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State of Minnesota

HOUSE OF REPRESENTATIVES

SPECIAL SESSION

H. F. No. **2**

05/24/2019 Authored by Mahoney, Noor, Sundin and Hassan
The bill was read for the first time
R/S Rules Suspended, urgency declared
Read for the Second Time
Read for the Third Time
Passed by the House and transmitted to the Senate
Passed by the Senate and returned to the House
05/28/2019 Presented to Governor
05/30/2019 Governor Approval

1.1 A bill for an act

1.2 relating to state government; appropriating money for jobs, economic development,

1.3 energy, and commerce; modifying economic development programs; establishing

1.4 wage theft prevention; modifying labor and industry policy provisions; modifying

1.5 commerce policy provisions; modifying energy policy provisions; adopting

1.6 Unemployment Insurance Advisory Council provisions; adopting Workers'

1.7 Compensation Advisory Council provisions; modifying fees; increasing civil and

1.8 criminal penalties; requiring reports; amending Minnesota Statutes 2018, sections

1.9 15.72, subdivision 2; 16C.285, subdivision 3; 46.131, subdivisions 10, 11; 82B.021,

1.10 subdivisions 14, 15; 82B.073, by adding a subdivision; 82B.09, subdivision 3;

1.11 82B.095, by adding a subdivision; 82B.11, subdivision 6, by adding a subdivision;

1.12 82B.13, subdivision 1; 82B.195, subdivision 2; 82B.21; 116C.7792; 175.20; 175.46,

1.13 subdivisions 3, 13; 176.011, by adding subdivisions; 176.1812, subdivision 2;

1.14 176.231; 176.253; 176.2611, subdivisions 2, 5, 6; 176.275; 176.281; 176.285;

1.15 176.312; 177.27, subdivision 2, by adding a subdivision; 177.30; 177.32,

1.16 subdivision 1; 181.03, by adding subdivisions; 181.032; 181.101; 216B.16, by

1.17 adding a subdivision; 216B.1642, subdivision 2; 216B.2422, subdivision 1, by

1.18 adding a subdivision; 216B.62, subdivision 3b; 216C.435, subdivisions 3a, 8;

1.19 216C.436, subdivision 4, by adding a subdivision; 268.035, subdivisions 4, 12,

1.20 15, 20; 268.044, subdivisions 2, 3; 268.046, subdivision 1; 268.047, subdivision

1.21 3; 268.051, subdivision 2a; 268.057, subdivision 5; 268.069, subdivision 1; 268.07,

1.22 subdivision 1; 268.085, subdivisions 3, 3a, 13a, by adding subdivisions; 268.095,

1.23 subdivisions 6, 6a; 268.105, subdivision 6; 268.145, subdivision 1; 268.18,

1.24 subdivisions 2b, 5; 326B.082, subdivisions 6, 8, 12; 326B.103, subdivision 11;

1.25 326B.106, subdivision 9; 326B.46, by adding a subdivision; 326B.475, subdivision

1.26 4; 326B.821, subdivision 21; 326B.84; 337.10, subdivision 4; 341.30, subdivision

1.27 1; 341.32, subdivision 1; 341.321; 345.41; 469.074, by adding a subdivision;

1.28 469.081, by adding a subdivision; 469.089, by adding a subdivision; 609.52,

1.29 subdivisions 1, 2, 3; Laws 2017, chapter 94, article 1, section 2, subdivision 3;

1.30 article 10, sections 28; 29; proposing coding for new law in Minnesota Statutes,

1.31 chapters 116J; 116L; 176; 177; 181; 345; repealing Minnesota Statutes 2018,

1.32 sections 82B.021, subdivision 17; 82B.095, subdivision 2; 82B.10, subdivisions

1.33 1, 2, 3, 4, 5, 6, 8, 9; 82B.11, subdivision 2; 82B.12; 82B.13, subdivisions 1a, 3, 4,

1.34 5, 6, 7, 8; 82B.14; 325F.75; 345.45.

- 3.1 Remediation 700,000 700,000
- 3.2 Workforce
- 3.3 Development 3,475,000 3,475,000
- 3.4 (a) \$1,787,000 each year is for the greater
- 3.5 Minnesota business development public
- 3.6 infrastructure grant program under Minnesota
- 3.7 Statutes, section 116J.431. This appropriation
- 3.8 is available until June 30, 2023.
- 3.9 (b) \$1,425,000 each year is for the business
- 3.10 development competitive grant program. Of
- 3.11 this amount, up to five percent is for
- 3.12 administration and monitoring of the business
- 3.13 development competitive grant program. All
- 3.14 grant awards shall be for two consecutive
- 3.15 years. Grants shall be awarded in the first year.
- 3.16 (c) \$1,772,000 each year is for contaminated
- 3.17 site cleanup and development grants under
- 3.18 Minnesota Statutes, sections 116J.551 to
- 3.19 116J.558. This appropriation is available until
- 3.20 June 30, 2023.
- 3.21 (d) \$700,000 each year is from the remediation
- 3.22 fund for contaminated site cleanup and
- 3.23 development grants under Minnesota Statutes,
- 3.24 sections 116J.551 to 116J.558. This
- 3.25 appropriation is available until June 30, 2023.
- 3.26 (e) \$139,000 each year is for the Center for
- 3.27 Rural Policy and Development.
- 3.28 (f) \$25,000 each year is for the administration
- 3.29 of state aid for the Destination Medical Center
- 3.30 under Minnesota Statutes, sections 469.40 to
- 3.31 469.47.
- 3.32 (g) \$875,000 each year is for the host
- 3.33 community economic development program

- 4.1 established in Minnesota Statutes, section
4.2 116J.548.
- 4.3 (h) \$125,000 each year is from the workforce
4.4 development fund for a grant to the White
4.5 Earth Nation for the White Earth Nation
4.6 Integrated Business Development System to
4.7 provide business assistance with workforce
4.8 development, outreach, technical assistance,
4.9 infrastructure and operational support,
4.10 financing, and other business development
4.11 activities. This is a onetime appropriation.
- 4.12 (i) \$450,000 each year is from the workforce
4.13 development fund for a grant to Enterprise
4.14 Minnesota, Inc. for the small business growth
4.15 acceleration program under Minnesota
4.16 Statutes, section 116O.115. This is a onetime
4.17 appropriation.
- 4.18 (j) \$250,000 the first year is for a grant to the
4.19 Rondo Community Land Trust for
4.20 improvements to leased commercial space in
4.21 the Selby Milton Victoria Project that will
4.22 create long-term affordable space for small
4.23 businesses and for build-out and development
4.24 of new businesses.
- 4.25 (k) \$400,000 each year is from the workforce
4.26 development fund for a grant to the
4.27 Metropolitan Economic Development
4.28 Association (MEDA) for statewide business
4.29 development and assistance services, including
4.30 services to entrepreneurs with businesses that
4.31 have the potential to create job opportunities
4.32 for unemployed and underemployed people,
4.33 with an emphasis on minority-owned
4.34 businesses. This is a onetime appropriation.

5.1 (l) \$750,000 in fiscal year 2020 is for grants
5.2 to local communities to increase the supply of
5.3 quality child care providers to support
5.4 economic development. At least 60 percent of
5.5 grant funds must go to communities located
5.6 outside of the seven-county metropolitan area
5.7 as defined under Minnesota Statutes, section
5.8 473.121, subdivision 2. Grant recipients must
5.9 obtain a 50 percent nonstate match to grant
5.10 funds in either cash or in-kind contributions.
5.11 Grant funds available under this section must
5.12 be used to implement projects to reduce the
5.13 child care shortage in the state, including but
5.14 not limited to funding for child care business
5.15 start-ups or expansion, training, facility
5.16 modifications or improvements required for
5.17 licensing, and assistance with licensing and
5.18 other regulatory requirements. In awarding
5.19 grants, the commissioner must give priority
5.20 to communities that have demonstrated a
5.21 shortage of child care providers in the area.
5.22 This is a onetime appropriation. Within one
5.23 year of receiving grant funds, grant recipients
5.24 must report to the commissioner on the
5.25 outcomes of the grant program, including but
5.26 not limited to the number of new providers,
5.27 the number of additional child care provider
5.28 jobs created, the number of additional child
5.29 care slots, and the amount of cash and in-kind
5.30 local funds invested.

5.31 (m) \$750,000 in fiscal year 2020 is for a grant
5.32 to the Minnesota Initiative Foundations. This
5.33 is a onetime appropriation and is available
5.34 until June 30, 2023. The Minnesota Initiative
5.35 Foundations must use grant funds under this
5.36 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; or
- 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 (n)(1) \$650,000 each year from the workforce
7.2 development fund is for grants to the
7.3 Neighborhood Development Center for small
7.4 business programs. This is a onetime
7.5 appropriation.

7.6 (2) Of the amount appropriated in the first
7.7 year, \$150,000 is for outreach and training
7.8 activities outside the seven-county
7.9 metropolitan area, as defined in Minnesota
7.10 Statutes, section 473.121, subdivision 2.

7.11 (o) \$8,000,000 each year is for the Minnesota
7.12 job creation fund under Minnesota Statutes,
7.13 section 116J.8748. Of this amount, the
7.14 commissioner of employment and economic
7.15 development may use up to three percent for
7.16 administrative expenses. This appropriation
7.17 is available until expended.

7.18 (p)(1) \$11,970,000 each year is for the
7.19 Minnesota investment fund under Minnesota
7.20 Statutes, section 116J.8731. Of this amount,
7.21 the commissioner of employment and
7.22 economic development may use up to three
7.23 percent for administration and monitoring of
7.24 the program. In fiscal year 2022 and beyond,
7.25 the base amount is \$12,370,000. This
7.26 appropriation is available until expended.
7.27 Notwithstanding Minnesota Statutes, section
7.28 116.8731, funds appropriated to the
7.29 commissioner for the Minnesota investment
7.30 fund may be used for the redevelopment
7.31 program under Minnesota Statutes, sections
7.32 116J.575 and 116J.5761, at the discretion of
7.33 the commissioner. Grants under this paragraph
7.34 are not subject to the grant amount limitation
7.35 under Minnesota Statutes, section 116J.8731.

8.1 (2) Of the amount appropriated in the first
8.2 year, \$2,000,000 is for a loan to a paper mill
8.3 in Duluth for a retrofit project that will support
8.4 the operation and manufacture of packaging
8.5 paper grades. The company that owns the
8.6 paper mill must spend \$20,000,000 on project
8.7 activities by December 31, 2020, in order to
8.8 be eligible to receive this loan. Loan funds
8.9 may be used for purchases of materials,
8.10 supplies, and equipment for the project and
8.11 are available from July 1, 2019, to July 30,
8.12 2021. The commissioner of employment and
8.13 economic development shall forgive 25
8.14 percent of the loan each year after the second
8.15 year during a five-year period if the mill has
8.16 retained at least 200 full-time equivalent
8.17 employees and has satisfied other performance
8.18 goals and contractual obligations as required
8.19 under Minnesota Statutes, section 116J.8731.

8.20 (q) \$700,000 in fiscal year 2020 is for the
8.21 airport infrastructure renewal (AIR) grant
8.22 program under Minnesota Statutes, section
8.23 116J.439.

8.24 (r) \$100,000 in fiscal year 2020 is for a grant
8.25 to FIRST in Upper Midwest to support
8.26 competitive robotics teams. Funds must be
8.27 used to make up to five awards of no more
8.28 than \$20,000 each to Minnesota-based public
8.29 entities or private nonprofit organizations for
8.30 the creation of competitive robotics hubs.
8.31 Awards may be used for tools, equipment, and
8.32 physical space to be utilized by robotics teams.
8.33 At least 50 percent of grant funds must be used
8.34 outside of the seven-county metropolitan area,
8.35 as defined under Minnesota Statutes, section

9.1 473.121, subdivision 2. The grant recipient
9.2 shall report to the chairs and ranking minority
9.3 members of the legislative committees with
9.4 jurisdiction over jobs and economic growth
9.5 by February 1, 2021, on the status of awards
9.6 and include information on the number and
9.7 amount of awards made, the number of
9.8 customers served, and any outcomes resulting
9.9 from the grant. The grant requires a 50 percent
9.10 match from nonstate sources.

9.11 (s) \$1,000,000 each year is for the Minnesota
9.12 emerging entrepreneur loan program under
9.13 Minnesota Statutes, section 116M.18. Funds
9.14 available under this paragraph are for transfer
9.15 into the emerging entrepreneur program
9.16 special revenue fund account created under
9.17 Minnesota Statutes, chapter 116M, and are
9.18 available until expended. Of this amount, up
9.19 to four percent is for administration and
9.20 monitoring of the program.

9.21 (t) \$163,000 each year is for the Minnesota
9.22 Film and TV Board. The appropriation in each
9.23 year is available only upon receipt by the
9.24 board of \$1 in matching contributions of
9.25 money or in-kind contributions from nonstate
9.26 sources for every \$3 provided by this
9.27 appropriation, except that each year up to
9.28 \$50,000 is available on July 1 even if the
9.29 required matching contribution has not been
9.30 received by that date.

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

9.33 (v) \$500,000 each year is from the general
9.34 fund for a grant to the Minnesota Film and TV
9.35 Board for the film production jobs program

10.1 under Minnesota Statutes, section 116U.26.
10.2 This appropriation is available until June 30,
10.3 2023.
10.4 (w) \$4,195,000 each year is for the Minnesota
10.5 job skills partnership program under
10.6 Minnesota Statutes, sections 116L.01 to
10.7 116L.17. If the appropriation for either year
10.8 is insufficient, the appropriation for the other
10.9 year is available. This appropriation is
10.10 available until expended.
10.11 (x) \$1,350,000 each year is from the
10.12 workforce development fund for jobs training
10.13 grants under Minnesota Statutes, section
10.14 116L.42.
10.15 (y) \$2,500,000 each year is for Launch
10.16 Minnesota. This is a onetime appropriation
10.17 and funds are available until June 30, 2023.
10.18 Of this amount:
10.19 (1) \$1,600,000 each year is for innovation
10.20 grants to eligible Minnesota entrepreneurs or
10.21 start-up businesses to assist with their
10.22 operating needs;
10.23 (2) \$450,000 each year is for administration
10.24 of Launch Minnesota; and
10.25 (3) \$450,000 each year is for grantee activities
10.26 at Launch Minnesota.
10.27 (z) \$500,000 each year is from the workforce
10.28 development fund for a grant to Youthprise
10.29 to give grants through a competitive process
10.30 to community organizations to provide
10.31 economic development services designed to
10.32 enhance long-term economic self-sufficiency
10.33 in communities with concentrated East African
10.34 populations. Such communities include but

11.1 are not limited to Faribault, Rochester, St.
 11.2 Cloud, Moorhead, and Willmar. To the extent
 11.3 possible, Youthprise must make at least 50
 11.4 percent of these grants to organizations serving
 11.5 communities located outside the seven-county
 11.6 metropolitan area, as defined in Minnesota
 11.7 Statutes, section 473.121, subdivision 2. This
 11.8 is a onetime appropriation and is available
 11.9 until June 30, 2022.

11.10 (aa) \$125,000 each year is for a grant to the
 11.11 Hmong Chamber of Commerce to train
 11.12 ethnically Southeast Asian business owners
 11.13 and operators in better business practices. This
 11.14 is a onetime appropriation.

11.15 **Subd. 3. Employment and Training Programs** 27,209,000 27,209,000

11.16	<u>Appropriations by Fund</u>		
11.17	<u>General</u>	<u>5,532,000</u>	<u>5,532,000</u>
11.18	<u>Workforce</u>		
11.19	<u>Development</u>	<u>21,677,000</u>	<u>21,677,000</u>

11.20 (a) \$250,000 each year is for the higher
 11.21 education career advising program.
 11.22 (b) \$500,000 each year from the general fund
 11.23 and \$500,000 each year from the workforce
 11.24 development fund are for rural career
 11.25 counseling coordinators in the workforce
 11.26 service areas and for the purposes specified
 11.27 under Minnesota Statutes, section 116L.667.

11.28 (c) \$750,000 each year is for the women and
 11.29 high-wage, high-demand, nontraditional jobs
 11.30 grant program under Minnesota Statutes,
 11.31 section 116L.99. Of this amount, up to five
 11.32 percent is for administration and monitoring
 11.33 of the program.

12.1 (d)(1) \$150,000 each year is from the
12.2 workforce development fund for a grant to the
12.3 Regional Center for Entrepreneurial
12.4 Facilitation hosted by a county or higher
12.5 education institution. Funds available under
12.6 this paragraph must be used to provide
12.7 entrepreneur and small business development
12.8 direct professional business assistance services
12.9 in the following counties in Minnesota: Blue
12.10 Earth, Brown, Faribault, Le Sueur, Martin,
12.11 Nicollet, Sibley, Watonwan, and Waseca. For
12.12 the purposes of this paragraph, "direct
12.13 professional business assistance services" must
12.14 include but is not limited to payment of
12.15 overhead costs, pre-venture assistance for
12.16 individuals considering starting a business,
12.17 and services for underserved populations,
12.18 agricultural businesses, and students. This
12.19 appropriation is not available until the
12.20 commissioner determines that an equal amount
12.21 is committed from nonstate sources. This
12.22 appropriation is onetime and available until
12.23 June 30, 2021.

12.24 (2) Grant recipients shall report to the
12.25 commissioner by February 1, 2021, and
12.26 include information on the number of
12.27 customers served in each county; the number
12.28 of businesses started, stabilized, or expanded;
12.29 the number of jobs created and retained; and
12.30 business success rates in each county. By April
12.31 1, 2021, the commissioner shall report the
12.32 information submitted by grant recipients to
12.33 the chairs and ranking minority members of
12.34 the standing committees of the house of
12.35 representatives and senate having jurisdiction
12.36 over economic development issues.

- 13.1 (e) \$1,000,000 each year is from the workforce
13.2 development fund for a grant to Summit
13.3 Academy OIC to expand their contextualized
13.4 GED and employment placement program and
13.5 STEM program. This is a onetime
13.6 appropriation.
- 13.7 (f) \$125,000 each year is from the workforce
13.8 development fund for a grant to the YWCA
13.9 of Minneapolis to provide economically
13.10 challenged individuals the jobs skills training,
13.11 career counseling, and job placement
13.12 assistance necessary to secure a child
13.13 development associate credential and to have
13.14 a career path in early childhood education.
13.15 This is a onetime appropriation.
- 13.16 (g) \$125,000 each year is from the workforce
13.17 development fund for a grant to the YWCA
13.18 of St. Paul to provide job training services and
13.19 workforce development programs and
13.20 services, including job skills training and
13.21 counseling. This is a onetime appropriation.
- 13.22 (h) \$100,000 each year is from the workforce
13.23 development fund for displaced homemaker
13.24 programs under Minnesota Statutes, section
13.25 116L.96. The commissioner, through the adult
13.26 career pathways program, shall distribute the
13.27 funds to existing nonprofit and state displaced
13.28 homemaker programs. This is a onetime
13.29 appropriation.
- 13.30 (i) \$150,000 each year is from the workforce
13.31 development fund for a grant to Hennepin
13.32 County for the Cedar Riverside Partnership.
13.33 This is a onetime appropriation.

- 14.1 (j) \$4,604,000 each year is from the workforce
14.2 development fund and \$1,094,000 each year
14.3 is from the general fund for the pathways to
14.4 prosperity competitive grant program. Of this
14.5 amount, up to four percent is for
14.6 administration and monitoring of the program.
14.7 The base amount from the general fund in
14.8 fiscal year 2022 and beyond is \$2,546,000.
- 14.9 (k) \$150,000 each year is from the workforce
14.10 development fund for a grant to Better Futures
14.11 Minnesota to provide job skills training to
14.12 individuals who have been released from
14.13 incarceration for a felony-level offense and
14.14 are no more than 12 months from the date of
14.15 release. This is a onetime appropriation.
- 14.16 (l) \$188,000 each year is for a grant to
14.17 AccessAbility Incorporated to provide job
14.18 skills training to individuals who have been
14.19 released from incarceration for a felony-level
14.20 offense and are no more than 12 months from
14.21 the date of release. AccessAbility Incorporated
14.22 shall annually report to the commissioner on
14.23 how the money was spent and what results
14.24 were achieved. The report must include, at a
14.25 minimum, information and data about the
14.26 number of participants; participant
14.27 homelessness, employment, recidivism, and
14.28 child support compliance; and training
14.29 provided to program participants. This is a
14.30 onetime appropriation.
- 14.31 (m) \$250,000 each year is from the workforce
14.32 development fund for Propel Nonprofits,
14.33 formerly known as the Nonprofits Assistance
14.34 Fund, to make grants for infrastructure support
14.35 to small nonprofit organizations that serve

- 15.1 historically underserved cultural communities.
- 15.2 This is a onetime appropriation.
- 15.3 (n) \$50,000 each year is from the workforce
- 15.4 development fund for grants to the Minnesota
- 15.5 Grocers Association Foundation for Carts to
- 15.6 Careers, a statewide initiative to promote
- 15.7 careers, conduct outreach, provide job skills
- 15.8 training, and grant scholarships for careers in
- 15.9 the retail food industry. This is a onetime
- 15.10 appropriation.
- 15.11 (o) \$500,000 each year is from the workforce
- 15.12 development fund for a grant to the American
- 15.13 Indian Opportunities and Industrialization
- 15.14 Center, in collaboration with the Northwest
- 15.15 Indian Community Development Center, to
- 15.16 reduce academic disparities for American
- 15.17 Indian students and adults. This is a onetime
- 15.18 appropriation. The grant funds may be used
- 15.19 to provide:
- 15.20 (1) student tutoring and testing support
- 15.21 services;
- 15.22 (2) training and employment placement in
- 15.23 information technology;
- 15.24 (3) training and employment placement within
- 15.25 trades;
- 15.26 (4) assistance in obtaining a GED;
- 15.27 (5) remedial training leading to enrollment
- 15.28 and to sustain enrollment in a postsecondary
- 15.29 higher education institution;
- 15.30 (6) real-time work experience in information
- 15.31 technology fields and in the trades;
- 15.32 (7) contextualized adult basic education;

- 16.1 (8) career and educational counseling for
16.2 clients with significant and multiple barriers;
16.3 and;
16.4 (9) reentry services and counseling for adults
16.5 and youth.
- 16.6 After notification to the chairs and minority
16.7 leads of the legislative committees with
16.8 jurisdiction over jobs and economic
16.9 development, the commissioner may transfer
16.10 this appropriation to the commissioner of
16.11 education.
- 16.12 (p) \$250,000 each year is from the workforce
16.13 development fund for a grant to EMERGE
16.14 Community Development, in collaboration
16.15 with community partners, for services
16.16 targeting Minnesota communities with the
16.17 highest concentrations of African and
16.18 African-American joblessness, based on the
16.19 most recent census tract data, to provide
16.20 employment readiness training, credentialed
16.21 training placement, job placement and
16.22 retention services, supportive services for
16.23 hard-to-employ individuals, and a general
16.24 education development fast track and adult
16.25 diploma program. This is a onetime
16.26 appropriation.
- 16.27 (q) \$400,000 each year is from the workforce
16.28 development fund for a grant to the
16.29 Minneapolis Foundation for a strategic
16.30 intervention program designed to target and
16.31 connect program participants to meaningful,
16.32 sustainable living-wage employment. This is
16.33 a onetime appropriation.

