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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 3573

02/23/2026 Authored by Harder, Fogelman, Knudsen, Joy and Van Binsbergen The bill was read for the first time and referred to the Committee on Workforce, Labor, and Economic Development Finance and Policy

1.1 A bill for an act
1.2 relating to paid leave; requiring valid work authorization to receive benefits under
1.3 the Minnesota Paid Leave Law; amending Minnesota Statutes 2024, sections
1.4 268B.01, subdivisions 15, 15a, 17; 268B.04, subdivision 2; 268B.06, subdivision
1.5 4.

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

1.7 Section 1. Minnesota Statutes 2024, section 268B.01, subdivision 15, is amended to read:

1.8 Subd. 15. Covered employment. (a) "Covered employment" means performing services
1.9 of whatever nature, unlimited by the relationship of master and servant as known to the
1.10 common law, or any other legal relationship performed for wages or under any contract
1.11 calling for the performance of services, written or oral, express or implied.

1.12 (b) For the purposes of this chapter, covered employment means an employee's entire
1.13 employment during a calendar year if:

1.14 (1) 50 percent or more of the employment during the calendar year is performed in
1.15 Minnesota; or

1.16 (2) 50 percent or more of the employment during the calendar year is not performed in
1.17 Minnesota or any other single state within the United States, or United States territory or
1.18 foreign nation, but some of the employment is performed in Minnesota and the employee's
1.19 residence is in Minnesota during 50 percent or more of the calendar year.

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

1.21 (1) a self-employed individual;

1.22 (2) an independent contractor; or

2.1 (3) employment by a seasonal employee, as defined in subdivision 35; or

2.2 (4) employment without valid work authorization.

2.3 (d) Entities that are excluded under this section may opt in to coverage following a  
2.4 procedure determined by the commissioner. In such cases, services provided by employees  
2.5 are considered covered employment under subdivision 15.

2.6 (e) The commissioner may adopt rules in accordance with chapter 14 to:

2.7 (1) further define the application of this subdivision; and

2.8 (2) establish the criteria for covered employment for individuals that do not meet the  
2.9 criteria in paragraphs (a) and (b), but that perform services as an employee to a Minnesota  
2.10 employer.

2.11 Sec. 2. Minnesota Statutes 2024, section 268B.01, subdivision 15a, is amended to read:

2.12 Subd. 15a. **Covered individual.** (a) "Covered individual" means either:

2.13 (1) an applicant who meets the financial eligibility requirements of section 268B.04,  
2.14 subdivision 2, if services provided are covered employment under subdivision 15; or

2.15 (2) a self-employed individual or independent contractor who has elected coverage under  
2.16 section 268B.11 and who meets the financial eligibility requirements under section 268B.11.

2.17 (b) Covered individual does not include an individual who does not have valid work  
2.18 authorization.

2.19 Sec. 3. Minnesota Statutes 2024, section 268B.01, subdivision 17, is amended to read:

2.20 Subd. 17. **Employee.** (a) "Employee" means an individual who performs services of  
2.21 whatever nature for an employer.

2.22 (b) Employee does not include employees of the United States of America, self-employed  
2.23 individuals, or independent contractors.

2.24 (c) Employee does not include seasonal employees as defined in subdivision 35.

2.25 (d) Employee does not include an individual without a valid work authorization.

2.26 Sec. 4. Minnesota Statutes 2024, section 268B.04, subdivision 2, is amended to read:

2.27 Subd. 2. **Benefit account requirements.** To establish a benefit account, an applicant  
2.28 must have (1) wage credits of at least 5.3 percent of the state's average annual wage rounded  
2.29 down to the next lower \$100, and (2) a valid work authorization.

3.1 Sec. 5. Minnesota Statutes 2024, section 268B.06, subdivision 4, is amended to read:

3.2 Subd. 4. **Not eligible.** An applicant is ineligible for family or medical leave benefits for  
3.3 any portion of a typical workweek:

3.4 (1) that occurs before the effective date of leave;

3.5 (2) that the applicant fails or refuses to provide information on an issue of ineligibility  
3.6 required under section 268B.07, subdivision 2;

3.7 (3) for which the applicant worked for pay;

3.8 (4) for which the applicant is incarcerated; ~~or~~

3.9 (5) for which the applicant is receiving or has received unemployment insurance benefits;

3.10 or

3.11 (6) for which the applicant did not have a valid work authorization.