

A bill for an act
relating to unemployment insurance; modifying certain eligibility and extension
provisions; amending Minnesota Statutes 2010, section 268.085, subdivision 9.

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

Section 1. Minnesota Statutes 2010, section 268.085, subdivision 9, is amended to read:

Subd. 9. **Business owners.** (a) Wage credits from an employer may not be used
for unemployment benefit purposes by any applicant who:

(1) individually, jointly, or in combination with the applicant's spouse, parent, or
child owns or controls directly or indirectly 25 percent or more interest in the employer; or

(2) is the spouse, parent, or minor child of any individual who owns or controls
directly or indirectly 25 percent or more interest in the employer.

This subdivision is effective when the applicant has been paid five times the
applicant's weekly unemployment benefit amount in the current benefit year. This
subdivision does not apply if the applicant had wages paid in covered employment of
\$7,500 or more from the employer covered by this subdivision in each of the 16 calendar
quarters prior to the effective date of the benefit account and all taxes due on those wages
have been paid.

(b) An officer of a taxpaying employer referred to in section 268.046, subdivision 1,
is subject to the limitations of this subdivision.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2010.

Sec. 2. **MODIFICATION OF "STATE 'ON' INDICATOR" IN CERTAIN
INSTANCES.**

2.1 Notwithstanding the "either of the prior two calendar years" requirement in
2.2 Minnesota Statutes, section 268.115, subdivision 1, clause (2), for when extended
2.3 unemployment benefits are available, if the cost of extended unemployment benefits is
2.4 100 percent federally funded, a requirement of "any of the prior three calendar years" will
2.5 be used. This section is enacted to conform to the temporary changes to the Federal-State
2.6 Extended Unemployment Compensation Act of 1970 as enacted by Congress in Public
2.7 Law 111-312.

2.8 **EFFECTIVE DATE.** This section is effective retroactively from December 19,
2.9 2010. This section expires when federal law no longer allows a three-year lookback period.