17.1 (r) \$375,000 each year is from the workforce
17.2 development fund for a grant to the
17.3 Construction Careers Foundation for the
17.4 construction career pathway initiative to
17.5 provide year-round educational and
17.6 experiential learning opportunities for teens
17.7 and young adults under the age of 21 that lead
17.8 to careers in the construction industry. This is
17.9 a onetime appropriation. Grant funds must be
17.10 used to:

17.11 (1) increase construction industry exposure
17.12 activities for middle school and high school
17.13 youth, parents, and counselors to reach a more
17.14 diverse demographic and broader statewide
17.15 audience. This requirement includes, but is
17.16 not limited to, an expansion of programs to
17.17 provide experience in different crafts to youth
17.18 and young adults throughout the state;

17.19 (2) increase the number of high schools in
17.20 Minnesota offering construction classes during
17.21 the academic year that utilize a multicraft
17.22 curriculum;

17.23 (3) increase the number of summer internship
17.24 opportunities;

17.25 (4) enhance activities to support graduating
17.26 seniors in their efforts to obtain employment
17.27 in the construction industry;

17.28 (5) increase the number of young adults
17.29 employed in the construction industry and
17.30 ensure that they reflect Minnesota's diverse
17.31 workforce; and

17.32 (6) enhance an industrywide marketing
17.33 campaign targeted to youth and young adults

- 18.1 about the depth and breadth of careers within
18.2 the construction industry.
- 18.3 Programs and services supported by grant
18.4 funds must give priority to individuals and
18.5 groups that are economically disadvantaged
18.6 or historically underrepresented in the
18.7 construction industry, including but not limited
18.8 to women, veterans, and members of minority
18.9 and immigrant groups.
- 18.10 (s) \$625,000 each year is from the workforce
18.11 development fund for a grant to Latino
18.12 Communities United in Service (CLUES) to
18.13 expand culturally tailored programs that
18.14 address employment and education skill gaps
18.15 for working parents and underserved youth by
18.16 providing new job skills training to stimulate
18.17 higher wages for low-income people, family
18.18 support systems designed to reduce
18.19 intergenerational poverty, and youth
18.20 programming to promote educational
18.21 advancement and career pathways. At least
18.22 50 percent of this amount must be used for
18.23 programming targeted at greater Minnesota.
18.24 This is a onetime appropriation.
- 18.25 (t) \$700,000 each year is from the workforce
18.26 development fund for performance grants
18.27 under Minnesota Statutes, section 116J.8747,
18.28 to Twin Cities R!SE to provide training to
18.29 hard-to-train individuals. This is a onetime
18.30 appropriation and funds are available until
18.31 June 30, 2022.
- 18.32 (u) \$100,000 each year is from the workforce
18.33 development fund for grants to Minnesota
18.34 Diversified Industries, Inc. to provide
18.35 progressive development and employment

19.1 opportunities for people with disabilities. This
19.2 is a onetime appropriation.

19.3 (v) \$875,000 each year is from the workforce
19.4 development fund for a grant to the Minnesota
19.5 High Tech Association to support
19.6 SciTechsperience, a program that supports
19.7 science, technology, engineering, and math
19.8 (STEM) internship opportunities for two- and
19.9 four-year college students and graduate
19.10 students in their field of study. The internship
19.11 opportunities must match students with paid
19.12 internships within STEM disciplines at small,
19.13 for-profit companies located in Minnesota
19.14 having fewer than 250 employees worldwide.
19.15 At least 200 students must be matched in the
19.16 first year and at least 200 students must be
19.17 matched in the second year. No more than 15
19.18 percent of the hires may be graduate students.
19.19 Selected hiring companies shall receive from
19.20 the grant 50 percent of the wages paid to the
19.21 intern, capped at \$2,500 per intern. The
19.22 program must work toward increasing the
19.23 participation among women or other
19.24 underserved populations. This is a onetime
19.25 appropriation.

19.26 (w) \$500,000 each year is from the workforce
19.27 development fund for the Opportunities
19.28 Industrialization Center programs. This
19.29 appropriation shall be divided equally among
19.30 the eligible centers.

19.31 (x) \$250,000 each year is from the workforce
19.32 development fund for a grant to Bridges to
19.33 Healthcare to provide career education,
19.34 wraparound support services, and job skills
19.35 training in high-demand health care fields to

20.1 low-income parents, nonnative speakers of
20.2 English, and other hard-to-train individuals,
20.3 helping families build secure pathways out of
20.4 poverty while also addressing worker
20.5 shortages in one of Minnesota's most
20.6 innovative industries. Funds may be used for
20.7 program expenses, including but not limited
20.8 to hiring instructors and navigators; space
20.9 rental; and supportive services to help
20.10 participants attend classes, including assistance
20.11 with course fees, child care, transportation,
20.12 and safe and stable housing. In addition, up to
20.13 five percent of grant funds may be used for
20.14 Bridges to Healthcare's administrative costs.
20.15 This is a onetime appropriation.

20.16 (y) \$250,000 each year is from the workforce
20.17 development fund for a grant to Avivo to
20.18 provide low-income individuals with career
20.19 education and job skills training that is fully
20.20 integrated with chemical and mental health
20.21 services. This is a onetime appropriation.

20.22 (z) \$1,000,000 each year is for competitive
20.23 grants to organizations providing services to
20.24 relieve economic disparities in the Southeast
20.25 Asian community through workforce
20.26 recruitment, development, job creation,
20.27 assistance of smaller organizations to increase
20.28 capacity, and outreach. Of this amount, up to
20.29 five percent is for administration and
20.30 monitoring of the program.

20.31 (aa) \$500,000 each year is from the workforce
20.32 development fund for a grant to the Hmong
20.33 American Partnership, in collaboration with
20.34 community partners, for services targeting
20.35 Minnesota communities with the highest

21.1 concentrations of Southeast Asian joblessness,
21.2 based on the most recent census tract data, to
21.3 provide employment readiness training,
21.4 credentialed training placement, job placement
21.5 and retention services, supportive services for
21.6 hard-to-employ individuals, and a general
21.7 education development fast track and adult
21.8 diploma program. This is a onetime
21.9 appropriation.

21.10 (bb) \$1,000,000 each year is for a competitive
21.11 grant program to provide grants to
21.12 organizations that provide support services for
21.13 individuals, such as job training, employment
21.14 preparation, internships, job assistance to
21.15 parents, financial literacy, academic and
21.16 behavioral interventions for low-performing
21.17 students, and youth intervention. Grants made
21.18 under this section must focus on low-income
21.19 communities, young adults from families with
21.20 a history of intergenerational poverty, and
21.21 communities of color. Of this amount, up to
21.22 four percent is for administration and
21.23 monitoring of the program.

21.24 (cc) \$500,000 each year is from the workforce
21.25 development fund for a grant to Ujamaa Place
21.26 for job training, employment preparation,
21.27 internships, education, training in vocational
21.28 trades, housing, and organizational capacity
21.29 building. This is a onetime appropriation.

21.30 (dd) \$750,000 each year is from the general
21.31 fund and \$3,348,000 each year is from the
21.32 workforce development fund for the
21.33 youth-at-work competitive grant program
21.34 under Minnesota Statutes, section 116L.562.
21.35 Of this amount, up to five percent is for

22.1 administration and monitoring of the youth
 22.2 workforce development competitive grant
 22.3 program. All grant awards shall be for two
 22.4 consecutive years. Grants shall be awarded in
 22.5 the first year.

22.6 (ee) \$1,000,000 each year is from the
 22.7 workforce development fund for the
 22.8 youthbuild program under Minnesota Statutes,
 22.9 sections 116L.361 to 116L.366.

22.10 (ff) \$4,050,000 each year is from the
 22.11 workforce development fund for the
 22.12 Minnesota youth program under Minnesota
 22.13 Statutes, sections 116L.56 and 116L.561.

22.14 (gg) \$250,000 each year is from the workforce
 22.15 development fund for a grant to Big Brothers
 22.16 Big Sisters of the Greater Twin Cities for
 22.17 workforce readiness, employment exploration,
 22.18 and skills development for youth ages 12 to
 22.19 21. The grant must serve youth in the Big
 22.20 Brothers Big Sisters chapters in the Twin
 22.21 Cities, central Minnesota, and southern
 22.22 Minnesota. This is a onetime appropriation.

22.23 Subd. 4. **General Support Services** 4,226,000 4,226,000

	<u>Appropriations by Fund</u>		
22.25	<u>General Fund</u>	<u>4,171,000</u>	<u>4,171,000</u>
22.26	<u>Workforce</u>		
22.27	<u>Development</u>	<u>55,000</u>	<u>55,000</u>

22.28 (a) \$250,000 each year is for the publication,
 22.29 dissemination, and use of labor market
 22.30 information under Minnesota Statutes, section
 22.31 116J.401.

22.32 (b) \$1,269,000 each year is for transfer to the
 22.33 Minnesota Housing Finance Agency for
 22.34 operating the Olmstead Compliance Office.

23.1	<u>Subd. 5. Minnesota Trade Office</u>		<u>2,292,000</u>	<u>2,292,000</u>
23.2	<u>(a) \$300,000 each year is for the STEP grants</u>			
23.3	<u>in Minnesota Statutes, section 116J.979.</u>			
23.4	<u>(b) \$180,000 each year is for the Invest</u>			
23.5	<u>Minnesota marketing initiative in Minnesota</u>			
23.6	<u>Statutes, section 116J.9781.</u>			
23.7	<u>(c) \$270,000 each year is for the Minnesota</u>			
23.8	<u>Trade Offices under Minnesota Statutes,</u>			
23.9	<u>section 116J.978.</u>			
23.10	<u>(d) \$50,000 each year is for the Trade Policy</u>			
23.11	<u>Advisory Council under Minnesota Statutes,</u>			
23.12	<u>section 116J.9661.</u>			
23.13	<u>Subd. 6. Vocational Rehabilitation</u>		<u>38,491,000</u>	<u>36,691,000</u>
23.14	<u>Appropriations by Fund</u>			
23.15	<u>General</u>	<u>28,861,000</u>		<u>28,861,000</u>
23.16	<u>Workforce</u>			
23.17	<u>Development</u>	<u>9,630,000</u>		<u>7,830,000</u>
23.18	<u>(a) \$14,300,000 each year is for the state's</u>			
23.19	<u>vocational rehabilitation program under</u>			
23.20	<u>Minnesota Statutes, chapter 268A.</u>			
23.21	<u>(b) \$8,995,000 each year from the general fund</u>			
23.22	<u>and \$6,830,000 each year from the workforce</u>			
23.23	<u>development fund are for extended</u>			
23.24	<u>employment services for persons with severe</u>			
23.25	<u>disabilities under Minnesota Statutes, section</u>			
23.26	<u>268A.15. Of the amounts appropriated from</u>			
23.27	<u>the general fund, \$2,000,000 each year is for</u>			
23.28	<u>rate increases to providers of extended</u>			
23.29	<u>employment services for persons with severe</u>			
23.30	<u>disabilities under Minnesota Statutes, section</u>			
23.31	<u>268A.15.</u>			
23.32	<u>(c) \$2,555,000 each year from the general fund</u>			
23.33	<u>and \$1,800,000 in the first year from the</u>			
23.34	<u>workforce development fund are for grants to</u>			

24.1 programs that provide employment support
 24.2 services to persons with mental illness under
 24.3 Minnesota Statutes, sections 268A.13 and
 24.4 268A.14. Of the amount appropriated in the
 24.5 first year from the workforce development
 24.6 fund, \$1,800,000 is available until June 30,
 24.7 2023, and may be used to expand programs
 24.8 to areas of the state without an existing
 24.9 employment support program, and to expand
 24.10 existing programs, including programs that do
 24.11 not currently receive state funding.

24.12 (d) \$3,011,000 each year is from the general
 24.13 fund for grants to centers for independent
 24.14 living under Minnesota Statutes, section
 24.15 268A.11.

24.16 (e) \$1,000,000 each year is from the workforce
 24.17 development fund for grants under Minnesota
 24.18 Statutes, section 268A.16, for employment
 24.19 services for persons, including transition-age
 24.20 youth, who are deaf, deafblind, or
 24.21 hard-of-hearing. If the amount in the first year
 24.22 is insufficient, the amount in the second year
 24.23 is available in the first year.

24.24	<u>Subd. 7. Services for the Blind</u>	<u>6,425,000</u>	<u>6,425,000</u>
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24.25 Of this amount, \$500,000 each year is for
 24.26 senior citizens who are becoming blind. At
 24.27 least one-half of the funds for this purpose
 24.28 must be used to provide training services for
 24.29 seniors who are becoming blind. Training
 24.30 services must provide independent living skills
 24.31 to seniors who are becoming blind to allow
 24.32 them to continue to live independently in their
 24.33 homes.

25.1 **Subd. 8. Dairy Assistance, Investment, Relief**
 25.2 **Initiative (DAIRI)** 3,000,000 -0-

25.3 \$3,000,000 in the first year is for transfer to
 25.4 the commissioner of agriculture for financial
 25.5 assistance to eligible dairy farmers under the
 25.6 Dairy Assistance, Investment, Relief Initiative.

25.7 **Sec. 3. DEPARTMENT OF LABOR AND**
 25.8 **INDUSTRY**

25.9 **Subdivision 1. Total Appropriation** \$ 31,916,000 \$ 28,916,000

25.10 Appropriations by Fund

	<u>2020</u>	<u>2021</u>
25.11		
25.12 <u>General</u>	<u>3,844,000</u>	<u>3,844,000</u>
25.13 <u>Workers'</u>		
25.14 <u>Compensation</u>	<u>25,088,000</u>	<u>22,088,000</u>
25.15 <u>Workforce</u>		
25.16 <u>Development</u>	<u>2,984,000</u>	<u>2,984,000</u>

25.17 The amounts that may be spent for each
 25.18 purpose are specified in the following
 25.19 subdivisions.

25.20 **Subd. 2. General Support** 7,939,000 7,939,000

25.21 Appropriations by Fund

25.22 <u>General</u>	<u>500,000</u>	<u>500,000</u>
25.23 <u>Workers'</u>		
25.24 <u>Compensation</u>	<u>6,039,000</u>	<u>6,039,000</u>
25.25 <u>Workforce</u>		
25.26 <u>Development Fund</u>	<u>1,400,000</u>	<u>1,400,000</u>

25.27 (a) \$500,000 each year is from the general
 25.28 fund for system upgrades. This appropriation
 25.29 is available until June 30, 2023. The base
 25.30 amount in fiscal year 2022 and 2023 is
 25.31 \$900,000. The base amount in fiscal year 2024
 25.32 is zero. This appropriation includes funds for
 25.33 information technology project services and
 25.34 support subject to Minnesota Statutes, section
 25.35 16E.0466. Any ongoing information
 25.36 technology costs must be incorporated into

26.1 the service level agreement and must be paid
 26.2 to the Office of MN.IT Services by the
 26.3 commissioner of labor and industry under the
 26.4 rates and mechanism specified in that
 26.5 agreement.

26.6 (b) \$1,100,000 each year is from the
 26.7 workforce development fund for the youth
 26.8 skills training grants under Minnesota Statutes,
 26.9 section 175.46. Of this amount, \$100,000 each
 26.10 year is for administration of the program.

26.11 (c) \$300,000 each year is from the workforce
 26.12 development fund for the PIPELINE program.

26.13	<u>Subd. 3. Labor Standards and Apprenticeship</u>	<u>4,928,000</u>	<u>4,928,000</u>
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26.14	<u>Appropriations by Fund</u>		
26.15	<u>General</u>	<u>3,344,000</u>	<u>3,344,000</u>
26.16	<u>Workforce</u>		
26.17	<u>Development</u>	<u>1,584,000</u>	<u>1,584,000</u>

26.18 (a) \$2,046,000 each year is for wage theft
 26.19 prevention.

26.20 (b) \$151,000 each year is from the workforce
 26.21 development fund for prevailing wage
 26.22 enforcement.

26.23 (c) \$1,133,000 each year is from the workforce
 26.24 development fund for the apprenticeship
 26.25 program under Minnesota Statutes, chapter
 26.26 178.

26.27 (d) \$100,000 each year is from the workforce
 26.28 development fund for labor education and
 26.29 advancement program grants under Minnesota
 26.30 Statutes, section 178.11, to expand and
 26.31 promote registered apprenticeship training for
 26.32 minorities and women.

26.33 (e) \$200,000 each year is from the workforce
 26.34 development fund for grants to the

- 27.1 Construction Careers Foundation for the
 27.2 Helmets to Hard Hats Minnesota initiative.
 27.3 Grant funds must be used to recruit, retain,
 27.4 assist, and support National Guard, reserve,
 27.5 and active duty military members' and
 27.6 veterans' participation into apprenticeship
 27.7 programs registered with the Department of
 27.8 Labor and Industry and connect them with
 27.9 career training and employment in the building
 27.10 and construction industry. The recruitment,
 27.11 selection, employment, and training must be
 27.12 without discrimination due to race, color,
 27.13 creed, religion, national origin, sex, sexual
 27.14 orientation, marital status, physical or mental
 27.15 disability, receipt of public assistance, or age.
 27.16 This is a onetime appropriation.
- 27.17 **Subd. 4. Workers' Compensation** 14,882,000 11,882,000
 27.18 \$3,000,000 the first year is from the workers'
 27.19 compensation fund for workers' compensation
 27.20 system upgrades. This amount is available
 27.21 until June 30, 2021. This is a onetime
 27.22 appropriation.
- 27.23 **Subd. 5. Workplace Safety** 4,167,000 4,167,000
 27.24 This appropriation is from the workers'
 27.25 compensation fund.
- 27.26 **Sec. 4. WORKERS' COMPENSATION COURT**
 27.27 **OF APPEALS** \$ 2,222,000 \$ 2,283,000
- 27.28 This appropriation is from the workers'
 27.29 compensation fund.
- 27.30 **Sec. 5. BUREAU OF MEDIATION SERVICES** \$ 2,641,000 \$ 2,641,000
 27.31 (a) \$68,000 each year is for grants to area
 27.32 labor management committees. Grants may
 27.33 be awarded for a 12-month period beginning
 27.34 July 1 each year. Any unencumbered balance

29.1	<u>remaining after the first year is available for</u>		
29.2	<u>the second year.</u>		
29.3	<u>Subd. 3. Administrative Services</u>	<u>8,868,000</u>	<u>8,597,000</u>
29.4	<u>(a) \$384,000 each year is for additional</u>		
29.5	<u>compliance efforts with unclaimed property.</u>		
29.6	<u>The commissioner may issue contracts for</u>		
29.7	<u>these services.</u>		
29.8	<u>(b) \$100,000 each year is for the support of</u>		
29.9	<u>broadband development.</u>		
29.10	<u>(c) \$5,000 each year is for Real Estate</u>		
29.11	<u>Appraisal Advisory Board compensation</u>		
29.12	<u>pursuant to Minnesota Statutes, section</u>		
29.13	<u>82B.073, subdivision 2a.</u>		
29.14	<u>(d) \$475,000 in fiscal year 2020 and \$350,000</u>		
29.15	<u>in fiscal year 2021 are from the general fund</u>		
29.16	<u>for system modernization and cybersecurity</u>		
29.17	<u>upgrades for the unclaimed property program.</u>		
29.18	<u>(e) \$230,000 in fiscal year 2020 and \$564,000</u>		
29.19	<u>in fiscal year 2021 are for additional</u>		
29.20	<u>operations of the unclaimed property program.</u>		
29.21	<u>(f) \$208,000 in fiscal year 2021 is for IT</u>		
29.22	<u>system modernization. In fiscal year 2022, the</u>		
29.23	<u>base amount is \$832,000, and in fiscal year</u>		
29.24	<u>2023, the base amount is \$208,000. The base</u>		
29.25	<u>amount in fiscal year 2024 and beyond is \$0.</u>		
29.26	<u>(g) To account for base adjustments provided</u>		
29.27	<u>in Laws 2018, chapter 211, article 21, section</u>		
29.28	<u>1, paragraph (a), the base is increased by</u>		
29.29	<u>\$1,000 in fiscal year 2022 and beyond.</u>		
29.30	<u>Subd. 4. Telecommunications</u>	<u>3,077,000</u>	<u>3,107,000</u>
29.31	<u>Appropriations by Fund</u>		
29.32	<u>General</u>	<u>1,017,000</u>	<u>1,047,000</u>
29.33	<u>Special Revenue</u>	<u>2,060,000</u>	<u>2,060,000</u>

30.1 \$2,060,000 each year is from the
 30.2 telecommunications access Minnesota fund
 30.3 account in the special revenue fund for the
 30.4 following transfers. This appropriation is
 30.5 added to the department's base:

30.6 (1) \$1,620,000 each year is to the
 30.7 commissioner of human services to
 30.8 supplement the ongoing operational expenses
 30.9 of the Commission of Deaf, DeafBlind, and
 30.10 Hard-of-Hearing Minnesotans. This
 30.11 appropriation is available until June 30, 2021,
 30.12 and any unexpended amount on that date must
 30.13 be returned to the telecommunications access
 30.14 Minnesota fund;

30.15 (2) \$290,000 each year is to the chief
 30.16 information officer for the purpose of
 30.17 coordinating technology accessibility and
 30.18 usability;

30.19 (3) \$100,000 each year is to the Legislative
 30.20 Coordinating Commission for captioning of
 30.21 legislative coverage. This transfer is subject
 30.22 to Minnesota Statutes, section 16A.281; and

30.23 (4) \$50,000 each year is to the Office of
 30.24 MN.IT Services for a consolidated access fund
 30.25 to provide grants or services to other state
 30.26 agencies related to accessibility of their
 30.27 web-based services.

30.28 **Subd. 5. Enforcement** 6,167,000 6,257,000

	<u>Appropriations by Fund</u>		
30.30	<u>General</u>	<u>5,967,000</u>	<u>6,057,000</u>
30.31	<u>Workers'</u>		
30.32	<u>Compensation</u>	<u>200,000</u>	<u>200,000</u>

30.33 (a) \$279,000 each year is for health care
 30.34 enforcement.

31.1 (b) \$200,000 each year is from the workers'
 31.2 compensation fund. Beginning in fiscal year
 31.3 2022, this amount is \$201,000.

31.4 **Subd. 6. Insurance** 5,613,000 5,640,000

31.5 Appropriations by Fund

31.6 General 5,055,000 5,081,000

31.7 Workers'
 31.8 Compensation 558,000 559,000

31.9 (a) \$642,000 each year is for health insurance
 31.10 rate review staffing.

31.11 (b) \$412,000 each year is for actuarial work
 31.12 to prepare for implementation of
 31.13 principle-based reserves.

31.14 (c) \$30,000 in fiscal year 2020 is for payment
 31.15 of two years of membership dues for
 31.16 Minnesota to the National Conference of
 31.17 Insurance Legislators. The base amount for
 31.18 this appropriation is \$30,000 in fiscal year
 31.19 2022 and \$0 in fiscal year 2023.

31.20 (d) \$558,000 in the first year and \$559,000 in
 31.21 the second year are from the workers'
 31.22 compensation fund. Beginning in fiscal year
 31.23 2022, this amount is \$560,000.

