application for unemployment benefits.

(b) The commissioner shall examine each application for unemployment benefits to determine the base period and the benefit year, and based upon all the covered employment in the base period the commissioner shall determine the weekly unemployment benefit amount available, if any, and the maximum amount of unemployment benefits available, if any. The determination is known as the determination of benefit account. A determination of benefit account must be sent to the applicant and all base period employers, by mail or electronic transmission.

(c) If a base period employer did not provide wage detail information for the applicant as ~~provided for in~~ required under section 268.044, or provided erroneous information, or wage detail is not yet due and the applicant is using an alternate base period under section 268.035, subdivision 4, paragraph (d), the commissioner may accept an applicant certification ~~as to~~ of wage credits, based upon the applicant's records, and issue a determination of benefit account.

(d) An employer must provide wage detail information on an applicant within five calendar days of request by the commissioner, in a manner and format requested, when:

(1) the applicant is using an alternate base period under section 268.035, subdivision 4, paragraph (d); and

(2) wage detail under section 268.044 is not yet required to have been filed by the employer.

~~(d)~~ (e) The commissioner may, at any time within 24 months from the establishment of a benefit account, reconsider any determination of benefit account and make an amended determination if the commissioner finds that the determination was incorrect for any reason. An amended determination must be promptly sent to the applicant and all base period employers, by mail or electronic transmission.

~~(c)~~ (f) If an amended determination of benefit account reduces the weekly unemployment benefit amount or maximum amount of unemployment benefits available, any unemployment benefits that have been paid greater than the applicant was entitled is considered an overpayment of unemployment benefits. A determination or amended determination issued under this section that results in an overpayment of unemployment benefits must set out the amount of the overpayment and the requirement under section 268.18, subdivision 1, that the overpaid unemployment benefits must be repaid.

EFFECTIVE DATE. This section is effective for applications for unemployment benefits filed effective on or after August 2, 2009.

Sec. 4. Minnesota Statutes 2008, section 268.07, subdivision 2, is amended to read:

Subd. 2. **Benefit account requirements and weekly unemployment benefit amount and maximum amount of unemployment benefits.** (a) To establish a benefit account using the primary base period under section 268.035, subdivision 4, paragraph (a), an applicant must have:

(1) wage credits in the high quarter ~~wage credits~~ of $1,000 or more; and

(2) wage credits, in other than the high quarter, of $250 or more.

To establish a benefit account using the secondary base period under section 268.035, subdivision 4, paragraph (b), an applicant must have wage credits in the high quarter of $1,000 or more.

(b) If an applicant has established a benefit account, the weekly unemployment benefit amount available during the benefit year is the higher of:

(1) 50 percent of the applicant's average weekly wage during the base period, to a maximum of 66-2/3 percent of the state's average weekly wage; or

(2) 50 percent of the applicant's average weekly wage during the high quarter, to a maximum of 43 percent of the state's average weekly wage.

The applicant's average weekly wage under clause (1) is computed by dividing the total wage credits by 52. The applicant's average weekly wage under clause (2) is computed by dividing the high quarter wage credits by 13.

(c) The state's maximum weekly unemployment benefit amount and an applicant's weekly unemployment benefit amount and maximum amount of unemployment benefits available is rounded down to the next lower whole dollar. The state's maximum weekly benefit amount, computed in accordance with section 268.035, subdivision 23, applies to a benefit account established effective on or after the last Sunday in October. Once established, an applicant's weekly unemployment benefit amount is not affected by the last Sunday in October change in the state's maximum weekly unemployment benefit amount.

(d) The maximum amount of unemployment benefits available on any benefit account is the lower of:

(1) 33-1/3 percent of the applicant's total wage credits; or

(2) 26 times the applicant's weekly unemployment benefit amount.

EFFECTIVE DATE. This section is effective for applications for unemployment benefits filed effective on or after August 2, 2009.

Sec. 5. Minnesota Statutes 2008, section 268.095, subdivision 1, is amended to read:

Subdivision 1. **Quit.** An applicant who quit employment is ineligible for all unemployment benefits according to subdivision 10 except when:

(1) the applicant quit the employment because of a good reason caused by the employer as defined in subdivision 3;

(2) the applicant quit the employment to accept other covered employment that provided substantially better terms and conditions of employment, but the applicant did not work long enough at the second employment to have sufficient subsequent earnings to satisfy the period of ineligibility that would otherwise be imposed under subdivision 10 for quitting the first employment;

(3) the applicant quit the employment within 30 calendar days of beginning the employment because the employment was unsuitable for the applicant;

(4) the employment was unsuitable for the applicant and the applicant quit to enter reemployment assistance training;

(5) the employment was part time and the applicant also had full-time employment in the base period, from which full-time employment the applicant separated because of reasons for which the applicant was held not to be ineligible, and the wage credits from the full-time employment are sufficient to meet the minimum requirements to establish a benefit account under section 268.07;

(6) the applicant quit because the employer notified the applicant that the applicant was going to be laid off because of lack of work within 30 calendar days. An applicant who quit employment within 30 calendar days of a notified date of layoff because of lack of work is ineligible for unemployment benefits through the end of the week that includes the scheduled date of layoff;

(7) the applicant quit the employment (i) because the applicant's serious illness or injury made it medically necessary that the applicant quit~~, provided that~~; or (ii) in order to provide care because of the serious illness, serious injury, or disability of an immediate family member of the applicant. This exception only applies if the applicant ~~inform~~ informs the employer of the ~~serious illness or injury~~ medical problem and request accommodation and no reasonable accommodation is made available.

If the applicant's serious illness is chemical dependency, this exception does not apply if the applicant was previously diagnosed as chemically dependent or had treatment for chemical dependency, and since that diagnosis or treatment has failed to make consistent efforts to control the chemical dependency.

This exception raises an issue of the applicant's being ~~able to work~~ available for suitable employment under section 268.085, subdivision 1, that the commissioner ~~shall~~ must determine;

(8) the applicant's loss of child care for the applicant's minor child caused the applicant to quit the employment, provided the applicant made reasonable effort to obtain other child care and requested time off or other accommodation from the employer and no reasonable accommodation is available.

This exception raises an issue of the applicant's ~~availability~~ being available for suitable employment under section 268.085, subdivision 1, that the commissioner ~~shall~~ must determine; ~~or~~

(9) domestic abuse of the applicant or an immediate family member of the ~~applicant's minor child~~ applicant, necessitated the applicant's quitting the employment. Domestic abuse must be shown by one or more of the following:

(i) a district court order for protection or other documentation of equitable relief issued by a court;

(ii) a police record documenting the domestic abuse;

(iii) documentation that the perpetrator of the domestic abuse has been convicted of the offense of domestic abuse;

(iv) medical documentation of domestic abuse; or

(v) written statement that the applicant or the applicant's minor child is a victim of domestic abuse, provided by a social worker, member of the clergy, shelter worker,

attorney at law, or other professional who has assisted the applicant in dealing with the domestic abuse.

Domestic abuse for purposes of this clause is defined under section 518B.01; or

(10) the applicant quit in order to relocate to accompany a spouse whose job location was changed by the spouse's employer making it impractical for the applicant to commute.

EFFECTIVE DATE. This section is effective for determinations issued on or after August 2, 2009.

Sec. 6. **FEDERAL FUNDS EXPENDITURE AUTHORIZED.**

$9,900,000 of federal money allocated under the American Recovery and Reinvestment Act for the purpose of unemployment insurance administration is appropriated to the commissioner of employment and economic development to pay unemployment insurance administration costs.

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