31.24 **Subd. 7. Energy Resources** 5,327,000 4,980,000

31.25 Appropriations by Fund

31.26 General 4,727,000 4,380,000

31.27 Renewable
 31.28 Development 600,000 600,000

31.29 (a) \$150,000 each year is to remediate
 31.30 vermiculate insulation from households that
 31.31 are eligible for weatherization assistance under
 31.32 Minnesota's weatherization assistance program
 31.33 state plan under Minnesota Statutes, section
 31.34 216C.264. Remediation must be done in

- 32.1 conjunction with federal weatherization
32.2 assistance program services.
- 32.3 (b) \$832,000 each year is for energy regulation
32.4 and planning unit staff.
- 32.5 (c) \$100,000 each year is from the renewable
32.6 development account in the special revenue
32.7 fund established in Minnesota Statutes, section
32.8 116C.779, subdivision 1, to administer the
32.9 "Made in Minnesota" solar energy production
32.10 incentive program in Minnesota Statutes,
32.11 section 216C.417. Any remaining unspent
32.12 funds cancel back to the renewable
32.13 development account at the end of the
32.14 biennium.
- 32.15 (d) \$500,000 each year is from the renewable
32.16 development account in the special revenue
32.17 fund established in Minnesota Statutes, section
32.18 116C.779, subdivision 1, for costs associated
32.19 with any third-party expert evaluation of a
32.20 proposal submitted in response to a request
32.21 for proposal to the renewable development
32.22 advisory group under Minnesota Statutes,
32.23 section 116C.779, subdivision 1, paragraph
32.24 (l). No portion of this appropriation may be
32.25 expended or retained by the commissioner of
32.26 commerce. Any funds appropriated under this
32.27 paragraph that are unexpended at the end of a
32.28 fiscal year cancel to the renewable
32.29 development account.
- 32.30 (e) \$150,000 in fiscal year 2019 is
32.31 appropriated from the renewable development
32.32 account in the special revenue fund established
32.33 in Minnesota Statutes, section 116C.779,
32.34 subdivision 1, to the commissioner of
32.35 commerce, to conduct an energy storage

33.1 systems cost-benefit analysis. This is a
 33.2 onetime appropriation, effective the day
 33.3 following final enactment, and available until
 33.4 June 30, 2020.

33.5 **Subd. 8. Petroleum Tank Release Compensation**
 33.6 **Board** 1,056,000 1,056,000

33.7 This appropriation is from the petroleum tank
 33.8 fund to account for base adjustments provided
 33.9 in Minnesota Statutes, section 115C.13, the
 33.10 base for the petroleum tank release cleanup
 33.11 fund in fiscal year 2023 is \$0.

33.12 **Sec. 7. PUBLIC UTILITIES COMMISSION** **\$** **7,793,000** **\$** **7,793,000**

33.13 (a) \$21,000 each year is to process utility
 33.14 applications to install equipment crossing a
 33.15 railroad right-of-way.

33.16 (b) \$300,000 each year is to enhance the
 33.17 commission's decision-making capability.

33.18 **Sec. 8. CONTRACTOR RECOVERY FUND; CONSUMER AWARENESS**
 33.19 **CAMPAIGN.**

33.20 In fiscal years 2020 and 2021 the commissioner of labor and industry must conduct a
 33.21 statewide consumer awareness campaign highlighting the importance of hiring licensed
 33.22 contractors as well as the consequences of hiring unlicensed contractors, and may spend up
 33.23 to \$500,000 each year from the contractor recovery fund to conduct the campaign.

33.24 **ARTICLE 2**
 33.25 **JOBS POLICY**

33.26 **Section 1. [116J.439] AIRPORT INFRASTRUCTURE RENEWAL (AIR) GRANT**
 33.27 **PROGRAM.**

33.28 Subdivision 1. Grant program established; purpose. (a) The commissioner shall make
 33.29 grants to counties, airport authorities, or cities to provide up to 50 percent of the capital
 33.30 costs of redevelopment of an existing facility or construction of a new facility; and for public
 33.31 or private infrastructure costs, including broadband infrastructure costs, necessary for an
 33.32 eligible airport infrastructure renewal economic development project.

34.1 (b) The purpose of the grants made under this section is to keep or enhance jobs in the
 34.2 area, increase the tax base, or expand or create new economic development.

34.3 (c) In awarding grants under this section, the commissioner must adhere to the criteria
 34.4 under subdivision 5.

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

34.7 (b) "City" means a statutory or home rule charter city located outside the metropolitan
 34.8 area as defined in section 473.121, subdivision 2.

34.9 (c) "County" means a county located outside the metropolitan area as defined in section
 34.10 473.121, subdivision 2.

34.11 (d) "Airport authority" means an authority created pursuant to section 360.0426.

34.12 Subd. 3. **Eligible projects.** An economic development project for which a county, airport
 34.13 authority, or city may be eligible to receive a grant under this section includes: (1)
 34.14 manufacturing; (2) technology; (3) warehousing and distribution; or (4) research and
 34.15 development.

34.16 Subd. 4. **Ineligible projects.** The following projects are not eligible for a grant under
 34.17 this section: (1) retail development; or (2) office space development, except as incidental
 34.18 to an eligible purpose.

34.19 Subd. 5. **Application.** (a) The commissioner must develop forms and procedures for
 34.20 soliciting and reviewing applications for grants under this section. At a minimum, a county,
 34.21 airport authority, or city must include in its application a resolution of the governing body
 34.22 of the county, airport authority, or city certifying that half of the cost of the project is
 34.23 committed from nonstate sources. The commissioner must evaluate complete applications
 34.24 for eligible projects using the following criteria:

34.25 (1) the project is an eligible project as defined under subdivision 3;

34.26 (2) the project is expected to result in or will attract substantial public and private capital
 34.27 investment and provide substantial economic benefit to the county, airport authority, or city
 34.28 in which the project would be located; and

34.29 (3) the project is expected to or will create or retain full-time jobs.

34.30 (b) The determination of whether to make a grant for a site is within the discretion of
 34.31 the commissioner, subject to this section. The commissioner's decisions and application of
 34.32 the criteria are not subject to judicial review except for abuse of discretion.

35.1 Subd. 6. **Maximum grant amount.** A county, airport authority, or city may receive no
 35.2 more than \$250,000 in two years for one or more projects.

35.3 Subd. 7. **Cancellation of grant; return of grant money.** If after five years the
 35.4 commissioner determines that a project has not proceeded in a timely manner and is unlikely
 35.5 to be completed, the commissioner must cancel the grant and require the grantee to return
 35.6 all grant money awarded for that project.

35.7 Subd. 8. **Appropriation.** Grant money returned to the commissioner is appropriated to
 35.8 the commissioner to make additional grants under this section.

35.9 Sec. 2. **[116L.35] INVENTORY OF ECONOMIC DEVELOPMENT PROGRAMS.**

35.10 (a) By January 15, 2020, and by January 15 of each even-numbered year thereafter, the
 35.11 commissioner of employment and economic development must submit a report to the chairs
 35.12 of the legislative committees with jurisdiction over economic development that provides
 35.13 an inventory of all economic development programs, including any workforce development
 35.14 programs, either provided by or overseen by any agency of the state of Minnesota.

35.15 (b) Programs related to economic development that must be included in the report include
 35.16 those that:

35.17 (1) receive federal funds or state funds;

35.18 (2) provide assistance to either businesses or individuals; or

35.19 (3) support internships, apprenticeships, career and technical education, or any form of
 35.20 employment training.

35.21 (c) For each economic development program, the report must include, at a minimum,
 35.22 the following information:

35.23 (1) details of program costs;

35.24 (2) the number of staff, both within the department and any outside organization;

35.25 (3) the number of program participants;

35.26 (4) the demographic information including, but not limited to, race, age, gender, and
 35.27 income of program participants;

35.28 (5) a list of any and all subgrantees receiving funds from the program, as well as the
 35.29 amount of funding received;

35.30 (6) information about other sources of funding including other public or private funding
 35.31 or in-kind donations;

37.1	Appropriations by Fund		
37.2	General	\$6,239,000	\$5,889,000
37.3	Workforce		
37.4	Development	\$25,259,000	\$24,342,000

37.5 (a) \$500,000 each year is for the
 37.6 youth-at-work competitive grant program
 37.7 under Minnesota Statutes, section 116L.562.

37.8 Of this amount, up to five percent is for
 37.9 administration and monitoring of the youth
 37.10 workforce development competitive grant
 37.11 program. All grant awards shall be for two
 37.12 consecutive years. Grants shall be awarded in
 37.13 the first year. In fiscal year 2020 and beyond,
 37.14 the base amount is \$750,000.

37.15 (b) \$250,000 each year is for pilot programs
 37.16 in the workforce service areas to combine
 37.17 career and higher education advising.

37.18 (c) \$500,000 each year is for rural career
 37.19 counseling coordinator positions in the
 37.20 workforce service areas and for the purposes
 37.21 specified in Minnesota Statutes, section
 37.22 116L.667. The commissioner of employment
 37.23 and economic development, in consultation
 37.24 with local workforce investment boards and
 37.25 local elected officials in each of the service
 37.26 areas receiving funds, shall develop a method
 37.27 of distributing funds to provide equitable
 37.28 services across workforce service areas.

37.29 (d) \$1,000,000 each year is for a grant to the
 37.30 Construction Careers Foundation for the
 37.31 construction career pathway initiative to
 37.32 provide year-round educational and
 37.33 experiential learning opportunities for teens
 37.34 and young adults under the age of 21 that lead
 37.35 to careers in the construction industry. This is

38.1 a onetime appropriation. Grant funds must be
38.2 used to:

38.3 (1) increase construction industry exposure
38.4 activities for middle school and high school
38.5 youth, parents, and counselors to reach a more
38.6 diverse demographic and broader statewide
38.7 audience. This requirement includes, but is
38.8 not limited to, an expansion of programs to
38.9 provide experience in different crafts to youth
38.10 and young adults throughout the state;

38.11 (2) increase the number of high schools in
38.12 Minnesota offering construction classes during
38.13 the academic year that utilize a multicraft
38.14 curriculum;

38.15 (3) increase the number of summer internship
38.16 opportunities;

38.17 (4) enhance activities to support graduating
38.18 seniors in their efforts to obtain employment
38.19 in the construction industry;

38.20 (5) increase the number of young adults
38.21 employed in the construction industry and
38.22 ensure that they reflect Minnesota's diverse
38.23 workforce; and

38.24 (6) enhance an industrywide marketing
38.25 campaign targeted to youth and young adults
38.26 about the depth and breadth of careers within
38.27 the construction industry.

38.28 Programs and services supported by grant
38.29 funds must give priority to individuals and
38.30 groups that are economically disadvantaged
38.31 or historically underrepresented in the
38.32 construction industry, including but not limited
38.33 to women, veterans, and members of minority
38.34 and immigrant groups.

39.1 (e) \$1,539,000 each year from the general fund
39.2 and \$4,604,000 each year from the workforce
39.3 development fund are for the Pathways to
39.4 Prosperity adult workforce development
39.5 competitive grant program. Of this amount,
39.6 up to four percent is for administration and
39.7 monitoring of the program. When awarding
39.8 grants under this paragraph, the commissioner
39.9 of employment and economic development
39.10 may give preference to any previous grantee
39.11 with demonstrated success in job training and
39.12 placement for hard-to-train individuals. In
39.13 fiscal year 2020 and beyond, the general fund
39.14 base amount for this program is \$4,039,000.

39.15 (f) \$750,000 each year is for a competitive
39.16 grant program to provide grants to
39.17 organizations that provide support services for
39.18 individuals, such as job training, employment
39.19 preparation, internships, job assistance to
39.20 fathers, financial literacy, academic and
39.21 behavioral interventions for low-performing
39.22 students, and youth intervention. Grants made
39.23 under this section must focus on low-income
39.24 communities, young adults from families with
39.25 a history of intergenerational poverty, and
39.26 communities of color. Of this amount, up to
39.27 four percent is for administration and
39.28 monitoring of the program. In fiscal year 2020
39.29 and beyond, the base amount is \$1,000,000.

39.30 (g) \$500,000 each year is for the women and
39.31 high-wage, high-demand, nontraditional jobs
39.32 grant program under Minnesota Statutes,
39.33 section 116L.99. Of this amount, up to five
39.34 percent is for administration and monitoring

40.1 of the program. In fiscal year 2020 and
40.2 beyond, the base amount is \$750,000.

40.3 (h) \$500,000 each year is for a competitive
40.4 grant program for grants to organizations
40.5 providing services to relieve economic
40.6 disparities in the Southeast Asian community
40.7 through workforce recruitment, development,
40.8 job creation, assistance of smaller
40.9 organizations to increase capacity, and
40.10 outreach. Of this amount, up to five percent
40.11 is for administration and monitoring of the
40.12 program. In fiscal year 2020 and beyond, the
40.13 base amount is \$1,000,000.

40.14 (i) \$250,000 each year is for a grant to the
40.15 American Indian Opportunities and
40.16 Industrialization Center, in collaboration with
40.17 the Northwest Indian Community
40.18 Development Center, to reduce academic
40.19 disparities for American Indian students and
40.20 adults. This is a onetime appropriation. The
40.21 grant funds may be used to provide:

40.22 (1) student tutoring and testing support
40.23 services;

40.24 (2) training in information technology;

40.25 (3) assistance in obtaining a GED;

40.26 (4) remedial training leading to enrollment in
40.27 a postsecondary higher education institution;

40.28 (5) real-time work experience in information
40.29 technology fields; and

40.30 (6) contextualized adult basic education.

40.31 After notification to the legislature, the
40.32 commissioner may transfer this appropriation
40.33 to the commissioner of education.

41.1 (j) \$100,000 each year is for the getting to
41.2 work grant program. This is a onetime
41.3 appropriation and is available until June 30,
41.4 2021.

41.5 (k) \$525,000 each year is from the workforce
41.6 development fund for a grant to the YWCA
41.7 of Minneapolis to provide economically
41.8 challenged individuals the job skills training,
41.9 career counseling, and job placement
41.10 assistance necessary to secure a child
41.11 development associate credential and to have
41.12 a career path in early childhood education.
41.13 This is a onetime appropriation.

41.14 (l) \$1,350,000 each year is from the workforce
41.15 development fund for a grant to the Minnesota
41.16 High Tech Association to support
41.17 SciTechsperience, a program that supports
41.18 science, technology, engineering, and math
41.19 (STEM) internship opportunities for two- and
41.20 four-year college students and graduate
41.21 students in their field of study. The internship
41.22 opportunities must match students with paid
41.23 internships within STEM disciplines at small,
41.24 for-profit companies located in Minnesota,
41.25 having fewer than 250 employees worldwide.
41.26 At least 300 students must be matched in the
41.27 first year and at least 350 students must be
41.28 matched in the second year. No more than 15
41.29 percent of the hires may be graduate students.
41.30 Selected hiring companies shall receive from
41.31 the grant 50 percent of the wages paid to the
41.32 intern, capped at \$2,500 per intern. The
41.33 program must work toward increasing the
41.34 participation of women or other underserved
41.35 populations. This is a onetime appropriation.

42.1 (m) \$450,000 each year is from the workforce
42.2 development fund for grants to Minnesota
42.3 Diversified Industries, Inc. to provide
42.4 progressive development and employment
42.5 opportunities for people with disabilities. This
42.6 is a onetime appropriation.

42.7 (n) \$500,000 each year is from the workforce
42.8 development fund for a grant to Resource, Inc.
42.9 to provide low-income individuals career
42.10 education and job skills training that are fully
42.11 integrated with chemical and mental health
42.12 services. This is a onetime appropriation.

42.13 (o) \$750,000 each year is from the workforce
42.14 development fund for a grant to the Minnesota
42.15 Alliance of Boys and Girls Clubs to administer
42.16 a statewide project of youth job skills and
42.17 career development. This project, which may
42.18 have career guidance components including
42.19 health and life skills, is designed to encourage,
42.20 train, and assist youth in early access to
42.21 education and job-seeking skills, work-based
42.22 learning experience including career pathways
42.23 in STEM learning, career exploration and
42.24 matching, and first job placement through
42.25 local community partnerships and on-site job
42.26 opportunities. This grant requires a 25 percent
42.27 match from nonstate resources. This is a
42.28 onetime appropriation.

42.29 (p) \$215,000 each year is from the workforce
42.30 development fund for grants to Big Brothers,
42.31 Big Sisters of the Greater Twin Cities for
42.32 workforce readiness, employment exploration,
42.33 and skills development for youth ages 12 to
42.34 21. The grant must serve youth in the Twin
42.35 Cities, Central Minnesota, and Southern

- 43.1 Minnesota Big Brothers, Big Sisters chapters.
- 43.2 This is a onetime appropriation.
- 43.3 (q) \$250,000 each year is from the workforce
- 43.4 development fund for a grant to YWCA St.
- 43.5 Paul to provide job training services and
- 43.6 workforce development programs and
- 43.7 services, including job skills training and
- 43.8 counseling. This is a onetime appropriation.
- 43.9 (r) \$1,000,000 each year is from the workforce
- 43.10 development fund for a grant to EMERGE
- 43.11 Community Development, in collaboration
- 43.12 with community partners, for services
- 43.13 targeting Minnesota communities with the
- 43.14 highest concentrations of African and
- 43.15 African-American joblessness, based on the
- 43.16 most recent census tract data, to provide
- 43.17 employment readiness training, credentialed
- 43.18 training placement, job placement and
- 43.19 retention services, supportive services for
- 43.20 hard-to-employ individuals, and a general
- 43.21 education development fast track and adult
- 43.22 diploma program. This is a onetime
- 43.23 appropriation.
- 43.24 (s) \$1,000,000 each year is from the workforce
- 43.25 development fund for a grant to the
- 43.26 Minneapolis Foundation for a strategic
- 43.27 intervention program designed to target and
- 43.28 connect program participants to meaningful,
- 43.29 sustainable living-wage employment. This is
- 43.30 a onetime appropriation.
- 43.31 (t) \$750,000 each year is from the workforce
- 43.32 development fund for a grant to Latino
- 43.33 Communities United in Service (CLUES) to
- 43.34 expand culturally tailored programs that
- 43.35 address employment and education skill gaps

44.1 for working parents and underserved youth by
44.2 providing new job skills training to stimulate
44.3 higher wages for low-income people, family
44.4 support systems designed to reduce
44.5 intergenerational poverty, and youth
44.6 programming to promote educational
44.7 advancement and career pathways. At least
44.8 50 percent of this amount must be used for
44.9 programming targeted at greater Minnesota.
44.10 This is a onetime appropriation.

44.11 (u) \$600,000 each year is from the workforce
44.12 development fund for a grant to Ujamaa Place
44.13 for job training, employment preparation,
44.14 internships, education, training in the
44.15 construction trades, housing, and
44.16 organizational capacity building. This is a
44.17 onetime appropriation.

44.18 (v) \$1,297,000 in the first year and \$800,000
44.19 in the second year are from the workforce
44.20 development fund for performance grants
44.21 under Minnesota Statutes, section 116J.8747,
44.22 to Twin Cities R!SE to provide training to
44.23 hard-to-train individuals. Of the amounts
44.24 appropriated, \$497,000 in fiscal year 2018 is
44.25 for a grant to Twin Cities R!SE, in
44.26 collaboration with Metro Transit and Hennepin
44.27 Technical College for the Metro Transit
44.28 technician training program. This is a onetime
44.29 appropriation and funds are available until
44.30 June 30, 2020.

44.31 (w) \$230,000 in fiscal year 2018 is from the
44.32 workforce development fund for a grant to the
44.33 Bois Forte Tribal Employment Rights Office
44.34 (TERO) for an American Indian workforce
44.35 development training pilot project. This is a

- 45.1 onetime appropriation and is available until
45.2 June 30, 2019. Funds appropriated the first
45.3 year are available for use in the second year
45.4 of the biennium.
- 45.5 (x) \$40,000 in fiscal year 2018 is from the
45.6 workforce development fund for a grant to the
45.7 Cook County Higher Education Board to
45.8 provide educational programming and
45.9 academic support services to remote regions
45.10 in northeastern Minnesota. This appropriation
45.11 is in addition to other funds previously
45.12 appropriated to the board.
- 45.13 (y) \$250,000 each year is from the workforce
45.14 development fund for a grant to Bridges to
45.15 Healthcare to provide career education,
45.16 wraparound support services, and job skills
45.17 training in high-demand health care fields to
45.18 low-income parents, nonnative speakers of
45.19 English, and other hard-to-train individuals,
45.20 helping families build secure pathways out of
45.21 poverty while also addressing worker
45.22 shortages in one of Minnesota's most
45.23 innovative industries. Funds may be used for
45.24 program expenses, including, but not limited
45.25 to, hiring instructors and navigators; space
45.26 rental; and supportive services to help
45.27 participants attend classes, including assistance
45.28 with course fees, child care, transportation,
45.29 and safe and stable housing. In addition, up to
45.30 five percent of grant funds may be used for
45.31 Bridges to Healthcare's administrative costs.
45.32 This is a onetime appropriation and is
45.33 available until June 30, 2020.
- 45.34 (z) \$500,000 each year is from the workforce
45.35 development fund for a grant to the Nonprofits

46.1 Assistance Fund to provide capacity-building
46.2 grants to small, culturally specific
46.3 organizations that primarily serve historically
46.4 underserved cultural communities. Grants may
46.5 only be awarded to nonprofit organizations
46.6 that have an annual organizational budget of
46.7 less than \$500,000 and are culturally specific
46.8 organizations that primarily serve historically
46.9 underserved cultural communities. Grant funds
46.10 awarded must be used for:

46.11 (1) organizational infrastructure improvement,
46.12 including developing database management
46.13 systems and financial systems, or other
46.14 administrative needs that increase the
46.15 organization's ability to access new funding
46.16 sources;

46.17 (2) organizational workforce development,
46.18 including hiring culturally competent staff,
46.19 training and skills development, and other
46.20 methods of increasing staff capacity; or

46.21 (3) creation or expansion of partnerships with
46.22 existing organizations that have specialized
46.23 expertise in order to increase the capacity of
46.24 the grantee organization to improve services
46.25 for the community. Of this amount, up to five
46.26 percent may be used by the Nonprofits
46.27 Assistance Fund for administration costs and
46.28 providing technical assistance to potential
46.29 grantees. This is a onetime appropriation.

46.30 (aa) \$4,050,000 each year is from the
46.31 workforce development fund for the
46.32 Minnesota youth program under Minnesota
46.33 Statutes, sections 116L.56 and 116L.561.

47.1 (bb) \$1,000,000 each year is from the
47.2 workforce development fund for the
47.3 youthbuild program under Minnesota Statutes,
47.4 sections 116L.361 to 116L.366.

47.5 (cc) \$3,348,000 each year is from the
47.6 workforce development fund for the "Youth
47.7 at Work" youth workforce development
47.8 competitive grant program. Of this amount,
47.9 up to five percent is for administration and
47.10 monitoring of the youth workforce
47.11 development competitive grant program. All
47.12 grant awards shall be for two consecutive
47.13 years. Grants shall be awarded in the first year.

47.14 (dd) \$500,000 each year is from the workforce
47.15 development fund for the Opportunities
47.16 Industrialization Center programs.

47.17 (ee) \$750,000 each year is from the workforce
47.18 development fund for a grant to Summit
47.19 Academy OIC to expand its contextualized
47.20 GED and employment placement program.
47.21 This is a onetime appropriation.

47.22 (ff) \$500,000 each year is from the workforce
47.23 development fund for a grant to
47.24 Goodwill-Easter Seals Minnesota and its
47.25 partners. The grant shall be used to continue
47.26 the FATHER Project in Rochester, Park
47.27 Rapids, St. Cloud, Minneapolis, and the
47.28 surrounding areas to assist fathers in
47.29 overcoming barriers that prevent fathers from
47.30 supporting their children economically and
47.31 emotionally. This is a onetime appropriation.

47.32 (gg) \$150,000 each year is from the workforce
47.33 development fund for displaced homemaker
47.34 programs under Minnesota Statutes, section

48.1 116L.96. The commissioner shall distribute
48.2 the funds to existing nonprofit and state
48.3 displaced homemaker programs. This is a
48.4 onetime appropriation.

48.5 (hh)(1) \$150,000 in fiscal year 2018 is from
48.6 the workforce development fund for a grant
48.7 to Anoka County to develop and implement
48.8 a pilot program to increase competitive
48.9 employment opportunities for transition-age
48.10 youth ages 18 to 21.

48.11 (2) The competitive employment for
48.12 transition-age youth pilot program shall
48.13 include career guidance components, including
48.14 health and life skills, to encourage, train, and
48.15 assist transition-age youth in job-seeking
48.16 skills, workplace orientation, and job site
48.17 knowledge.

48.18 (3) In operating the pilot program, Anoka
48.19 County shall collaborate with schools,
48.20 disability providers, jobs and training
48.21 organizations, vocational rehabilitation
48.22 providers, and employers to build upon
48.23 opportunities and services, to prepare
48.24 transition-age youth for competitive
48.25 employment, and to enhance employer
48.26 connections that lead to employment for the
48.27 individuals served.

48.28 (4) Grant funds may be used to create an
48.29 on-the-job training incentive to encourage
48.30 employers to hire and train qualifying
48.31 individuals. A participating employer may
48.32 receive up to 50 percent of the wages paid to
48.33 the employee as a cost reimbursement for
48.34 on-the-job training provided.

49.1 (ii) \$500,000 each year is from the workforce
49.2 development fund for rural career counseling
49.3 coordinator positions in the workforce service
49.4 areas and for the purposes specified in
49.5 Minnesota Statutes, section 116L.667. The
49.6 commissioner of employment and economic
49.7 development, in consultation with local
49.8 workforce investment boards and local elected
49.9 officials in each of the service areas receiving
49.10 funds, shall develop a method of distributing
49.11 funds to provide equitable services across
49.12 workforce service areas.

49.13 (jj) In calendar year 2017, the public utility
49.14 subject to Minnesota Statutes, section
49.15 116C.779, must withhold \$1,000,000 from the
49.16 funds required to fulfill its financial
49.17 commitments under Minnesota Statutes,
49.18 section 116C.779, subdivision 1, and pay such
49.19 amounts to the commissioner of employment
49.20 and economic development for deposit in the
49.21 Minnesota 21st century fund under Minnesota
49.22 Statutes, section 116J.423.

49.23 (kk) \$350,000 in fiscal year 2018 is for a grant
49.24 to AccessAbility Incorporated to provide job
49.25 skills training to individuals who have been
49.26 released from incarceration for a felony-level
49.27 offense and are no more than 12 months from
49.28 the date of release. AccessAbility Incorporated
49.29 shall annually report to the commissioner on
49.30 how the money was spent and the results
49.31 achieved. The report must include, at a
49.32 minimum, information and data about the
49.33 number of participants; participant
49.34 homelessness, employment, recidivism, and

50.1 child support compliance; and training
 50.2 provided to program participants.

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

50.4 Sec. 7. **ONETIME EXCEPTION TO RESTRICTIONS ON USE OF MINNESOTA**
 50.5 **INVESTMENT FUND LOCAL GOVERNMENT LOAN REPAYMENT FUNDS.**

50.6 (a) Notwithstanding Minnesota Statutes, section 116J.8731, a home rule charter or
 50.7 statutory city, county, or town that has uncommitted money received from repayment of
 50.8 funds awarded under Minnesota Statutes, section 116J.8731, may choose to transfer 20
 50.9 percent of the balance of that money to the state general fund before June 30, 2020. Any
 50.10 local entity that does so may then use the remaining 80 percent of the uncommitted money
 50.11 as a general purpose aid for any lawful expenditure.

50.12 (b) By February 15, 2021, a home rule charter or statutory city, county, or town that
 50.13 exercises the option under paragraph (a) shall submit to the chairs and ranking minority
 50.14 members of the legislative committees with jurisdiction over economic development policy
 50.15 and finance an accounting and explanation of the use and distribution of the funds.

50.16 Sec. 8. **LAUNCH MINNESOTA.**

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

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

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

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

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

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

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

51.1 (g) "High technology" includes aerospace, agricultural processing, renewable energy,
 51.2 energy efficiency and conservation, environmental engineering, food technology, cellulosic
 51.3 ethanol, information technology, materials science technology, nanotechnology,
 51.4 telecommunications, biotechnology, medical device products, pharmaceuticals, diagnostics,
 51.5 biologicals, chemistry, veterinary science, and similar fields.

51.6 (h) "Institution of higher education" has the meaning given in Minnesota Statutes, section
 51.7 136A.28, subdivision 6.

51.8 (i) "Minority group member" means a United States citizen who is Asian, Pacific Islander,
 51.9 Black, Hispanic, or Native American.

51.10 (j) "Minority-owned business" means a business for which one or more minority group
 51.11 members:

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

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

51.15 (k) "Research and development" means any activity that is:

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

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

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

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

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

51.27 (2) planned principal operations have commenced, but have generated less than
 51.28 \$1,000,000 in revenue.

51.29 (m) "Technology-related assistance" means the application and utilization of
 51.30 technological-information and technologies to assist in the development and production of
 51.31 new technology-related products or services or to increase the productivity or otherwise
 51.32 enhance the production or delivery of existing products or services.

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

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

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

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

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

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

52.10 Subd. 3. **Duties.** Launch Minnesota shall:

52.11 (1) support innovation and initiatives designed to accelerate the growth of high-technology
 52.12 start-ups in Minnesota;

52.13 (2) in partnership with other organizations, offer classes and instructional sessions on
 52.14 how to start a high-tech and innovative start-up;

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

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

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

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

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

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

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

52.29 Subd. 4. **Administration.** (a) The department shall employ an executive director in the
 52.30 unclassified service, one staff member to support Launch Minnesota, and one staff member

53.1 in the business and community development division to manage grants. The executive
53.2 director shall:

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

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

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

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

53.14 (d) Launch Minnesota must accept grant applications under this section and provide
53.15 funding recommendations to the commissioner, who shall distribute grants based in part on
53.16 the recommendations.

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

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

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

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

53.24 (2) a business owner or entrepreneur who is a woman, veteran, or minority group member.

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

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

53.28 (2) business owners or entrepreneurs who are women, veterans, or minority group
53.29 members.

54.1 (e) The department staff, and not Launch Minnesota staff, is responsible for awarding
54.2 funding, disbursing funds, and monitoring grantee performance for all grants awarded under
54.3 this section.

54.4 (f) Grantees must provide matching funds by equal expenditures and grant payments
54.5 must be provided on a reimbursement basis after review of submitted receipts by the
54.6 department.

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

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

54.12 (b) The commissioner shall provide a grant of up to \$35,000 to an eligible business or
54.13 entrepreneur for research and development expenses, direct business expenses, and the
54.14 purchase of technical assistance or services from public higher education institutions and
54.15 nonprofit entities. Research and development expenditures may include but are not limited
54.16 to proof of concept activities, intellectual property protection, prototype designs and
54.17 production, and commercial feasibility. Expenditures funded under this subdivision are not
54.18 eligible for the research and development tax credit under Minnesota Statutes, section
54.19 290.068. Direct business expenses may include rent, equipment purchases, and supplier
54.20 invoices. Taxes imposed by federal, state, or local government entities may not be reimbursed
54.21 under this paragraph. Technical assistance or services must be purchased to assist in the
54.22 development or commercialization of a product or service to be eligible. Each business or
54.23 entrepreneur may receive only one grant per biennium under this paragraph.

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

54.27 (d) The commissioner shall provide a grant of up to \$50,000 to an eligible business or
54.28 entrepreneur that, as a registered client of the Small Business Innovation Research (SBIR)
54.29 program, has been awarded a Phase 2 award pursuant to the SBIR or Small Business
54.30 Technology Transfer (STTR) programs after July 1, 2019. Each business or entrepreneur
54.31 may receive only one grant per biennium under this paragraph. Grants under this paragraph
54.32 are not subject to the requirements of subdivision 2, paragraph (l), but do require a
54.33 recommendation from Launch Minnesota.

55.1 Subd. 7. **Entrepreneur education grants.** (a) The commissioner shall make entrepreneur
55.2 education grants to institutions of higher education and other organizations to provide
55.3 educational programming to entrepreneurs and provide outreach to and collaboration with
55.4 businesses, federal and state agencies, institutions of higher education, trade associations,
55.5 and other organizations working to advance innovative, high technology businesses
55.6 throughout Minnesota.

55.7 (b) Applications for entrepreneur education grants under this subdivision must be
55.8 submitted to the commissioner and evaluated by department staff other than Launch
55.9 Minnesota. The evaluation criteria must be developed by Launch Minnesota, in consultation
55.10 with the advisory board, and the commissioner, and priority must be given to an applicant
55.11 who demonstrates activity assisting businesses or entrepreneurs residing in greater Minnesota
55.12 or who are women, veterans, or minority group members.

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

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

55.16 (1) development and delivery to high technology businesses of industry specific or
55.17 innovative product or process specific counseling on issues of business formation, market
55.18 structure, market research and strategies, securing first mover advantage or overcoming
55.19 barriers to entry, protecting intellectual property, and securing debt or equity capital. This
55.20 counseling is to be delivered in a classroom setting or using distance media presentations;

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

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

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

55.31 Subd. 8. **Report.** Launch Minnesota shall report by December 31, 2022, and again by
55.32 December 31, 2023, to the chairs and ranking minority members of the committees of the
55.33 house of representatives and senate having jurisdiction over economic development policy

56.1 and finance. Each report shall include information on the work completed, including awards
 56.2 made by the department under this section and progress toward transferring some activities
 56.3 of Launch Minnesota to an entity outside of state government.

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

56.9 (b) The advisory board shall consist of ten members and is governed by Minnesota
 56.10 Statutes, section 15.059. A minimum of seven members must be from the private sector
 56.11 representing business and at least two members but no more than three members must be
 56.12 from government and higher education. At least three of the members of the advisory board
 56.13 shall be from greater Minnesota. Appointees shall represent a range of interests, including
 56.14 entrepreneurs, large businesses, industry organizations, investors, and both public and private
 56.15 small business service providers.

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

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

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

56.21 **ARTICLE 3**

56.22 **WAGE THEFT**

56.23 Section 1. Minnesota Statutes 2018, section 16C.285, subdivision 3, is amended to read:

56.24 Subd. 3. **Minimum criteria.** "Responsible contractor" means a contractor that conforms
 56.25 to the responsibility requirements in the solicitation document for its portion of the work
 56.26 on the project and verifies that it meets the following minimum criteria:

56.27 (1) the contractor:

56.28 (i) is in compliance with workers' compensation and unemployment insurance
 56.29 requirements;

56.30 (ii) is in compliance with Department of Revenue and Department of Employment and
 56.31 Economic Development registration requirements if it has employees;

57.1 (iii) has a valid federal tax identification number or a valid Social Security number if
57.2 an individual; and

57.3 (iv) has filed a certificate of authority to transact business in Minnesota with the secretary
57.4 of state if a foreign corporation or cooperative;

57.5 (2) the contractor or related entity is in compliance with and, during the three-year period
57.6 before submitting the verification, has not violated section 177.24, 177.25, 177.41 to 177.44,
57.7 181.03, 181.101, 181.13, 181.14, or 181.722, and has not violated United States Code, title
57.8 29, sections 201 to 219, or United States Code, title 40, sections 3141 to 3148. For purposes
57.9 of this clause, a violation occurs when a contractor or related entity:

57.10 (i) repeatedly fails to pay statutorily required wages or penalties on one or more separate
57.11 projects for a total underpayment of \$25,000 or more within the three-year period, provided
57.12 that a failure to pay is "repeated" only if it involves two or more separate and distinct
57.13 occurrences of underpayment during the three-year period;

57.14 (ii) has been issued an order to comply by the commissioner of labor and industry that
57.15 has become final;

57.16 (iii) has been issued at least two determination letters within the three-year period by
57.17 the Department of Transportation finding an underpayment by the contractor or related
57.18 entity to its own employees;

57.19 (iv) has been found by the commissioner of labor and industry to have repeatedly or
57.20 willfully violated any of the sections referenced in this clause pursuant to section 177.27;

57.21 (v) has been issued a ruling or findings of underpayment by the administrator of the
57.22 Wage and Hour Division of the United States Department of Labor that have become final
57.23 or have been upheld by an administrative law judge or the Administrative Review Board;
57.24 ~~or~~

57.25 (vi) has been found liable for underpayment of wages or penalties or misrepresenting a
57.26 construction worker as an independent contractor in an action brought in a court having
57.27 jurisdiction; or

57.28 (vii) has been convicted of a violation of section 609.52, subdivision 2, clause (19).

57.29 Provided that, if the contractor or related entity contests a determination of underpayment
57.30 by the Department of Transportation in a contested case proceeding, a violation does not
57.31 occur until the contested case proceeding has concluded with a determination that the
57.32 contractor or related entity underpaid wages or penalties;

58.1 (3) the contractor or related entity is in compliance with and, during the three-year period
58.2 before submitting the verification, has not violated section 181.723 or chapter 326B. For
58.3 purposes of this clause, a violation occurs when a contractor or related entity has been issued
58.4 a final administrative or licensing order;

58.5 (4) the contractor or related entity has not, more than twice during the three-year period
58.6 before submitting the verification, had a certificate of compliance under section 363A.36
58.7 revoked or suspended based on the provisions of section 363A.36, with the revocation or
58.8 suspension becoming final because it was upheld by the Office of Administrative Hearings
58.9 or was not appealed to the office;

58.10 (5) the contractor or related entity has not received a final determination assessing a
58.11 monetary sanction from the Department of Administration or Transportation for failure to
58.12 meet targeted group business, disadvantaged business enterprise, or veteran-owned business
58.13 goals, due to a lack of good faith effort, more than once during the three-year period before
58.14 submitting the verification;

58.15 (6) the contractor or related entity is not currently suspended or debarred by the federal
58.16 government or the state of Minnesota or any of its departments, commissions, agencies, or
58.17 political subdivisions that have authority to debar a contractor; and

58.18 (7) all subcontractors and motor carriers that the contractor intends to use to perform
58.19 project work have verified to the contractor through a signed statement under oath by an
58.20 owner or officer that they meet the minimum criteria listed in clauses (1) to (6).

58.21 Any violations, suspensions, revocations, or sanctions, as defined in clauses (2) to (5),
58.22 occurring prior to July 1, 2014, shall not be considered in determining whether a contractor
58.23 or related entity meets the minimum criteria.

58.24 Sec. 2. Minnesota Statutes 2018, section 175.20, is amended to read:

58.25 **175.20 ENFORCEMENT.**

58.26 The commissioner or an authorized representative may enter without unreasonable delay
58.27 and inspect places of employment, during normal working hours, and investigate facts,
58.28 conditions, practices or matters as the commissioner deems appropriate to enforce the laws
58.29 within the commissioner's jurisdiction and to carry out the purposes of this chapter and
58.30 chapter 177, 181, 181A, or 184. If an employer refuses to permit entry into the employer's
58.31 place of employment, the commissioner may apply for an inspection order in the district
58.32 court in the county in which the place of employment is located requiring the employer to
58.33 permit entry of the commissioner or an authorized representative. The commissioner or an

59.1 authorized representative may issue subpoenas, collect evidence, interview witnesses, take
59.2 testimony, compel the attendance of witnesses, and shall have authority to administer oaths
59.3 and take testimony under oath, but no person shall be compelled to attend as a witness unless
59.4 paid the fees provided for witnesses in the district court. The commissioner may interview
59.5 in private nonmanagement employees regarding the matter under investigation.

59.6 Sec. 3. Minnesota Statutes 2018, section 177.27, subdivision 2, is amended to read:

59.7 Subd. 2. **Submission of records; penalty.** The commissioner may require the employer
59.8 of employees working in the state to submit to the commissioner photocopies, certified
59.9 copies, or, if necessary, the originals of employment records which the commissioner deems
59.10 necessary or appropriate. The records which may be required include full and correct
59.11 statements in writing, including sworn statements by the employer, containing information
59.12 relating to wages, hours, names, addresses, and any other information pertaining to the
59.13 employer's employees and the conditions of their employment as the commissioner deems
59.14 necessary or appropriate.

59.15 The commissioner may require the records to be submitted by certified mail delivery
59.16 or, if necessary, by personal delivery by the employer or a representative of the employer,
59.17 as authorized by the employer in writing.

59.18 The commissioner may fine the employer up to \$1,000 for each failure to submit or
59.19 deliver records as required by this section, and up to \$5,000 for each repeated failure. This
59.20 penalty is in addition to any penalties provided under section 177.32, subdivision 1. In
59.21 determining the amount of a civil penalty under this subdivision, the appropriateness of
59.22 such penalty to the size of the employer's business and the gravity of the violation shall be
59.23 considered.

59.24 Sec. 4. Minnesota Statutes 2018, section 177.27, is amended by adding a subdivision to
59.25 read:

59.26 Subd. 11. **Providing data to licensing agencies, contracting agencies, and**
59.27 **employees.** (a) The commissioner shall provide an order to comply issued to an employer
59.28 under subdivision 4 and the resolution of the compliance order made through settlement or
59.29 other final disposition to:

59.30 (1) a licensing or regulatory authority of one or more state agencies or agencies of a
59.31 political subdivision to which the employer is subject; and

59.32 (2) a public contracting authority with which the employer is party to a public contract.

60.1 (b) The commissioner shall provide the data set out in the compliance order and the
60.2 resolution of the compliance order made through settlement or other final disposition to the
60.3 employer's employees whose interests are affected by the order, including an explanation
60.4 of how the order was resolved.

60.5 (c) Data provided by the commissioner to a licensing agency, contracting authority, or
60.6 employee to aid in the law enforcement process under this subdivision is subject to section
60.7 13.39.

60.8 (d) For purposes of this subdivision, a licensing agency or contracting authority is subject
60.9 to chapter 13 and must protect not public data received under this subdivision from unlawful
60.10 disclosure.

60.11 Sec. 5. Minnesota Statutes 2018, section 177.30, is amended to read:

60.12 **177.30 KEEPING RECORDS; PENALTY.**

60.13 (a) Every employer subject to sections 177.21 to 177.44 must make and keep a record
60.14 of:

60.15 (1) the name, address, and occupation of each employee;

60.16 (2) the rate of pay, and the amount paid each pay period to each employee;

60.17 (3) the hours worked each day and each workweek by the employee, including for all
60.18 employees paid at piece rate, the number of pieces completed at each piece rate;

60.19 (4) a list of the personnel policies provided to the employee, including the date the
60.20 policies were given to the employee and a brief description of the policies;

60.21 (5) a copy of the notice provided to each employee as required by section 181.032,
60.22 paragraph (d), including any written changes to the notice under section 181.032, paragraph
60.23 (f);

60.24 (6) for each employer subject to sections 177.41 to 177.44, and while performing work
60.25 on public works projects funded in whole or in part with state funds, the employer shall
60.26 furnish under oath signed by an owner or officer of an employer to the contracting authority
60.27 and the project owner every two weeks, a certified payroll report with respect to the wages
60.28 and benefits paid each employee during the preceding weeks specifying for each employee:
60.29 name; identifying number; prevailing wage master job classification; hours worked each
60.30 day; total hours; rate of pay; gross amount earned; each deduction for taxes; total deductions;
60.31 net pay for week; dollars contributed per hour for each benefit, including name and address

61.1 of administrator; benefit account number; and telephone number for health and welfare,
 61.2 vacation or holiday, apprenticeship training, pension, and other benefit programs; and
 61.3 ~~(5)~~ (7) other information the commissioner finds necessary and appropriate to enforce
 61.4 sections 177.21 to 177.435. The records must be kept for three years in ~~or near~~ the premises
 61.5 where an employee works except each employer subject to sections 177.41 to 177.44, and
 61.6 while performing work on public works projects funded in whole or in part with state funds,
 61.7 the records must be kept for three years after the contracting authority has made final payment
 61.8 on the public works project.

61.9 (b) All records required to be kept under paragraph (a) must be readily available for
 61.10 inspection by the commissioner upon demand. The records must be either kept at the place
 61.11 where employees are working or kept in a manner that allows the employer to comply with
 61.12 this paragraph within 72 hours.

61.13 (c) The commissioner may fine an employer up to \$1,000 for each failure to maintain
 61.14 records as required by this section, and up to \$5,000 for each repeated failure. This penalty
 61.15 is in addition to any penalties provided under section 177.32, subdivision 1. In determining
 61.16 the amount of a civil penalty under this subdivision, the appropriateness of such penalty to
 61.17 the size of the employer's business and the gravity of the violation shall be considered.

61.18 (d) If the records maintained by the employer do not provide sufficient information to
 61.19 determine the exact amount of back wages due an employee, the commissioner may make
 61.20 a determination of wages due based on available evidence.

61.21 Sec. 6. Minnesota Statutes 2018, section 177.32, subdivision 1, is amended to read:

61.22 Subdivision 1. **Misdemeanors.** An employer who does any of the following is guilty
 61.23 of a misdemeanor:

61.24 (1) hinders or delays the commissioner in the performance of duties required under
 61.25 sections 177.21 to 177.435, 181.01 to 181.723, or 181.79;

61.26 (2) refuses to admit the commissioner to the place of business or employment of the
 61.27 employer, as required by section 177.27, subdivision 1;

61.28 (3) repeatedly fails to make, keep, and preserve records as required by section 177.30;

61.29 (4) falsifies any record;

61.30 (5) refuses to make any record available, or to furnish a sworn statement of the record
 61.31 or any other information as required by section 177.27;

62.1 (6) repeatedly fails to post a summary of sections 177.21 to 177.44 or a copy or summary
62.2 of the applicable rules as required by section 177.31;

62.3 (7) pays or agrees to pay wages at a rate less than the rate required under sections 177.21
62.4 to 177.44;

62.5 (8) refuses to allow adequate time from work as required by section 177.253; or

62.6 (9) otherwise violates any provision of sections 177.21 to 177.44.

62.7 **Sec. 7. [177.45] ATTORNEY GENERAL ENFORCEMENT.**

62.8 In addition to the enforcement of this chapter by the department, the attorney general
62.9 may enforce this chapter under section 8.31.

62.10 Sec. 8. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to
62.11 read:

62.12 Subd. 4. **Enforcement.** The use of an enforcement provision in this section shall not
62.13 preclude the use of any other enforcement provision provided by law.

62.14 Sec. 9. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to
62.15 read:

62.16 Subd. 5. **Effect on other laws.** Nothing in this section shall be construed to limit the
62.17 application of other state or federal laws.

62.18 Sec. 10. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to
62.19 read:

62.20 Subd. 6. **Retaliation.** An employer must not retaliate against an employee for asserting
62.21 rights or remedies under this section, sections 177.21 to 177.44, 181.01 to 181.723, or
62.22 181.79, including, but not limited to, filing a complaint with the department or telling the
62.23 employer of the employee's intention to file a complaint. In addition to any other remedies
62.24 provided by law, an employer who violates this subdivision is liable for a civil penalty of
62.25 not less than \$700 nor more than \$3,000 per violation.

63.1 Sec. 11. Minnesota Statutes 2018, section 181.032, is amended to read:

63.2 **181.032 REQUIRED STATEMENT OF EARNINGS BY EMPLOYER; NOTICE**
 63.3 **TO EMPLOYEE.**

63.4 (a) At the end of each pay period, the employer shall provide each employee an earnings
 63.5 statement, either in writing or by electronic means, covering that pay period. An employer
 63.6 who chooses to provide an earnings statement by electronic means must provide employee
 63.7 access to an employer-owned computer during an employee's regular working hours to
 63.8 review and print earnings statements.

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

63.11 (1) the name of the employee;

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

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

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

63.16 ~~(4)~~ (5) the total amount of gross pay earned by the employee during that period;

63.17 ~~(5)~~ (6) a list of deductions made from the employee's pay;

63.18 ~~(6)~~ (7) the net amount of pay after all deductions are made;

63.19 ~~(7)~~ (8) the date on which the pay period ends; and

63.20 ~~(8)~~ (9) the legal name of the employer and the operating name of the employer if different
 63.21 from the legal name;

63.22 (10) the physical address of the employer's main office or principal place of business,
 63.23 and a mailing address if different; and

63.24 (11) the telephone number of the employer.

63.25 (c) An employer must provide earnings statements to an employee in writing, rather
 63.26 than by electronic means, if the employer has received at least 24 hours notice from an
 63.27 employee that the employee would like to receive earnings statements in written form. Once
 63.28 an employer has received notice from an employee that the employee would like to receive
 63.29 earnings statements in written form, the employer must comply with that request on an
 63.30 ongoing basis.

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

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

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

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

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

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

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

64.13 (7) the legal name of the employer and the operating name of the employer if different
64.14 from the legal name;

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

64.17 (9) the telephone number of the employer.

64.18 (e) The employer must keep a copy of the notice under paragraph (d) signed by each
64.19 employee acknowledging receipt of the notice. The notice must be provided to each employee
64.20 in English. The English version of the notice must include text provided by the commissioner
64.21 that informs employees that they may request, by indicating on the form, the notice be
64.22 provided in a particular language. If requested, the employer shall provide the notice in the
64.23 language requested by the employee. The commissioner shall make available to employers
64.24 the text to be included in the English version of the notice required by this section and assist
64.25 employers with translation of the notice in the languages requested by their employees.

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

64.28 Sec. 12. Minnesota Statutes 2018, section 181.101, is amended to read:

64.29 **181.101 WAGES; HOW OFTEN PAID.**

64.30 (a) Except as provided in paragraph (b), every employer must pay all wages, including
64.31 salary, earnings, and gratuities earned by an employee at least once every 31 days and all

65.1 commissions earned by an employee at least once every three months, on a regular payday
65.2 designated in advance by the employer regardless of whether the employee requests payment
65.3 at longer intervals. Unless paid earlier, the wages earned during the first half of the first
65.4 31-day pay period become due on the first regular payday following the first day of work.
65.5 If wages or commissions earned are not paid, the commissioner of labor and industry or the
65.6 commissioner's representative may serve a demand for payment on behalf of an employee.
65.7 In addition to other remedies under section 177.27, if payment of wages is not made within
65.8 ten days of service of the demand, the commissioner may charge and collect the wages
65.9 earned at the employee's rate or rates of pay or at the rate or rates required by law, including
65.10 any applicable statute, regulation, rule, ordinance, government resolution or policy, contract,
65.11 or other legal authority, whichever rate of pay is greater, and a penalty in the amount of the
65.12 employee's average daily earnings at the same rate agreed upon in the contract of
65.13 employment, not exceeding 15 days in all, or rates for each day beyond the ten-day limit
65.14 following the demand. If payment of commissions is not made within ten days of service
65.15 of the demand, the commissioner may charge and collect the commissions earned and a
65.16 penalty equal to 1/15 of the commissions earned but unpaid for each day beyond the ten-day
65.17 limit. Money collected by the commissioner must be paid to the employee concerned. This
65.18 section does not prevent an employee from prosecuting a claim for wages. This section does
65.19 not prevent a school district, other public school entity, or other school, as defined under
65.20 section 120A.22, from paying any wages earned by its employees during a school year on
65.21 regular paydays in the manner provided by an applicable contract or collective bargaining
65.22 agreement, or a personnel policy adopted by the governing board. For purposes of this
65.23 section, "employee" includes a person who performs agricultural labor as defined in section
65.24 181.85, subdivision 2. For purposes of this section, wages are earned on the day an employee
65.25 works. This section provides a substantive right for employees to the payment of wages,
65.26 including salary, earnings, and gratuities, as well as commissions, in addition to the right
65.27 to be paid at certain times.

65.28 (b) An employer of a volunteer firefighter, as defined in section 424A.001, subdivision
65.29 10, a member of an organized first responder squad that is formally recognized by a political
65.30 subdivision in the state, or a volunteer ambulance driver or attendant must pay all wages
65.31 earned by the volunteer firefighter, first responder, or volunteer ambulance driver or attendant
65.32 at least once every 31 days, unless the employer and the employee mutually agree upon
65.33 payment at longer intervals.

66.1 Sec. 13. [181.1721] ATTORNEY GENERAL ENFORCEMENT.

66.2 In addition to the enforcement of this chapter by the department, the attorney general
66.3 may enforce this chapter under section 8.31.

66.4 Sec. 14. Minnesota Statutes 2018, section 609.52, subdivision 1, is amended to read:

66.5 Subdivision 1. **Definitions.** In this section:

66.6 (1) "Property" means all forms of tangible property, whether real or personal, without
66.7 limitation including documents of value, electricity, gas, water, corpses, domestic animals,
66.8 dogs, pets, fowl, and heat supplied by pipe or conduit by municipalities or public utility
66.9 companies and articles, as defined in clause (4), representing trade secrets, which articles
66.10 shall be deemed for the purposes of Extra Session Laws 1967, chapter 15 to include any
66.11 trade secret represented by the article.

66.12 (2) "Movable property" is property whose physical location can be changed, including
66.13 without limitation things growing on, affixed to, or found in land.

66.14 (3) "Value" means the retail market value at the time of the theft, or if the retail market
66.15 value cannot be ascertained, the cost of replacement of the property within a reasonable
66.16 time after the theft, or in the case of a theft or the making of a copy of an article representing
66.17 a trade secret, where the retail market value or replacement cost cannot be ascertained, any
66.18 reasonable value representing the damage to the owner which the owner has suffered by
66.19 reason of losing an advantage over those who do not know of or use the trade secret. For a
66.20 check, draft, or other order for the payment of money, "value" means the amount of money
66.21 promised or ordered to be paid under the terms of the check, draft, or other order. For a
66.22 theft committed within the meaning of subdivision 2, clause (5), items (i) and (ii), if the
66.23 property has been restored to the owner, "value" means the value of the use of the property
66.24 or the damage which it sustained, whichever is greater, while the owner was deprived of
66.25 its possession, but not exceeding the value otherwise provided herein. For a theft committed
66.26 within the meaning of subdivision 2, clause (9), if the property has been restored to the
66.27 owner, "value" means the rental value of the property, determined at the rental rate contracted
66.28 by the defendant or, if no rental rate was contracted, the rental rate customarily charged by
66.29 the owner for use of the property, plus any damage that occurred to the property while the
66.30 owner was deprived of its possession, but not exceeding the total retail value of the property
66.31 at the time of rental. For a theft committed within the meaning of subdivision 2, clause (19),
66.32 "value" means the difference between wages legally required to be reported or paid to an
66.33 employee and the amount actually reported or paid to the employee.

67.1 (4) "Article" means any object, material, device or substance, including any writing,
67.2 record, recording, drawing, sample specimen, prototype, model, photograph, microorganism,
67.3 blueprint or map, or any copy of any of the foregoing.

67.4 (5) "Representing" means describing, depicting, containing, constituting, reflecting or
67.5 recording.

67.6 (6) "Trade secret" means information, including a formula, pattern, compilation, program,
67.7 device, method, technique, or process, that:

67.8 (i) derives independent economic value, actual or potential, from not being generally
67.9 known to, and not being readily ascertainable by proper means by, other persons who can
67.10 obtain economic value from its disclosure or use, and

67.11 (ii) is the subject of efforts that are reasonable under the circumstances to maintain its
67.12 secrecy.

67.13 (7) "Copy" means any facsimile, replica, photograph or other reproduction of an article,
67.14 and any note, drawing, or sketch made of or from an article while in the presence of the
67.15 article.

67.16 (8) "Property of another" includes property in which the actor is co-owner or has a lien,
67.17 pledge, bailment, or lease or other subordinate interest, property transferred by the actor in
67.18 circumstances which are known to the actor and which make the transfer fraudulent as
67.19 defined in section 513.44, property possessed pursuant to a short-term rental contract, and
67.20 property of a partnership of which the actor is a member, unless the actor and the victim
67.21 are husband and wife. It does not include property in which the actor asserts in good faith
67.22 a claim as a collection fee or commission out of property or funds recovered, or by virtue
67.23 of a lien, setoff, or counterclaim.

67.24 (9) "Services" include but are not limited to labor, professional services, transportation
67.25 services, electronic computer services, the supplying of hotel accommodations, restaurant
67.26 services, entertainment services, advertising services, telecommunication services, and the
67.27 supplying of equipment for use including rental of personal property or equipment.

67.28 (10) "Motor vehicle" means a self-propelled device for moving persons or property or
67.29 pulling implements from one place to another, whether the device is operated on land, rails,
67.30 water, or in the air.

67.31 (11) "Motor fuel" has the meaning given in section 604.15, subdivision 1.

67.32 (12) "Retailer" has the meaning given in section 604.15, subdivision 1.

68.1 (13) "Wage theft" occurs when an employer with intent to defraud:

68.2 (i) fails to pay an employee all wages, salary, gratuities, earnings, or commissions at the
 68.3 employee's rate or rates of pay or at the rate or rates required by law, including any applicable
 68.4 statute, regulation, rule, ordinance, government resolution or policy, contract, or other legal
 68.5 authority, whichever rate of pay is greater;

68.6 (ii) directly or indirectly causes any employee to give a receipt for wages for a greater
 68.7 amount than that actually paid to the employee for services rendered;

68.8 (iii) directly or indirectly demands or receives from any employee any rebate or refund
 68.9 from the wages owed the employee under contract of employment with the employer; or

68.10 (iv) makes or attempts to make it appear in any manner that the wages paid to any
 68.11 employee were greater than the amount actually paid to the employee.

68.12 (14) "Employer" means any individual, partnership, association, corporation, business
 68.13 trust, or any person or group of persons acting directly or indirectly in the interest of an
 68.14 employer in relation to an employee.

68.15 (15) "Employee" means any individual employed by an employer.

68.16 **EFFECTIVE DATE.** This section is effective August 1, 2019, and applies to crimes
 68.17 committed on or after that date.

68.18 Sec. 15. Minnesota Statutes 2018, section 609.52, subdivision 2, is amended to read:

68.19 Subd. 2. **Acts constituting theft.** (a) Whoever does any of the following commits theft
 68.20 and may be sentenced as provided in subdivision 3:

68.21 (1) intentionally and without claim of right takes, uses, transfers, conceals or retains
 68.22 possession of movable property of another without the other's consent and with intent to
 68.23 deprive the owner permanently of possession of the property; or

68.24 (2) with or without having a legal interest in movable property, intentionally and without
 68.25 consent, takes the property out of the possession of a pledgee or other person having a
 68.26 superior right of possession, with intent thereby to deprive the pledgee or other person
 68.27 permanently of the possession of the property; or

68.28 (3) obtains for the actor or another the possession, custody, or title to property of or
 68.29 performance of services by a third person by intentionally deceiving the third person with
 68.30 a false representation which is known to be false, made with intent to defraud, and which
 68.31 does defraud the person to whom it is made. "False representation" includes without
 68.32 limitation:

69.1 (i) the issuance of a check, draft, or order for the payment of money, except a forged
69.2 check as defined in section 609.631, or the delivery of property knowing that the actor is
69.3 not entitled to draw upon the drawee therefor or to order the payment or delivery thereof;
69.4 or

69.5 (ii) a promise made with intent not to perform. Failure to perform is not evidence of
69.6 intent not to perform unless corroborated by other substantial evidence; or

69.7 (iii) the preparation or filing of a claim for reimbursement, a rate application, or a cost
69.8 report used to establish a rate or claim for payment for medical care provided to a recipient
69.9 of medical assistance under chapter 256B, which intentionally and falsely states the costs
69.10 of or actual services provided by a vendor of medical care; or

69.11 (iv) the preparation or filing of a claim for reimbursement for providing treatment or
69.12 supplies required to be furnished to an employee under section 176.135 which intentionally
69.13 and falsely states the costs of or actual treatment or supplies provided; or

69.14 (v) the preparation or filing of a claim for reimbursement for providing treatment or
69.15 supplies required to be furnished to an employee under section 176.135 for treatment or
69.16 supplies that the provider knew were medically unnecessary, inappropriate, or excessive;
69.17 or

69.18 (4) by swindling, whether by artifice, trick, device, or any other means, obtains property
69.19 or services from another person; or

69.20 (5) intentionally commits any of the acts listed in this subdivision but with intent to
69.21 exercise temporary control only and:

69.22 (i) the control exercised manifests an indifference to the rights of the owner or the
69.23 restoration of the property to the owner; or

69.24 (ii) the actor pledges or otherwise attempts to subject the property to an adverse claim;
69.25 or

69.26 (iii) the actor intends to restore the property only on condition that the owner pay a
69.27 reward or buy back or make other compensation; or

69.28 (6) finds lost property and, knowing or having reasonable means of ascertaining the true
69.29 owner, appropriates it to the finder's own use or to that of another not entitled thereto without
69.30 first having made reasonable effort to find the owner and offer and surrender the property
69.31 to the owner; or

70.1 (7) intentionally obtains property or services, offered upon the deposit of a sum of money
70.2 or tokens in a coin or token operated machine or other receptacle, without making the
70.3 required deposit or otherwise obtaining the consent of the owner; or

70.4 (8) intentionally and without claim of right converts any article representing a trade
70.5 secret, knowing it to be such, to the actor's own use or that of another person or makes a
70.6 copy of an article representing a trade secret, knowing it to be such, and intentionally and
70.7 without claim of right converts the same to the actor's own use or that of another person. It
70.8 shall be a complete defense to any prosecution under this clause for the defendant to show
70.9 that information comprising the trade secret was rightfully known or available to the
70.10 defendant from a source other than the owner of the trade secret; or

70.11 (9) leases or rents personal property under a written instrument and who:

70.12 (i) with intent to place the property beyond the control of the lessor conceals or aids or
70.13 abets the concealment of the property or any part thereof; or

70.14 (ii) sells, conveys, or encumbers the property or any part thereof without the written
70.15 consent of the lessor, without informing the person to whom the lessee sells, conveys, or
70.16 encumbers that the same is subject to such lease or rental contract with intent to deprive the
70.17 lessor of possession thereof; or

70.18 (iii) does not return the property to the lessor at the end of the lease or rental term, plus
70.19 agreed-upon extensions, with intent to wrongfully deprive the lessor of possession of the
70.20 property; or

70.21 (iv) returns the property to the lessor at the end of the lease or rental term, plus
70.22 agreed-upon extensions, but does not pay the lease or rental charges agreed upon in the
70.23 written instrument, with intent to wrongfully deprive the lessor of the agreed-upon charges.

70.24 For the purposes of items (iii) and (iv), the value of the property must be at least \$100.

70.25 Evidence that a lessee used a false, fictitious, or not current name, address, or place of
70.26 employment in obtaining the property or fails or refuses to return the property or pay the
70.27 rental contract charges to lessor within five days after written demand for the return has
70.28 been served personally in the manner provided for service of process of a civil action or
70.29 sent by certified mail to the last known address of the lessee, whichever shall occur later,
70.30 shall be evidence of intent to violate this clause. Service by certified mail shall be deemed
70.31 to be complete upon deposit in the United States mail of such demand, postpaid and addressed
70.32 to the person at the address for the person set forth in the lease or rental agreement, or, in
70.33 the absence of the address, to the person's last known place of residence; or

71.1 (10) alters, removes, or obliterates numbers or symbols placed on movable property for
71.2 purpose of identification by the owner or person who has legal custody or right to possession
71.3 thereof with the intent to prevent identification, if the person who alters, removes, or
71.4 obliterates the numbers or symbols is not the owner and does not have the permission of
71.5 the owner to make the alteration, removal, or obliteration; or

71.6 (11) with the intent to prevent the identification of property involved, so as to deprive
71.7 the rightful owner of possession thereof, alters or removes any permanent serial number,
71.8 permanent distinguishing number or manufacturer's identification number on personal
71.9 property or possesses, sells or buys any personal property knowing or having reason to
71.10 know that the permanent serial number, permanent distinguishing number or manufacturer's
71.11 identification number has been removed or altered; or

71.12 (12) intentionally deprives another of a lawful charge for cable television service by:

71.13 (i) making or using or attempting to make or use an unauthorized external connection
71.14 outside the individual dwelling unit whether physical, electrical, acoustical, inductive, or
71.15 other connection; or by

71.16 (ii) attaching any unauthorized device to any cable, wire, microwave, or other component
71.17 of a licensed cable communications system as defined in chapter 238. Nothing herein shall
71.18 be construed to prohibit the electronic video rerecording of program material transmitted
71.19 on the cable communications system by a subscriber for fair use as defined by Public Law
71.20 94-553, section 107; or

71.21 (13) except as provided in clauses (12) and (14), obtains the services of another with
71.22 the intention of receiving those services without making the agreed or reasonably expected
71.23 payment of money or other consideration; or

71.24 (14) intentionally deprives another of a lawful charge for telecommunications service
71.25 by:

71.26 (i) making, using, or attempting to make or use an unauthorized connection whether
71.27 physical, electrical, by wire, microwave, radio, or other means to a component of a local
71.28 telecommunication system as provided in chapter 237; or

71.29 (ii) attaching an unauthorized device to a cable, wire, microwave, radio, or other
71.30 component of a local telecommunication system as provided in chapter 237.

71.31 The existence of an unauthorized connection is prima facie evidence that the occupier
71.32 of the premises:

71.33 (A) made or was aware of the connection; and

72.1 (B) was aware that the connection was unauthorized;

72.2 (15) with intent to defraud, diverts corporate property other than in accordance with
72.3 general business purposes or for purposes other than those specified in the corporation's
72.4 articles of incorporation; or

72.5 (16) with intent to defraud, authorizes or causes a corporation to make a distribution in
72.6 violation of section 302A.551, or any other state law in conformity with it; or

72.7 (17) takes or drives a motor vehicle without the consent of the owner or an authorized
72.8 agent of the owner, knowing or having reason to know that the owner or an authorized agent
72.9 of the owner did not give consent; or

72.10 (18) intentionally, and without claim of right, takes motor fuel from a retailer without
72.11 the retailer's consent and with intent to deprive the retailer permanently of possession of
72.12 the fuel by driving a motor vehicle from the premises of the retailer without having paid
72.13 for the fuel dispensed into the vehicle; or

72.14 (19) commits wage theft under subdivision 1, clause (13).

72.15 (b) Proof that the driver of a motor vehicle into which motor fuel was dispensed drove
72.16 the vehicle from the premises of the retailer without having paid for the fuel permits the
72.17 factfinder to infer that the driver acted intentionally and without claim of right, and that the
72.18 driver intended to deprive the retailer permanently of possession of the fuel. This paragraph
72.19 does not apply if: (1) payment has been made to the retailer within 30 days of the receipt
72.20 of notice of nonpayment under section 604.15; or (2) a written notice as described in section
72.21 604.15, subdivision 4, disputing the retailer's claim, has been sent. This paragraph does not
72.22 apply to the owner of a motor vehicle if the vehicle or the vehicle's license plate has been
72.23 reported stolen before the theft of the fuel.

72.24 **EFFECTIVE DATE.** This section is effective August 1, 2019, and applies to crimes
72.25 committed on or after that date.

72.26 Sec. 16. Minnesota Statutes 2018, section 609.52, subdivision 3, is amended to read:

72.27 Subd. 3. **Sentence.** Whoever commits theft may be sentenced as follows:

72.28 (1) to imprisonment for not more than 20 years or to payment of a fine of not more than
72.29 \$100,000, or both, if the property is a firearm, or the value of the property or services stolen
72.30 is more than \$35,000 and the conviction is for a violation of subdivision 2, clause (3), (4),
72.31 (15), ~~or (16)~~, or (19), or section 609.2335, subdivision 1, clause (1) or (2), item (i); or

73.1 (2) to imprisonment for not more than ten years or to payment of a fine of not more than
73.2 \$20,000, or both, if the value of the property or services stolen exceeds \$5,000, or if the
73.3 property stolen was an article representing a trade secret, an explosive or incendiary device,
73.4 or a controlled substance listed in Schedule I or II pursuant to section 152.02 with the
73.5 exception of marijuana; or

73.6 (3) to imprisonment for not more than five years or to payment of a fine of not more
73.7 than \$10,000, or both, if any of the following circumstances exist:

73.8 (a) the value of the property or services stolen is more than \$1,000 but not more than
73.9 \$5,000; or

73.10 (b) the property stolen was a controlled substance listed in Schedule III, IV, or V pursuant
73.11 to section 152.02; or

73.12 (c) the value of the property or services stolen is more than \$500 but not more than
73.13 \$1,000 and the person has been convicted within the preceding five years for an offense
73.14 under this section, section 256.98; 268.182; 609.24; 609.245; 609.53; 609.582, subdivision
73.15 1, 2, or 3; 609.625; 609.63; 609.631; or 609.821, or a statute from another state, the United
73.16 States, or a foreign jurisdiction, in conformity with any of those sections, and the person
73.17 received a felony or gross misdemeanor sentence for the offense, or a sentence that was
73.18 stayed under section 609.135 if the offense to which a plea was entered would allow
73.19 imposition of a felony or gross misdemeanor sentence; or

73.20 (d) the value of the property or services stolen is not more than \$1,000, and any of the
73.21 following circumstances exist:

73.22 (i) the property is taken from the person of another or from a corpse, or grave or coffin
73.23 containing a corpse; or

73.24 (ii) the property is a record of a court or officer, or a writing, instrument or record kept,
73.25 filed or deposited according to law with or in the keeping of any public officer or office; or

73.26 (iii) the property is taken from a burning, abandoned, or vacant building or upon its
73.27 removal therefrom, or from an area of destruction caused by civil disaster, riot, bombing,
73.28 or the proximity of battle; or

73.29 (iv) the property consists of public funds belonging to the state or to any political
73.30 subdivision or agency thereof; or

73.31 (v) the property stolen is a motor vehicle; or

74.1 (4) to imprisonment for not more than one year or to payment of a fine of not more than
 74.2 \$3,000, or both, if the value of the property or services stolen is more than \$500 but not
 74.3 more than \$1,000; or

74.4 (5) in all other cases where the value of the property or services stolen is \$500 or less,
 74.5 to imprisonment for not more than 90 days or to payment of a fine of not more than \$1,000,
 74.6 or both, provided, however, in any prosecution under subdivision 2, clauses (1), (2), (3),
 74.7 (4), ~~and (13), and (19)~~, the value of the money or property or services received by the
 74.8 defendant in violation of any one or more of the above provisions within any six-month
 74.9 period may be aggregated and the defendant charged accordingly in applying the provisions
 74.10 of this subdivision; provided that when two or more offenses are committed by the same
 74.11 person in two or more counties, the accused may be prosecuted in any county in which one
 74.12 of the offenses was committed for all of the offenses aggregated under this paragraph.

74.13 **EFFECTIVE DATE.** This section is effective August 1, 2019, and applies to crimes
 74.14 committed on or after that date.

74.15 **ARTICLE 4**

74.16 **UNEMPLOYMENT INSURANCE ADVISORY COUNCIL; POLICY**

74.17 Section 1. Minnesota Statutes 2018, section 268.035, subdivision 12, is amended to read:

74.18 Subd. 12. **Covered employment.** (a) "Covered employment" means ~~the following unless~~
 74.19 ~~excluded as "nonecovered employment" under subdivision 20:~~

74.20 ~~(i) an employee's entire employment during the calendar quarter if:~~

74.21 ~~(i) (1) 50 percent or more of the employment during the quarter is performed primarily~~
 74.22 ~~in Minnesota;~~

74.23 ~~(ii) (2) 50 percent or more of the employment during the quarter is not performed~~
 74.24 ~~primarily in Minnesota or any other state, or Canada, but some of the employment is~~
 74.25 ~~performed in Minnesota and the base of operations or the place from which the employment~~
 74.26 ~~is directed or controlled is in Minnesota; or~~

74.27 ~~(iii) the employment during the quarter is not performed primarily in Minnesota or any~~
 74.28 ~~other state and the base of operations or place from which the employment is directed or~~
 74.29 ~~controlled is not in any state where part of the employment is performed, but the employee's~~
 74.30 ~~residence is in Minnesota during 50 percent or more of the calendar quarter;~~

74.31 ~~(2) an employee's entire employment during the calendar quarter performed within the~~
 74.32 ~~United States or Canada, if:~~

75.1 ~~(i) the employment is not covered employment under the unemployment insurance~~
 75.2 ~~program of any other state, federal law, or the law of Canada; and~~

75.3 ~~(ii) the place from which the employment is directed or controlled is in Minnesota;~~

75.4 (3) the employment during the calendar quarter, is performed entirely outside the United
 75.5 States and Canada, by an employee who is a United States citizen in the employ of an
 75.6 American employer, if the employer's principal place of business in the United States is
 75.7 located in Minnesota. For the purposes of this clause, an "American employer," ~~for the~~
 75.8 ~~purposes of this clause, means a corporation organized under the laws of any state, an~~
 75.9 ~~individual who is a resident of the United States, or a partnership if two-thirds or more of~~
 75.10 ~~the partners are residents of the United States, or a trust, if all of the trustees are residents~~
 75.11 ~~of the United States~~ is defined under the Federal Unemployment Tax Act, United States
 75.12 Code title 26, chapter 23, section 3306, subsection (j)(3); and or

75.13 (4) ~~all the~~ employment during the calendar quarter is performed by an officer or member
 75.14 of the crew of an American vessel ~~on or in connection with the vessel, if the operating on~~
 75.15 navigable waters within, or within and without, the United States, and the office from which
 75.16 the operations of the vessel operating on navigable waters within, or within and without,
 75.17 ~~the United States are ordinarily and regularly supervised, managed, directed, and controlled~~
 75.18 is in Minnesota.

75.19 (b) "Covered employment" includes covered agricultural employment under subdivision
 75.20 11.

75.21 (c) For the purposes of section 268.095, "covered employment" includes employment
 75.22 covered under an unemployment insurance program:

75.23 (1) of any other state; ~~or~~

75.24 (2) established by an act of Congress; or

75.25 (3) the law of Canada.

75.26 (d) The percentage of employment performed under paragraph (a) is determined by the
 75.27 amount of hours worked.

75.28 (e) Covered employment does not include any employment defined as "noncovered
 75.29 employment" under subdivision 20.

75.30 Sec. 2. Minnesota Statutes 2018, section 268.035, subdivision 20, is amended to read:

75.31 Subd. 20. **Noncovered employment.** "Noncovered employment" means:

76.1 (1) employment for the United States government or an instrumentality thereof, including
76.2 military service;

76.3 (2) employment for a state, other than Minnesota, or a political subdivision or
76.4 instrumentality thereof;

76.5 (3) employment for a foreign government;

76.6 (4) employment covered under the federal Railroad Unemployment Insurance Act;

76.7 (5) employment for a church or convention or association of churches, or a nonprofit
76.8 organization operated primarily for religious purposes that is operated, supervised, controlled,
76.9 or principally supported by a church or convention or association of churches;

76.10 (6) employment for an elementary or secondary school with a curriculum that includes
76.11 religious education that is operated by a church, a convention or association of churches,
76.12 or a nonprofit organization that is operated, supervised, controlled, or principally supported
76.13 by a church or convention or association of churches;

76.14 (7) employment for Minnesota or a political subdivision, or a nonprofit organization, of
76.15 a duly ordained or licensed minister of a church in the exercise of a ministry or by a member
76.16 of a religious order in the exercise of duties required by the order;

76.17 (8) employment for Minnesota or a political subdivision, or a nonprofit organization, of
76.18 an individual receiving rehabilitation of "sheltered" work in a facility conducted for the
76.19 purpose of carrying out a program of rehabilitation for individuals whose earning capacity
76.20 is impaired by age or physical or mental deficiency or injury or a program providing
76.21 "sheltered" work for individuals who because of an impaired physical or mental capacity
76.22 cannot be readily absorbed in the competitive labor market. This clause applies only to
76.23 services performed in a facility certified by the Rehabilitation Services Branch of the
76.24 department or in a day training or habilitation program licensed by the Department of Human
76.25 Services;

76.26 (9) employment for Minnesota or a political subdivision, or a nonprofit organization, of
76.27 an individual receiving work relief or work training as part of an unemployment work relief
76.28 or work training program financed in whole or in part by any federal agency or an agency
76.29 of a state or political subdivision thereof. This clause does not apply to programs that require
76.30 unemployment benefit coverage for the participants;

76.31 (10) employment for Minnesota or a political subdivision, as an elected official, a member
76.32 of a legislative body, or a member of the judiciary;

76.33 (11) employment as a member of the Minnesota National Guard or Air National Guard;

77.1 (12) employment for Minnesota or a political subdivision, or instrumentality thereof, of
77.2 an individual serving on a temporary basis in case of fire, flood, tornado, or similar
77.3 emergency;

77.4 (13) employment as an election official or election worker for Minnesota or a political
77.5 subdivision, if the compensation for that employment was less than \$1,000 in a calendar
77.6 year;

77.7 (14) employment for Minnesota that is a major policy-making or advisory position in
77.8 the unclassified service;

77.9 (15) employment for Minnesota in an unclassified position established under section
77.10 43A.08, subdivision 1a;

77.11 (16) employment for a political subdivision of Minnesota that is a nontenured major
77.12 policy making or advisory position;

77.13 (17) domestic employment in a private household, local college club, or local chapter
77.14 of a college fraternity or sorority, if the wages paid in any calendar quarter in either the
77.15 current or prior calendar year to all individuals in domestic employment totaled less than
77.16 \$1,000.

77.17 "Domestic employment" includes all service in the operation and maintenance of a
77.18 private household, for a local college club, or local chapter of a college fraternity or sorority
77.19 as distinguished from service as an employee in the pursuit of an employer's trade or business;

77.20 (18) employment of an individual by a son, daughter, or spouse, and employment of a
77.21 child under the age of 18 by the child's father or mother;

77.22 (19) employment of an inmate of a custodial or penal institution;

77.23 (20) employment for a school, college, or university, by a student who is enrolled and
77.24 whose primary relation to the school, college, or university is as a student. This does not
77.25 include an individual whose primary relation to the school, college, or university is as an
77.26 employee who also takes courses;

77.27 (21) employment of an individual who is enrolled as a student in a full-time program at
77.28 a nonprofit or public educational institution that maintains a regular faculty and curriculum
77.29 and has a regularly organized body of students in attendance at the place where its educational
77.30 activities are carried on, taken for credit at the institution, that combines academic instruction
77.31 with work experience, if the employment is an integral part of the program, and the institution
77.32 has so certified to the employer, except that this clause does not apply to employment in a
77.33 program established for or on behalf of an employer or group of employers;

78.1 (22) employment of a foreign college or university student who works on a seasonal or
78.2 temporary basis under the J-1 visa summer work travel program described in Code of Federal
78.3 Regulations, title 22, section 62.32;

78.4 ~~(22)~~ (23) employment of university, college, or professional school students in an
78.5 internship or other training program with the city of St. Paul or the city of Minneapolis
78.6 under Laws 1990, chapter 570, article 6, section 3;

78.7 ~~(23)~~ (24) employment for a hospital by a patient of the hospital. "Hospital" means an
78.8 institution that has been licensed by the Department of Health as a hospital;

78.9 ~~(24)~~ (25) employment as a student nurse for a hospital or a nurses' training school by
78.10 an individual who is enrolled and is regularly attending classes in an accredited nurses'
78.11 training school;

78.12 ~~(25)~~ (26) employment as an intern for a hospital by an individual who has completed a
78.13 four-year course in an accredited medical school;

78.14 ~~(26)~~ (27) employment as an insurance salesperson, by other than a corporate officer, if
78.15 all the wages from the employment is solely by way of commission. The word "insurance"
78.16 includes an annuity and an optional annuity;

78.17 ~~(27)~~ (28) employment as an officer of a township mutual insurance company or farmer's
78.18 mutual insurance company under chapter 67A;

78.19 ~~(28)~~ (29) employment of a corporate officer, if the officer directly or indirectly, including
78.20 through a subsidiary or holding company, owns 25 percent or more of the employer
78.21 corporation, and employment of a member of a limited liability company, if the member
78.22 directly or indirectly, including through a subsidiary or holding company, owns 25 percent
78.23 or more of the employer limited liability company;

78.24 ~~(29)~~ (30) employment as a real estate salesperson, other than a corporate officer, if all
78.25 the wages from the employment is solely by way of commission;

78.26 ~~(30)~~ (31) employment as a direct seller as defined in United States Code, title 26, section
78.27 3508;

78.28 ~~(31)~~ (32) employment of an individual under the age of 18 in the delivery or distribution
78.29 of newspapers or shopping news, not including delivery or distribution to any point for
78.30 subsequent delivery or distribution;

79.1 ~~(32)~~ (33) casual employment performed for an individual, other than domestic
 79.2 employment under clause (17), that does not promote or advance that employer's trade or
 79.3 business;

79.4 ~~(33)~~ (34) employment in "agricultural employment" unless it is "covered agricultural
 79.5 employment" under subdivision 11; or

79.6 ~~(34)~~ (35) if employment during one-half or more of any pay period was covered
 79.7 employment, all the employment for the pay period is covered employment; but if during
 79.8 more than one-half of any pay period the employment was noncovered employment, then
 79.9 all of the employment for the pay period is noncovered employment. "Pay period" means
 79.10 a period of not more than a calendar month for which a payment or compensation is ordinarily
 79.11 made to the employee by the employer.

79.12 Sec. 3. Minnesota Statutes 2018, section 268.051, subdivision 2a, is amended to read:

79.13 Subd. 2a. **Unemployment insurance tax limits reduction.** (a) If the balance in the trust
 79.14 fund on December 31 of any calendar year is four percent or more above the amount equal
 79.15 to an average high cost multiple of 1.0, future unemployment taxes payable must be reduced
 79.16 by all amounts above 1.0. The amount of tax reduction for any taxpaying employer is the
 79.17 same percentage of the total amount above 1.0 as the percentage of taxes paid by the
 79.18 employer during the calendar year is of the total amount of taxes that were paid by all
 79.19 ~~nonmaximum experience rated~~ employers during the year except taxes paid by employers
 79.20 assigned a tax rate equal to the maximum experience rating plus the applicable base tax
 79.21 rate.

79.22 (b) For purposes of this subdivision, "average high cost multiple" has the meaning given
 79.23 in Code of Federal Regulations, title 20, section 606.3, as amended through December 31,
 79.24 2015. An amount equal to an average high cost multiple of 1.0 is a federal measure of
 79.25 adequate reserves in relation to the state's current economy. The commissioner must calculate
 79.26 and publish, as soon as possible following December 31 of any calendar year, the trust fund
 79.27 balance on December 31 along with the amount an average high cost multiple of 1.0 equals.
 79.28 Actual wages paid must be used in the calculation and estimates may not be used.

79.29 (c) The unemployment tax reduction under this subdivision does not apply to employers
 79.30 that were at assigned a tax rate equal to the maximum experience rating plus the applicable
 79.31 base tax rate for the year; nor to high experience rating industry employers under subdivision
 79.32 5, paragraph (b). Computations under paragraph (a) are not subject to the rounding
 79.33 requirement of section 268.034. The refund provisions of section 268.057, subdivision 7,
 79.34 do not apply.

80.1 (d) The unemployment tax reduction under this subdivision applies to taxes paid between
 80.2 March 1 and December 15 of the year following the December 31 computation under
 80.3 paragraph (a).

80.4 (e) ~~The amount equal to the average high cost multiple of 1.0 on December 31, 2012,~~
 80.5 ~~must be used for the calculation under paragraph (a) but only for the calculation made on~~
 80.6 ~~December 31, 2015. Notwithstanding paragraph (d), the tax reduction resulting from the~~
 80.7 ~~application of this paragraph applies to unemployment taxes paid between July 1, 2016,~~
 80.8 ~~and June 30, 2017. If there was an experience rating history transfer under subdivision 4,~~
 80.9 ~~the successor employer must receive that portion of the predecessor employer's tax reduction~~
 80.10 ~~equal to that portion of the experience rating history transferred. The predecessor employer~~
 80.11 ~~retains that portion of tax reduction not transferred to the successor. This paragraph applies~~
 80.12 ~~to that portion of the tax reduction that remains unused at the time of notice of acquisition~~
 80.13 ~~is provided under subdivision 4, paragraph (e).~~

80.14 Sec. 4. **EFFECTIVE DATE.**

80.15 Unless otherwise specified, this article is effective October 1, 2020.

80.16 **ARTICLE 5**

80.17 **UNEMPLOYMENT INSURANCE ADVISORY COUNCIL; INTEREST**

80.18 Section 1. Minnesota Statutes 2018, section 268.057, subdivision 5, is amended to read:

80.19 Subd. 5. **Interest on amounts past due.** If any amounts due from an employer under
 80.20 this chapter or section 116L.20, except late fees under section 268.044, are not received on
 80.21 the date due ~~the unpaid balance bears~~ the commissioner must assess interest on any amount
 80.22 that remains unpaid. Interest is assessed at the rate of one percent per month or any part of
 80.23 a month. Interest is not assessed on unpaid interest. Interest collected under this subdivision
 80.24 is credited to the contingent account.

80.25 **EFFECTIVE DATE.** This section is effective October 1, 2020.

80.26 Sec. 2. Minnesota Statutes 2018, section 268.18, subdivision 2b, is amended to read:

80.27 Subd. 2b. **Interest.** On any unemployment benefits obtained by misrepresentation, and
 80.28 any penalty amounts assessed under subdivision 2, the commissioner must assess interest
 80.29 ~~at the rate of one percent per month~~ on any amount that remains unpaid beginning 30 calendar
 80.30 days after the date of a determination of overpayment penalty. Interest is assessed at the
 80.31 rate of one percent per month or any part of a month. A determination of overpayment

81.1 penalty must state that interest will be assessed. Interest is not assessed ~~in the same manner~~
 81.2 ~~as on employer debt under section 268.057, subdivision 5~~ on unpaid interest. Interest
 81.3 ~~payments~~ collected under this subdivision are is credited to the trust fund.

81.4 **EFFECTIVE DATE.** This section is effective October 1, 2020.

81.5 **ARTICLE 6**
 81.6 **UNEMPLOYMENT INSURANCE ADVISORY COUNCIL; BASE PERIODS**

81.7 Section 1. Minnesota Statutes 2018, section 268.035, subdivision 4, is amended to read:

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

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

81.20 (b) If an application for unemployment benefits has an effective date that is during the
 81.21 month following the most recent completed calendar quarter, then the base period is the
 81.22 first four of the most recent five completed calendar quarters before the effective date of
 81.23 an applicant's application for unemployment benefits. The base period under this paragraph
 81.24 is as follows:

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

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

82.1 ~~(d) If the applicant under paragraph (b) has insufficient wage credits to establish a benefit~~
 82.2 ~~account, then a base period of the most recent four completed calendar quarters before the~~
 82.3 ~~effective date of the applicant's application for unemployment benefits must be used.~~

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

82.11 (1) if an applicant was compensated for a loss of work of seven to 13 weeks; during a
 82.12 base period referred to in paragraph (a) or (b), then the base period is the first four of the
 82.13 most recent six completed calendar quarters before the effective date of the application for
 82.14 unemployment benefits;

82.15 (2) if an applicant was compensated for a loss of work of 14 to 26 weeks; during a base
 82.16 period referred to in paragraph (a) or (b), then the base period is the first four of the most
 82.17 recent seven completed calendar quarters before the effective date of the application for
 82.18 unemployment benefits;

82.19 (3) if an applicant was compensated for a loss of work of 27 to 39 weeks; during a base
 82.20 period referred to in paragraph (a) or (b), then the base period is the first four of the most
 82.21 recent eight completed calendar quarters before the effective date of the application for
 82.22 unemployment benefits; and

82.23 (4) if an applicant was compensated for a loss of work of 40 to 52 weeks; during a base
 82.24 period referred to in paragraph (a) or (b), then the base period is the first four of the most
 82.25 recent nine completed calendar quarters before the effective date of the application for
 82.26 unemployment benefits.

82.27 ~~(f)~~ (e) No base period under this subdivision may include wage credits upon which a
 82.28 prior benefit account was established.

82.29 Sec. 2. Minnesota Statutes 2018, section 268.07, subdivision 1, is amended to read:

82.30 Subdivision 1. **Application for unemployment benefits; determination of benefit**
 82.31 **account.** (a) An application for unemployment benefits may be filed in person, by mail, or
 82.32 by electronic transmission as the commissioner may require. The applicant must be
 82.33 unemployed at the time the application is filed and must provide all requested information

83.1 in the manner required. If the applicant is not unemployed at the time of the application or
 83.2 fails to provide all requested information, the communication is not an application for
 83.3 unemployment benefits.

83.4 (b) The commissioner must examine each application for unemployment benefits to
 83.5 determine the base period and the benefit year, and based upon all the covered employment
 83.6 in the base period the commissioner must determine the weekly unemployment benefit
 83.7 amount available, if any, and the maximum amount of unemployment benefits available,
 83.8 if any. The determination, which is a document separate and distinct from a document titled
 83.9 a determination of eligibility or determination of ineligibility issued under section 268.101,
 83.10 must be titled determination of benefit account. A determination of benefit account must
 83.11 be sent to the applicant and all base period employers, by mail or electronic transmission.

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

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

83.19 ~~(1) the applicant is using a base period under section 268.035, subdivision 4, paragraph~~
 83.20 ~~(d); and~~

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

83.23 ~~(e)~~ (d) The commissioner may, at any time within 24 months from the establishment of
 83.24 a benefit account, reconsider any determination of benefit account and make an amended
 83.25 determination if the commissioner finds that the wage credits listed in the determination
 83.26 were incorrect for any reason. An amended determination of benefit account must be
 83.27 promptly sent to the applicant and all base period employers, by mail or electronic
 83.28 transmission. This subdivision does not apply to documents titled determinations of eligibility
 83.29 or determinations of ineligibility issued under section 268.101.

83.30 ~~(f)~~ (e) If an amended determination of benefit account reduces the weekly unemployment
 83.31 benefit amount or maximum amount of unemployment benefits available, any unemployment
 83.32 benefits that have been paid greater than the applicant was entitled is an overpayment of
 83.33 unemployment benefits. A determination or amended determination issued under this section
 83.34 that results in an overpayment of unemployment benefits must set out the amount of the

84.1 overpayment and the requirement under section 268.18, subdivision 1, that the overpaid
84.2 unemployment benefits must be repaid.

84.3 Sec. 3. **EFFECTIVE DATE.**

84.4 Unless otherwise specified, this article is effective January 1, 2020.

84.5 **ARTICLE 7**

84.6 **UNEMPLOYMENT INSURANCE ADVISORY COUNCIL; HOUSEKEEPING**

84.7 Section 1. Minnesota Statutes 2018, section 268.035, subdivision 15, is amended to read:

84.8 Subd. 15. **Employment.** (a) "Employment" means service performed by:

84.9 (1) an individual who is an employee under the common law of employer-employee and
84.10 not an independent contractor;

84.11 (2) an officer of a corporation;

84.12 (3) a member of a limited liability company who is an employee under the common law
84.13 of employer-employee; or

84.14 (4) an individual who is an employee under the Federal Insurance Contributions Act,
84.15 United States Code, title 26, chapter 21, sections 3121 (d)(3)(A) and 3121 (d)(3)(D); or

84.16 ~~(4)~~ (5) product demonstrators in retail stores or other locations to aid in the sale of
84.17 products. The person that pays the wages is the employer.

84.18 (b) Employment does not include service as a juror.

84.19 (c) Construction industry employment is defined in subdivision 9a. Trucking and
84.20 messenger/courier industry employment is defined in subdivision 25b. Rules on determining
84.21 worker employment status are described under Minnesota Rules, chapter 3315.

84.22 Sec. 2. Minnesota Statutes 2018, section 268.044, subdivision 2, is amended to read:

84.23 Subd. 2. **Failure to timely file report; late fees.** (a) Any employer that fails to submit
84.24 the quarterly wage detail report when due must pay a late fee of \$10 per employee, computed
84.25 based upon the highest of:

84.26 (1) the number of employees reported on the last wage detail report submitted;

84.27 (2) the number of employees reported in the corresponding quarter of the prior calendar
84.28 year; or

85.1 (3) if no wage detail report has ever been submitted, the number of employees listed at
85.2 the time of employer registration.

85.3 The late fee is canceled if the wage detail report is received within 30 calendar days
85.4 after a demand for the report is sent to the employer by mail or electronic transmission. A
85.5 late fee assessed an employer may not be canceled more than twice each 12 months. The
85.6 amount of the late fee assessed may not be less than \$250.

85.7 (b) If the wage detail report is not received in a manner and format prescribed by the
85.8 commissioner within 30 calendar days after demand is sent under paragraph (a), the late
85.9 fee assessed under paragraph (a) doubles and a renewed demand notice and notice of the
85.10 increased late fee will be sent to the employer by mail or electronic transmission.

85.11 (c) Late fees due under this subdivision may be canceled, in whole or in part, under
85.12 section ~~268.066 where good cause for late submission is found by the commissioner~~ 268.067.

85.13 Sec. 3. Minnesota Statutes 2018, section 268.047, subdivision 3, is amended to read:

85.14 Subd. 3. **Exceptions for taxpaying employers.** Unemployment benefits paid will not
85.15 be used in computing the future tax rate of a taxpaying base period employer when:

85.16 (1) the applicant's wage credits from that employer are less than \$500;

85.17 (2) the applicant quit the employment, unless it was determined under section 268.095,
85.18 to have been because of a good reason caused by the employer or because the employer
85.19 notified the applicant of discharge within 30 calendar days. This exception applies ~~only~~ to
85.20 unemployment benefits paid for periods after the applicant's quitting the employment and,
85.21 if the applicant is rehired by the employer, continues only until the beginning of the week
85.22 the applicant is rehired; or

85.23 (3) the employer discharged the applicant from employment because of employment
85.24 misconduct as determined under section 268.095. This exception applies ~~only~~ to
85.25 unemployment benefits paid for periods after the applicant's discharge from employment
85.26 and, if the applicant is rehired by the employer, continues only until the beginning of the
85.27 week the applicant is rehired.

85.28 Sec. 4. Minnesota Statutes 2018, section 268.085, subdivision 3, is amended to read:

85.29 Subd. 3. **Vacation and sick payments that delay unemployment benefits.** (a) An
85.30 applicant is not eligible to receive unemployment benefits for any week the applicant is
85.31 receiving, has received, or will receive vacation pay, sick pay, or personal time off pay, also
85.32 known as "PTO."

86.1 This paragraph ~~only applies upon temporary, indefinite, or seasonal separation and does~~
86.2 ~~not apply:~~

86.3 (1) upon a permanent separation from employment; or

86.4 (2) to payments from a vacation fund administered by a union or a third party not under
86.5 the control of the employer.

86.6 ~~Payments under this paragraph are applied to the period immediately following the~~
86.7 ~~temporary, indefinite, or seasonal separation.~~

86.8 (b) ~~An applicant is not eligible to receive unemployment benefits for any week the~~
86.9 ~~applicant is receiving, has received, or will receive severance pay, bonus pay, or any other~~
86.10 ~~payments paid by an employer because of, upon, or after separation from employment.~~

86.11 ~~This paragraph only applies if the payment is:~~

86.12 (1) ~~considered wages under section 268.035, subdivision 29; or~~

86.13 (2) ~~subject to the Federal Insurance Contributions Act (FICA) tax imposed to fund Social~~
86.14 ~~Security and Medicare.~~

86.15 (b) Payments under this paragraph subdivision are applied to the period immediately
86.16 following the later of the date of separation from employment or the date the applicant first
86.17 becomes aware that the employer will be making a payment. The date the payment is actually
86.18 made or received, or that an applicant must agree to a release of claims, does not affect the
86.19 application of this paragraph subdivision.

86.20 ~~This paragraph does not apply to earnings under subdivision 5, back pay under~~
86.21 ~~subdivision 6, or vacation pay, sick pay, or personal time off pay under paragraph (a).~~

86.22 (c) ~~An applicant is not eligible to receive unemployment benefits for any week the~~
86.23 ~~applicant is receiving, has received, will receive, or has applied for pension, retirement, or~~
86.24 ~~annuity payments from any plan contributed to by a base period employer including the~~
86.25 ~~United States government. The base period employer is considered to have contributed to~~
86.26 ~~the plan if the contribution is excluded from the definition of wages under section 268.035,~~
86.27 ~~subdivision 29. If the pension, retirement, or annuity payment is paid in a lump sum, an~~
86.28 ~~applicant is not considered to have received a payment if:~~

86.29 (1) ~~the applicant immediately deposits that payment in a qualified pension plan or~~
86.30 ~~account; or~~

86.31 (2) ~~that payment is an early distribution for which the applicant paid an early distribution~~
86.32 ~~penalty under the Internal Revenue Code, United States Code, title 26, section 72(t)(1).~~

87.1 ~~This paragraph does not apply to Social Security benefits under subdivision 4 or 4a.~~

87.2 ~~(d)~~ (c) This subdivision applies to all the weeks of payment. The number of weeks of
87.3 payment is determined as follows:

87.4 (1) if the payments are made periodically, the total of the payments to be received is
87.5 divided by the applicant's last level of regular weekly pay from the employer; or

87.6 (2) if the payment is made in a lump sum, that sum is divided by the applicant's last level
87.7 of regular weekly pay from the employer.

87.8 ~~For purposes of this paragraph, The~~ "last level of regular weekly pay" includes
87.9 commissions, bonuses, and overtime pay if that is part of the applicant's ongoing regular
87.10 compensation.

87.11 ~~(e)~~ (d) Under this subdivision, if the payment with respect to a week is equal to or more
87.12 than the applicant's weekly unemployment benefit amount, the applicant is ineligible for
87.13 benefits for that week. If the payment with respect to a week is less than the applicant's
87.14 weekly unemployment benefit amount, unemployment benefits are reduced by the amount
87.15 of the payment.

87.16 Sec. 5. Minnesota Statutes 2018, section 268.085, subdivision 3a, is amended to read:

87.17 Subd. 3a. **Workers' compensation and disability insurance offset.** (a) An applicant
87.18 is not eligible to receive unemployment benefits for any week in which the applicant is
87.19 receiving or has received compensation for loss of wages equal to or in excess of the
87.20 applicant's weekly unemployment benefit amount under:

87.21 (1) the workers' compensation law of this state;

87.22 (2) the workers' compensation law of any other state or similar federal law; or

87.23 (3) any insurance or trust fund paid in whole or in part by an employer.

87.24 (b) This subdivision does not apply to an applicant who has a claim pending for loss of
87.25 wages under paragraph (a); however, before unemployment benefits may be paid when a
87.26 claim is pending, the issue of the applicant being available for suitable employment, as
87.27 required under subdivision 1, clause (4), ~~is~~ must be determined under section 268.101,
87.28 subdivision 2. If the applicant later receives compensation as a result of the pending claim,
87.29 the applicant is subject to ~~the provisions of~~ paragraph (a) and the unemployment benefits
87.30 paid are ~~subject to recoupment by the commissioner to the extent that the compensation~~
87.31 ~~constitutes~~ overpaid unemployment benefits under section 268.18, subdivision 1.

88.1 (c) If the amount of compensation described under paragraph (a) for any week is less
 88.2 than the applicant's weekly unemployment benefit amount, unemployment benefits requested
 88.3 for that week are reduced by the amount of that compensation payment.

88.4 Sec. 6. Minnesota Statutes 2018, section 268.085, is amended by adding a subdivision to
 88.5 read:

88.6 **Subd. 3b. Separation, severance, or bonus payments that delay unemployment**
 88.7 **benefits.** (a) An applicant is not eligible to receive unemployment benefits for any week
 88.8 the applicant is receiving, has received, or will receive separation pay, severance pay, bonus
 88.9 pay, or any other payments paid by an employer because of, upon, or after separation from
 88.10 employment. This subdivision applies if the payment is:

88.11 (1) considered wages under section 268.035, subdivision 29; or

88.12 (2) subject to the Federal Insurance Contributions Act (FICA) tax imposed to fund Social
 88.13 Security and Medicare.

88.14 (b) Payments under this subdivision are applied to the period immediately following the
 88.15 later of the date of separation from employment or the date the applicant first becomes
 88.16 aware that the employer will be making a payment. The date the payment is actually made
 88.17 or received, or that an applicant must agree to a release of claims, does not affect the
 88.18 application of this paragraph.

88.19 (c) This subdivision does not apply to earnings under subdivision 5, back pay under
 88.20 subdivision 6, or vacation pay, sick pay, or personal time off pay under subdivision 3.

88.21 (d) This subdivision applies to all the weeks of payment. The number of weeks of
 88.22 payment is determined in accordance with subdivision 3, paragraph (c).

88.23 (e) Under this subdivision, if the payment with respect to a week is equal to or more
 88.24 than the applicant's weekly unemployment benefit amount, the applicant is ineligible for
 88.25 benefits for that week. If the payment with respect to a week is less than the applicant's
 88.26 weekly unemployment benefit amount, unemployment benefits are reduced by the amount
 88.27 of the payment.

88.28 Sec. 7. Minnesota Statutes 2018, section 268.085, is amended by adding a subdivision to
 88.29 read:

88.30 **Subd. 3c. Pension or retirement payment offset.** (a) An applicant is not eligible to
 88.31 receive unemployment benefits for any week the applicant is receiving, has received, will
 88.32 receive, or has applied for pension, retirement, or annuity payments from any plan contributed

89.1 to by a base period employer including the United States government. The base period
89.2 employer is considered to have contributed to the plan if the contribution is excluded from
89.3 the definition of wages under section 268.035, subdivision 29.

89.4 (b) If the pension, retirement, or annuity payment is paid in a lump sum, an applicant is
89.5 not considered to have received a payment if:

89.6 (1) the applicant immediately deposits that payment in a qualified pension plan or
89.7 account; or

89.8 (2) that payment is an early distribution for which the applicant paid an early distribution
89.9 penalty under the Internal Revenue Code, United States Code, title 26, section 72(t)(1).

89.10 (c) This subdivision does not apply to Social Security benefits under subdivision 4 or
89.11 4a.

89.12 (d) This subdivision applies to all the weeks of payment.

89.13 If the payment is made in a lump sum, that sum is divided by the applicant's last level
89.14 of regular weekly pay from the employer to determine the weeks of payment.

89.15 The "last level of regular weekly pay" includes commissions, bonuses, and overtime
89.16 pay if that is part of the applicant's ongoing regular compensation.

89.17 (e) Under this subdivision, if the payment with respect to a week is equal to or more
89.18 than the applicant's weekly unemployment benefit amount, the applicant is ineligible for
89.19 benefits for that week. If the payment with respect to a week is less than the applicant's
89.20 weekly unemployment benefit amount, unemployment benefits are reduced by the amount
89.21 of the payment.

89.22 Sec. 8. Minnesota Statutes 2018, section 268.085, subdivision 13a, is amended to read:

89.23 Subd. 13a. **Leave of absence.** (a) An applicant on a voluntary leave of absence is
89.24 ineligible for unemployment benefits for the duration of the leave of absence. An applicant
89.25 on an involuntary leave of absence is not ineligible under this subdivision.

89.26 A leave of absence is voluntary when work that the applicant can then perform is available
89.27 with the applicant's employer but the applicant chooses not to work. A medical leave of
89.28 absence is not presumed to be voluntary.

89.29 (b) A period of vacation requested by the applicant, paid or unpaid, is a voluntary leave
89.30 of absence. A vacation period assigned by an employer under: (1) a uniform vacation
89.31 shutdown; (2) a collective bargaining agreement; or (3) an established employer policy, is
89.32 an involuntary leave of absence.

90.1 (c) A leave of absence is a temporary stopping of work that has been approved by the
 90.2 employer. A ~~voluntary~~ leave of absence is not a quit ~~and an involuntary leave of absence~~
 90.3 ~~is not~~ or a discharge from employment for purposes of Section 268.095 does not apply to
 90.4 a leave of absence.

90.5 (d) An applicant who is on a paid leave of absence, whether the leave of absence is
 90.6 voluntary or involuntary, is ineligible for unemployment benefits for the duration of the
 90.7 leave.

90.8 (e) This subdivision applies to a leave of absence from a base period employer, an
 90.9 employer during the period between the end of the base period and the effective date of the
 90.10 benefit account, or an employer during the benefit year.

90.11 Sec. 9. Minnesota Statutes 2018, section 268.095, subdivision 6, is amended to read:

90.12 Subd. 6. **Employment misconduct defined.** (a) Employment misconduct means any
 90.13 intentional, negligent, or indifferent conduct, on the job or off the job, that ~~displays clearly:~~

90.14 ~~(1) is a serious violation of the standards of behavior the employer has the right to~~
 90.15 ~~reasonably expect of the employee; or~~

90.16 ~~(2) a substantial lack of concern for the employment.~~

90.17 (b) Regardless of paragraph (a), the following is not employment misconduct:

90.18 (1) conduct that was a consequence of the applicant's mental illness or impairment;

90.19 (2) conduct that was a consequence of the applicant's inefficiency or inadvertence;

90.20 (3) simple unsatisfactory conduct;

90.21 (4) conduct an average reasonable employee would have engaged in under the
 90.22 circumstances;

90.23 (5) conduct that was a consequence of the applicant's inability or incapacity;

90.24 (6) good faith errors in judgment if judgment was required;

90.25 (7) absence because of illness or injury of the applicant, with proper notice to the
 90.26 employer;

90.27 (8) absence, with proper notice to the employer, in order to provide necessary care
 90.28 because of the illness, injury, or disability of an immediate family member of the applicant;

90.29 (9) conduct that was a consequence of the applicant's chemical dependency, unless the
 90.30 applicant was previously diagnosed chemically dependent or had treatment for chemical

91.1 dependency, and since that diagnosis or treatment has failed to make consistent efforts to
 91.2 control the chemical dependency; or

91.3 (10) conduct that was a consequence of the applicant, or an immediate family member
 91.4 of the applicant, being a victim of domestic abuse, sexual assault, or stalking. For the
 91.5 purposes of this subdivision, "domestic abuse," "sexual assault," and "stalking" have the
 91.6 meanings given them in subdivision 1.

91.7 (c) Regardless of paragraph (b), clause (9), conduct in violation of sections 169A.20,
 91.8 169A.31, 169A.50 to 169A.53, or 171.177 that ~~interferes with or~~ adversely affects the
 91.9 employment is employment misconduct.

91.10 (d) If the conduct for which the applicant was discharged involved only a single incident,
 91.11 that is an important fact that must be considered in deciding whether the conduct rises to
 91.12 the level of employment misconduct under paragraph (a). This paragraph does not require
 91.13 that a determination under section 268.101 or decision under section 268.105 contain a
 91.14 specific acknowledgment or explanation that this paragraph was considered.

91.15 (e) The definition of employment misconduct provided by this subdivision is exclusive
 91.16 and no other definition applies.

91.17 Sec. 10. Minnesota Statutes 2018, section 268.095, subdivision 6a, is amended to read:

91.18 Subd. 6a. **Aggravated employment misconduct defined.** (a) ~~For the purpose of this~~
 91.19 ~~section, "aggravated employment misconduct" means:~~

91.20 ~~(1)~~ The commission of any act, on the job or off the job, that would amount to a gross
 91.21 misdemeanor or felony is aggravated employment misconduct if the act ~~substantially~~
 91.22 ~~interfered with the employment or~~ had a significant adverse effect on the employment; ~~or.~~

91.23 A criminal charge or conviction is not necessary to determine aggravated employment
 91.24 misconduct under this paragraph. If an applicant is convicted of a gross misdemeanor or
 91.25 felony, the applicant is presumed to have committed the act.

91.26 ~~(2)~~ (b) For an employee of a facility as defined in section 626.5572, aggravated
 91.27 employment misconduct includes an act of patient or resident abuse, financial exploitation,
 91.28 or recurring or serious neglect, as defined in section 626.5572 and applicable rules.

91.29 ~~(b)~~ (b) If an applicant is convicted of a gross misdemeanor or felony for the same act for
 91.30 which the applicant was discharged, it is aggravated employment misconduct if the act
 91.31 substantially interfered with the employment or had a significant adverse effect on the
 91.32 employment.

92.1 (c) The definition of aggravated employment misconduct provided by this subdivision
92.2 is exclusive and no other definition applies.

92.3 Sec. 11. EFFECTIVE DATE.

92.4 Unless otherwise specified, this article is effective October 1, 2019.

92.5 **ARTICLE 8**
92.6 **UNEMPLOYMENT INSURANCE ADVISORY COUNCIL; TECHNICAL**

92.7 Section 1. Minnesota Statutes 2018, section 268.044, subdivision 3, is amended to read:

92.8 Subd. 3. **Missing or erroneous information.** (a) Any employer that submits the wage
92.9 detail report, but fails to include all required employee information or enters erroneous
92.10 information, is subject to an administrative service fee of \$25 for each employee for whom
92.11 the information is partially missing or erroneous.

92.12 (b) Any employer that submits the wage detail report, but fails to include an employee,
92.13 is subject to an administrative service fee equal to two percent of the total wages for each
92.14 employee for whom the information is completely missing.

92.15 (c) An administrative service fee under this subdivision must be canceled under section
92.16 268.067 if the commissioner determines that the failure or error by the employer occurred
92.17 because of ignorance or inadvertence.

92.18 Sec. 2. Minnesota Statutes 2018, section 268.046, subdivision 1, is amended to read:

92.19 Subdivision 1. **Tax accounts assigned.** (a) Any person that contracts with a taxpaying
92.20 employer to have that person obtain the taxpaying employer's workforce and provide workers
92.21 to the taxpaying employer for a fee is, as of the effective date of the contract, assigned for
92.22 the duration of the contract the taxpaying employer's account under section 268.045. That
92.23 tax account must be maintained by the person separate and distinct from every other tax
92.24 account held by the person and identified in a manner prescribed by the commissioner. The
92.25 tax account is, for the duration of the contract, considered that person's account for all
92.26 purposes of this chapter. The workers obtained from the taxpaying employer and any other
92.27 workers provided by that person to the taxpaying employer, including officers of the
92.28 taxpaying employer as defined in section 268.035, subdivision 20, clause ~~(28)~~ (29), whose
92.29 wages paid by the person are considered paid in covered employment under section 268.035,
92.30 subdivision 24, for the duration of the contract between the taxpaying employer and the
92.31 person, must, under section 268.044, be reported on the wage detail report under that tax

93.1 account, and that person must pay any taxes due at the tax rate computed for that account
93.2 under section 268.051, subdivision 2.

93.3 (b) Any workers of the taxpaying employer who are not covered by the contract under
93.4 paragraph (a) must be reported by the taxpaying employer as a separate unit on the wage
93.5 detail report under the tax account assigned under paragraph (a). Taxes and any other
93.6 amounts due on the wages reported by the taxpaying employer under this paragraph may
93.7 be paid directly by the taxpaying employer.

93.8 (c) If the taxpaying employer that contracts with a person under paragraph (a) does not
93.9 have a tax account at the time of the execution of the contract, an account must be registered
93.10 for the taxpaying employer under section 268.042 and the new employer tax rate under
93.11 section 268.051, subdivision 5, must be assigned. The tax account is then assigned to the
93.12 person as provided for in paragraph (a).

93.13 (d) A person that contracts with a taxpaying employer under paragraph (a) must, within
93.14 30 calendar days of the execution or termination of a contract, notify the commissioner by
93.15 electronic transmission, in a format prescribed by the commissioner, of that execution or
93.16 termination. The taxpaying employer's name, the account number assigned, and any other
93.17 information required by the commissioner must be provided by that person.

93.18 (e) Any contract subject to paragraph (a) must specifically inform the taxpaying employer
93.19 of the assignment of the tax account under this section and the taxpaying employer's
93.20 obligation under paragraph (b). If there is a termination of the contract, the tax account is,
93.21 as of the date of termination, immediately assigned to the taxpaying employer.

93.22 Sec. 3. Minnesota Statutes 2018, section 268.069, subdivision 1, is amended to read:

93.23 Subdivision 1. **Requirements.** The commissioner must pay unemployment benefits
93.24 from the trust fund to an applicant who has met each of the following requirements:

93.25 (1) the applicant has filed an application for unemployment benefits and established a
93.26 benefit account in accordance with section 268.07;

93.27 (2) the applicant has not been held ineligible for unemployment benefits under section
93.28 268.095 because of a quit or discharge;

93.29 (3) the applicant has met all of the ongoing eligibility requirements under section 268.085;

93.30 (4) the applicant does not have an outstanding overpayment of unemployment benefits,
93.31 including any penalties or interest; and

94.1 (5) the applicant has not been held ineligible for unemployment benefits under section
94.2 268.183 ~~because of a false representation or concealment of facts.~~

94.3 Sec. 4. Minnesota Statutes 2018, section 268.105, subdivision 6, is amended to read:

94.4 Subd. 6. **Representation; fees.** (a) In any proceeding under subdivision 1 or 2, an
94.5 applicant or employer may be represented by any authorized representative.

94.6 Except for services provided by an attorney-at-law, no person may charge an applicant
94.7 a fee of any kind for advising, assisting, or representing an applicant in a hearing ~~or~~₂ on
94.8 reconsideration, or in a proceeding under subdivision 7.

94.9 (b) An applicant may not be charged fees, costs, or disbursements of any kind in a
94.10 proceeding before an unemployment law judge, the Minnesota Court of Appeals, or the
94.11 Supreme Court of Minnesota.

94.12 (c) No attorney fees may be awarded, or costs or disbursements assessed, against the
94.13 department as a result of any proceedings under this section.

94.14 Sec. 5. Minnesota Statutes 2018, section 268.145, subdivision 1, is amended to read:

94.15 Subdivision 1. **Notification.** (a) Upon filing an application for unemployment benefits,
94.16 the applicant must be informed that:

94.17 (1) unemployment benefits are subject to federal and state income tax;

94.18 (2) there are requirements for filing estimated tax payments;

94.19 (3) the applicant may elect to have federal income tax withheld from unemployment
94.20 benefits;

94.21 (4) if the applicant elects to have federal income tax withheld, the applicant may, in
94.22 addition, elect to have Minnesota state income tax withheld; and

94.23 (5) at any time during the benefit year the applicant may change a prior election.

94.24 (b) If an applicant elects to have federal income tax withheld, the commissioner must
94.25 deduct ten percent for federal income tax. If an applicant also elects to have Minnesota state
94.26 income tax withheld, the commissioner must make an additional five percent deduction for
94.27 state income tax. Any ~~amounts~~ amount deducted ~~or offset~~ under ~~sections 268.155, 268.18,~~
94.28 ~~and 268.184~~ have section 268.085 has priority over any amounts deducted under this section.
94.29 Federal income tax withholding has priority over state income tax withholding.

95.1 (c) An election to have income tax withheld may not be retroactive and only applies to
 95.2 unemployment benefits paid after the election.

95.3 Sec. 6. Minnesota Statutes 2018, section 268.18, subdivision 5, is amended to read:

95.4 Subd. 5. **Remedies.** (a) Any method undertaken to recover an overpayment of
 95.5 unemployment benefits, including any penalties and interest, is not an election of a method
 95.6 of recovery.

95.7 (b) Intervention or lack thereof, in whole or in part, in a workers' compensation matter
 95.8 under section 176.361 is not an election of a remedy and does not prevent the commissioner
 95.9 from determining an applicant ineligible for unemployment benefits ~~or taking action under~~
 95.10 ~~section 268.183.~~

95.11 Sec. 7. **REVISOR INSTRUCTION.**

95.12 The revisor of statutes is instructed to make the following changes in Minnesota Statutes:

95.13 (1) delete the term "bona fide" wherever it appears in section 268.035;

95.14 (2) replace the term "under" with "subject to" in section 268.047, subdivision 2, clause
 95.15 (8);

95.16 (3) replace the term "displays clearly" with "shows" in chapter 268;

95.17 (4) replace the term "entire" with "hearing" in section 268.105; and

95.18 (5) replace "24 calendar months" with "eight calendar quarters" in section 268.052,
 95.19 subdivision 2.

95.20 Sec. 8. **EFFECTIVE DATE.**

95.21 Unless otherwise specified, this article is effective October 1, 2019.

95.22 **ARTICLE 9**

95.23 **LABOR AND INDUSTRY POLICY**

95.24 Section 1. Minnesota Statutes 2018, section 15.72, subdivision 2, is amended to read:

95.25 Subd. 2. **Retainage.** (a) A public contracting agency may reserve as retainage from any
 95.26 progress payment on a public contract for a public improvement an amount not to exceed
 95.27 five percent of the payment. A public contracting agency may reduce the amount of the
 95.28 retainage and may eliminate retainage on any monthly contract payment if, in the agency's
 95.29 opinion, the work is progressing satisfactorily.

96.1 (b) The public contracting agency must release all retainage no later than 60 days after
96.2 substantial completion, subject to the terms of this subdivision. If the public contracting
96.3 agency reduces the amount of retainage, the contractor must reduce retainage for any
96.4 subcontractors at the same rate.

96.5 (c) A contractor on a public contract for a public improvement must pay all remaining
96.6 retainage to its subcontractors no later than ten days after receiving payment of retainage
96.7 from the public contracting agency, unless there is a dispute about the work under a
96.8 subcontract. If there is a dispute about the work under a subcontract, the contractor must
96.9 pay out retainage to any subcontractor whose work is not involved in the dispute, and must
96.10 provide a written statement detailing the amount and reason for the withholding to the
96.11 affected subcontractor.

96.12 (d) Upon written request of a subcontractor, the public contracting agency shall notify
96.13 the subcontractor of a progress payment, retainage payment, or final payment made to the
96.14 contractor.

96.15 (e) After substantial completion, a public contracting agency may withhold no more
96.16 than:

96.17 (1) 250 percent of the cost to correct or complete work known at the time of substantial
96.18 completion; and

96.19 (2) one percent of the value of the contract or \$500, whichever is greater, pending
96.20 completion and submission of all final paperwork by the contractor or subcontractor. For
96.21 purposes of this subdivision, "final paperwork" means documents required to fulfill
96.22 contractual obligations, including, but not limited to, operation manuals, payroll documents
96.23 for projects subject to prevailing wage requirements, and the withholding exemption
96.24 certificate required by section 270C.66.

96.25 If the public contracting agency withholds payment under this paragraph, the public
96.26 contracting agency must promptly provide a written statement detailing the amount and
96.27 basis of withholding to the contractor. The public contracting agency and contractor must
96.28 provide a copy of this statement to any subcontractor that requests it. Any amounts withheld
96.29 under clause (1) must be paid within 60 days after completion of the work. Any amounts
96.30 withheld under clause (2) must be paid within 60 days after submission of all final paperwork.

96.31 (f) As used in this subdivision, "substantial completion" shall be determined as provided
96.32 in section 541.051, subdivision 1, paragraph (a). For construction, reconstruction, or
96.33 improvement of streets and highways, including bridges, substantial completion means the
96.34 date when construction-related traffic devices and ongoing inspections are no longer required.

97.1 (g) Withholding retainage for warranty work is prohibited. This provision does not waive
97.2 any rights for warranty claims.

97.3 (h) For a project funded with federal or state aid, the public contracting agency is not
97.4 required to pay that portion of the contract funded by federal or state aid until the federal
97.5 or state aid payments have been received.

97.6 (i) Nothing in this section requires payment for a portion of a contract that is not complete
97.7 or for which an invoice has not been submitted.

97.8 **EFFECTIVE DATE.** This section applies to agreements entered into on or after August
97.9 1, 2019.

97.10 Sec. 2. Minnesota Statutes 2018, section 175.46, subdivision 3, is amended to read:

97.11 Subd. 3. **Duties.** (a) The commissioner shall:

97.12 (1) approve youth skills training programs that train student learners for careers in
97.13 high-growth, high-demand occupations that provide:

97.14 (i) that the work of the student learner in the occupations declared particularly hazardous
97.15 shall be incidental to the training;

97.16 (ii) that the work shall be intermittent and for short periods of time, and under the direct
97.17 and close supervision of a qualified and experienced person;

97.18 (iii) that safety instruction shall be provided to the student learner and may be given by
97.19 the school and correlated by the employer with on-the-job training;

97.20 (iv) a schedule of organized and progressive work processes to be performed on the job;

97.21 (v) a schedule of wage rates in compliance with section 177.24; and

97.22 (vi) whether the student learner will obtain secondary school academic credit,
97.23 postsecondary credit, or both, for the training program;

97.24 (2) approve occupations and maintain a list of approved occupations for programs under
97.25 this section;

97.26 (3) issue requests for proposals for grants;

97.27 (4) work with individuals representing industry and labor to develop new youth skills
97.28 training programs;

97.29 (5) develop model program guides;

97.30 (6) monitor youth skills training programs;

98.1 (7) provide technical assistance to local partnership grantees;

98.2 (8) work with providers to identify paths for receiving postsecondary credit for
98.3 participation in the youth skills training program; and

98.4 (9) approve other activities as necessary to implement the program.

98.5 (b) The commissioner shall collaborate with stakeholders, including, but not limited to,
98.6 representatives of secondary school institutions, career and technical education instructors,
98.7 postsecondary institutions, businesses, and labor, in developing youth skills training
98.8 programs, and identifying and approving occupations and competencies for youth skills
98.9 training programs.

98.10 Sec. 3. Minnesota Statutes 2018, section 175.46, subdivision 13, is amended to read:

98.11 Subd. 13. **Grant awards.** (a) The commissioner shall award grants to local partnerships
98.12 for youth skills training programs that train student learners for careers in high-growth,
98.13 high-demand occupations. Grant awards may not exceed \$100,000 per local partnership
98.14 grant.

98.15 (b) A local partnership awarded a grant under this section must use the grant award for
98.16 any of the following implementation and coordination activities:

98.17 (1) recruiting additional employers to provide on-the-job training and supervision for
98.18 student learners and providing technical assistance to those employers;

98.19 (2) recruiting students to participate in the local youth skills training program, monitoring
98.20 the progress of student learners participating in the program, and monitoring program
98.21 outcomes;

98.22 (3) coordinating youth skills training activities within participating school districts and
98.23 among participating school districts, postsecondary institutions, and employers;

98.24 (4) coordinating academic, vocational and occupational learning, school-based and
98.25 work-based learning, and secondary and postsecondary education for participants in the
98.26 local youth skills training program;

98.27 (5) coordinating transportation for student learners participating in the local youth skills
98.28 training program; and

98.29 (6) any other implementation or coordination activity that the commissioner may direct
98.30 or permit the local partnership to perform.

99.1 ~~(b)~~ (c) Grant awards may not be used to directly or indirectly pay the wages of a student
 99.2 learner.

99.3 Sec. 4. Minnesota Statutes 2018, section 326B.082, subdivision 6, is amended to read:

99.4 Subd. 6. **Notices of violation.** (a) The commissioner may issue a notice of violation to
 99.5 any person who the commissioner determines has committed a violation of the applicable
 99.6 law. The notice of violation must state a summary of the facts that constitute the violation
 99.7 and the applicable law violated. The notice of violation may require the person to correct
 99.8 the violation. If correction is required, the notice of violation must state the deadline by
 99.9 which the violation must be corrected.

99.10 (b) The commissioner shall issue the notice of violation by:

99.11 (1) serving the notice of violation on the property owner or on the person who committed
 99.12 the violation; or

99.13 (2) posting the notice of violation at the location where the violation occurred.

99.14 (c) If the person to whom the commissioner has issued the notice of violation believes
 99.15 the notice was issued in error, then the person may request reconsideration of the parts of
 99.16 the notice that the person believes are in error. The request for reconsideration must be in
 99.17 writing and must be served on ~~or~~₂ faxed, or e-mailed to the commissioner at the address ~~or~~₂
 99.18 fax number, or e-mail address specified in the notice of violation by the tenth day after the
 99.19 commissioner issued the notice of violation. The date on which a request for reconsideration
 99.20 is served by mail shall be the postmark date on the envelope in which the request for
 99.21 reconsideration is mailed. If the person does not serve ~~or~~₂ fax, or e-mail a written request
 99.22 for reconsideration or if the person's written request for reconsideration is not served on or
 99.23 faxed to the commissioner by the tenth day after the commissioner issued the notice of
 99.24 violation, the notice of violation shall become a final order of the commissioner and will
 99.25 not be subject to review by any court or agency. The request for reconsideration must:

99.26 (1) specify which parts of the notice of violation the person believes are in error;

99.27 (2) explain why the person believes the parts are in error; and

99.28 (3) provide documentation to support the request for reconsideration.

99.29 The commissioner shall respond in writing to requests for reconsideration made under
 99.30 this paragraph within 15 days after receiving the request. A request for reconsideration does
 99.31 not stay a requirement to correct a violation as set forth in the notice of violation. After
 99.32 reviewing the request for reconsideration, the commissioner may affirm, modify, or rescind

100.1 the notice of violation. The commissioner's response to a request for reconsideration is final
100.2 and shall not be reviewed by any court or agency.

100.3 Sec. 5. Minnesota Statutes 2018, section 326B.082, subdivision 8, is amended to read:

100.4 Subd. 8. **Hearings related to administrative orders.** (a) Within 30 days after the
100.5 commissioner issues an administrative order or within 20 days after the commissioner issues
100.6 the notice under section 326B.083, subdivision 3, paragraph (b), clause (3), the person to
100.7 whom the administrative order or notice is issued may request an expedited hearing to
100.8 review the commissioner's order or notice. The request for hearing must be in writing and
100.9 must be served on ~~or~~, faxed, or e-mailed to the commissioner at the address ~~or~~, fax number,
100.10 or e-mail address specified in the order or notice. If the person does not request a hearing
100.11 or if the person's written request for hearing is not served on ~~or~~, faxed, or e-mailed to the
100.12 commissioner by the 30th day after the commissioner issues the administrative order or the
100.13 20th day after the commissioner issues the notice under section 326B.083, subdivision 3,
100.14 paragraph (b), clause (3), the order will become a final order of the commissioner and will
100.15 not be subject to review by any court or agency. The date on which a request for hearing is
100.16 served by mail shall be the postmark date on the envelope in which the request for hearing
100.17 is mailed. The hearing request must specifically state the reasons for seeking review of the
100.18 order or notice. The person to whom the order or notice is issued and the commissioner are
100.19 the parties to the expedited hearing. The commissioner must notify the person to whom the
100.20 order or notice is issued of the time and place of the hearing at least 15 days before the
100.21 hearing. The expedited hearing must be held within 45 days after a request for hearing has
100.22 been received by the commissioner unless the parties agree to a later date.

100.23 (b) Parties may submit written arguments if permitted by the administrative law judge.
100.24 All written arguments must be submitted within ten days following the completion of the
100.25 hearing or the receipt of any late-filed exhibits that the parties and the administrative law
100.26 judge have agreed should be received into the record, whichever is later. The hearing shall
100.27 be conducted under Minnesota Rules, parts 1400.8510 to 1400.8612, as modified by this
100.28 subdivision. The Office of Administrative Hearings may, in consultation with the agency,
100.29 adopt rules specifically applicable to cases under this section.

100.30 (c) The administrative law judge shall issue a report making findings of fact, conclusions
100.31 of law, and a recommended order to the commissioner within 30 days following the
100.32 completion of the hearing, the receipt of late-filed exhibits, or the submission of written
100.33 arguments, whichever is later.

101.1 (d) If the administrative law judge makes a finding that the hearing was requested solely
101.2 for purposes of delay or that the hearing request was frivolous, the commissioner may add
101.3 to the amount of the penalty the costs charged to the department by the Office of
101.4 Administrative Hearings for the hearing.

101.5 (e) If a hearing has been held, the commissioner shall not issue a final order until at least
101.6 five days after the date of the administrative law judge's report. Any person aggrieved by
101.7 the administrative law judge's report may, within those five days, serve written comments
101.8 to the commissioner on the report and the commissioner shall consider and enter the
101.9 comments in the record. The commissioner's final order shall comply with sections 14.61,
101.10 subdivision 2, and 14.62, subdivisions 1 and 2a, and may be appealed in the manner provided
101.11 in sections 14.63 to 14.69.

101.12 Sec. 6. Minnesota Statutes 2018, section 326B.082, subdivision 12, is amended to read:

101.13 Subd. 12. **Issuance of licensing orders; hearings related to licensing orders.** (a) If
101.14 the commissioner determines that a permit, license, registration, or certificate should be
101.15 conditioned, limited, suspended, revoked, or denied under subdivision 11, or that the permit
101.16 holder, licensee, registrant, or certificate holder should be censured under subdivision 11,
101.17 then the commissioner shall issue to the person an order denying, conditioning, limiting,
101.18 suspending, or revoking the person's permit, license, registration, or certificate, or censuring
101.19 the permit holder, licensee, registrant, or certificate holder.

101.20 (b) Any order issued under paragraph (a) may include an assessment of monetary penalties
101.21 and may require the person to cease and desist from committing the violation or committing
101.22 the act, conduct, or practice set out in subdivision 11, paragraph (b). The monetary penalty
101.23 may be up to \$10,000 for each violation or act, conduct, or practice committed by the person.
101.24 The procedures in section 326B.083 must be followed when issuing orders under paragraph
101.25 (a).

101.26 (c) The permit holder, licensee, registrant, certificate holder, or applicant to whom the
101.27 commissioner issues an order under paragraph (a) shall have 30 days after issuance of the
101.28 order to request a hearing. The request for hearing must be in writing and must be served
101.29 on ~~or~~, faxed, or e-mailed to the commissioner at the address ~~or~~, fax number, or e-mail address
101.30 specified in the order by the 30th day after issuance of the order. If the person does not
101.31 request a hearing or if the person's written request for hearing is not served on ~~or~~, faxed, or
101.32 e-mailed to the commissioner by the 30th day after issuance of the order, the order shall
101.33 become a final order of the commissioner and will not be subject to review by any court or
101.34 agency. The date on which a request for hearing is served by mail shall be the postmark

102.1 date on the envelope in which the request for hearing is mailed. If the person submits to the
102.2 commissioner a timely request for hearing, the order is stayed unless the commissioner
102.3 summarily suspends the license, registration, certificate, or permit under subdivision 13,
102.4 and a contested case hearing shall be held in accordance with chapter 14.

102.5 Sec. 7. Minnesota Statutes 2018, section 326B.103, subdivision 11, is amended to read:

102.6 Subd. 11. **Public building.** "Public building" means a building and its grounds the cost
102.7 of which is paid for by the state or a state agency regardless of its cost, and a ~~school district~~
102.8 building project for a school district or charter school ~~building project~~ the cost of which is
102.9 \$100,000 or more.

102.10 Sec. 8. Minnesota Statutes 2018, section 326B.106, subdivision 9, is amended to read:

102.11 Subd. 9. **Accessibility.** (a) **Public buildings.** The code must ~~provide for making~~ require
102.12 new public buildings constructed or remodeled after July 1, 1963, and remodeled portions
102.13 of existing public buildings to be accessible to and usable by persons with disabilities;
102.14 ~~although this does not require the remodeling of public buildings solely to provide~~
102.15 ~~accessibility and usability to persons with disabilities when remodeling would not otherwise~~
102.16 ~~be undertaken.~~

102.17 (b) **Leased space.** No agency of the state may lease space for agency operations in a
102.18 non-state-owned building unless the building satisfies the requirements of the State Building
102.19 Code for accessibility by persons with disabilities, or is eligible to display the state symbol
102.20 of accessibility. This limitation applies to leases of 30 days or more for space of at least
102.21 1,000 square feet.

102.22 (c) **Meetings or conferences.** Meetings or conferences for the public or for state
102.23 employees which are sponsored in whole or in part by a state agency must be held in
102.24 buildings that meet the State Building Code requirements relating to accessibility for persons
102.25 with disabilities. This subdivision does not apply to any classes, seminars, or training
102.26 programs offered by the Minnesota State Colleges and Universities or the University of
102.27 Minnesota. Meetings or conferences intended for specific individuals none of whom need
102.28 the accessibility features for persons with disabilities specified in the State Building Code
102.29 need not comply with this subdivision unless a person with a disability gives reasonable
102.30 advance notice of an intent to attend the meeting or conference. When sign language
102.31 interpreters will be provided, meetings or conference sites must be chosen which allow
102.32 participants who are deaf or hard-of-hearing to see the sign language interpreters clearly.

103.1 (d) **Exemptions.** The commissioner may grant an exemption from the requirements of
 103.2 paragraphs (b) and (c) in advance if an agency has demonstrated that reasonable efforts
 103.3 were made to secure facilities which complied with those requirements and if the selected
 103.4 facilities are the best available for access for persons with disabilities. Exemptions shall be
 103.5 granted using criteria developed by the commissioner in consultation with the Council on
 103.6 Disability.

103.7 (e) **Symbol indicating access.** The wheelchair symbol adopted by Rehabilitation
 103.8 International's Eleventh World Congress is the state symbol indicating buildings, facilities,
 103.9 and grounds which are accessible to and usable by persons with disabilities. In the interests
 103.10 of uniformity, this symbol is the sole symbol for display in or on all public or private
 103.11 buildings, facilities, and grounds which qualify for its use. The secretary of state shall obtain
 103.12 the symbol and keep it on file. No building, facility, or grounds may display the symbol
 103.13 unless it is in compliance with the rules adopted by the commissioner under subdivision 1.
 103.14 Before any rules are proposed for adoption under this paragraph, the commissioner shall
 103.15 consult with the Council on Disability. Rules adopted under this paragraph must be enforced
 103.16 in the same way as other accessibility rules of the State Building Code.

103.17 Sec. 9. Minnesota Statutes 2018, section 326B.46, is amended by adding a subdivision to
 103.18 read:

103.19 Subd. 7. License number to be displayed. Any vehicle used by a plumbing contractor
 103.20 or restricted plumbing contractor while performing plumbing work for which a contractor's
 103.21 license is required shall have the contractor's name and license number as it appears on the
 103.22 contractor's license in contrasting color with characters at least three inches high and one-half
 103.23 inch in width affixed to each side of the vehicle.

103.24 Sec. 10. Minnesota Statutes 2018, section 326B.475, subdivision 4, is amended to read:

103.25 Subd. 4. **Renewal; use period for license.** (a) A restricted master plumber and restricted
 103.26 journeyworker plumber license must be renewed for as long as that licensee engages in the
 103.27 plumbing trade. Notwithstanding section 326B.094, failure to renew a restricted master
 103.28 plumber and restricted journeyworker plumber license within 12 months after the expiration
 103.29 date will result in permanent forfeiture of the restricted master plumber and restricted
 103.30 journeyworker plumber license.

103.31 ~~(b) The commissioner shall in a manner determined by the commissioner, without the~~
 103.32 ~~need for any rulemaking under chapter 14, phase in the renewal of restricted master plumber~~
 103.33 ~~and restricted journeyworker plumber licenses from one year to two years. By June 30,~~

104.1 ~~2011, all restricted master plumber and restricted journeyworker plumber licenses shall be~~
 104.2 ~~two-year licenses.~~

104.3 Sec. 11. Minnesota Statutes 2018, section 326B.821, subdivision 21, is amended to read:

104.4 Subd. 21. **Residential building contractor, remodeler, and roofer education.** (a) Each
 104.5 licensee must, during each continuing education reporting period, complete and report one
 104.6 hour of continuing education relating to energy codes or energy conservation measures
 104.7 applicable to residential buildings and one hour of business management strategies applicable
 104.8 to residential construction businesses.

104.9 (b) Immediately following the adoption date of a new residential code, the commissioner
 104.10 may prescribe that up to seven of the required 14 hours of continuing education credit per
 104.11 licensure period include education hours specifically designated to instruct licensees on
 104.12 new or existing State Building Code provisions.

104.13 Sec. 12. Minnesota Statutes 2018, section 326B.84, is amended to read:

104.14 **326B.84 GROUNDS FOR SANCTIONS.**

104.15 The commissioner may use any enforcement provision in section 326B.082 against an
 104.16 applicant for, qualifying person of, or holder of a license or certificate of exemption, or any
 104.17 individual or entity who is required by law to hold a license or certificate of exemption, if
 104.18 the individual, entity, applicant, licensee, certificate of exemption holder, qualifying person,
 104.19 or owner, officer, member, managing employee, or affiliate of the applicant, licensee, or
 104.20 certificate of exemption holder:

104.21 (1) has filed an application for licensure or a certificate of exemption which is incomplete
 104.22 in any material respect or contains any statement which, in light of the circumstances under
 104.23 which it is made, is false or misleading with respect to any material fact;

104.24 (2) has engaged in a fraudulent, deceptive, or dishonest practice;

104.25 (3) is permanently or temporarily enjoined by any court of competent jurisdiction from
 104.26 engaging in or continuing any conduct or practice involving any aspect of the business;

104.27 (4) has failed to reasonably supervise employees, agents, subcontractors, or salespersons,
 104.28 or has performed negligently or in breach of contract, so as to cause injury or harm to the
 104.29 public;

105.1 (5) has violated or failed to comply with any provision of sections 326B.802 to 326B.885,
105.2 any rule or order under sections 326B.802 to 326B.885, or any other law, rule, or order
105.3 related to the duties and responsibilities entrusted to the commissioner;

105.4 (6) has been convicted of a violation of the State Building Code or has refused to comply
105.5 with a correction order issued by a certified building official, or in local jurisdictions that
105.6 have not adopted the State Building Code has refused to correct a violation of the State
105.7 Building Code when the violation has been documented by a certified building official;

105.8 (7) has failed to use the proceeds of any payment made to the licensee for the construction
105.9 of, or any improvement to, residential real estate, as defined in section 326B.802, subdivision
105.10 13, for the payment of labor, skill, material, and machinery contributed to the construction
105.11 or improvement, knowing that the cost of any labor performed, or skill, material, or
105.12 machinery furnished for the improvement remains unpaid;

105.13 (8) has not furnished to the person making payment either a valid lien waiver as to any
105.14 unpaid labor performed, or skill, material, or machinery furnished for an improvement, or
105.15 a payment bond in the basic amount of the contract price for the improvement conditioned
105.16 for the prompt payment to any person or persons entitled to payment;

105.17 (9) has engaged in an act or practice that results in compensation to an aggrieved owner
105.18 or lessee from the contractor recovery fund pursuant to section 326B.89, unless:

105.19 (i) the applicant or licensee has repaid the fund twice the amount paid from the fund,
105.20 plus interest at the rate of 12 percent per year; and

105.21 (ii) the applicant or licensee has obtained a surety bond in the amount of at least \$40,000,
105.22 issued by an insurer authorized to transact business in this state;

105.23 (10) has engaged in bad faith, unreasonable delays, or frivolous claims in defense of a
105.24 civil lawsuit or arbitration arising out of their activities as a licensee or certificate of
105.25 exemption holder under this chapter;

105.26 (11) has had a judgment entered against them for failure to make payments to employees,
105.27 subcontractors, or suppliers, that the licensee has failed to satisfy and all appeals of the
105.28 judgment have been exhausted or the period for appeal has expired;

105.29 (12) if unlicensed, has obtained a building permit by the fraudulent use of a fictitious
105.30 license number or the license number of another, or, if licensed, has knowingly allowed an
105.31 unlicensed person to use the licensee's license number for the purpose of fraudulently
105.32 obtaining a building permit; or has applied for or obtained a building permit for an unlicensed
105.33 person;

106.1 (13) has made use of a forged mechanic's lien waiver under chapter 514;

106.2 (14) has provided false, misleading, or incomplete information to the commissioner or
106.3 has refused to allow a reasonable inspection of records or premises;

106.4 (15) has engaged in an act or practice whether or not the act or practice directly involves
106.5 the business for which the person is licensed, that demonstrates that the applicant or licensee
106.6 is untrustworthy, financially irresponsible, or otherwise incompetent or unqualified to act
106.7 under the license granted by the commissioner; or

106.8 (16) has failed to comply with requests for information, documents, or other requests
106.9 from the department within the time specified in the request or, if no time is specified, within
106.10 30 days of the mailing of the request by the department.

106.11 Sec. 13. Minnesota Statutes 2018, section 337.10, subdivision 4, is amended to read:

106.12 Subd. 4. **Progress payments and retainages.** (a) Unless the building and construction
106.13 contract provides otherwise, the owner or other persons making payments under the contract
106.14 must make progress payments monthly as the work progresses. Payments shall be based
106.15 upon estimates of work completed as approved by the owner or the owner's agent. A progress
106.16 payment shall not be considered acceptance or approval of any work or waiver of any defects
106.17 therein.

106.18 (b) Retainage on a building and construction contract may not exceed five percent. An
106.19 owner or owner's agent may reduce the amount of retainage and may eliminate retainage
106.20 on any monthly contract payment if, in the owner's opinion, the work is progressing
106.21 satisfactorily. If the owner reduces the amount of retainage, the contractor must reduce
106.22 retainage for any subcontractors at the same rate. Nothing in this subdivision is intended to
106.23 require that retainage be withheld in any building or construction contract.

106.24 (c) The owner or the owner's agent must release all retainage no later than 60 days after
106.25 substantial completion subject to the terms of this subdivision. For purposes of this
106.26 subdivision, "substantial completion" shall be determined as provided in section 541.051,
106.27 subdivision 1, paragraph (a).

106.28 ~~(e)~~ (d) A contractor must pay all remaining retainage to its subcontractors no later than
106.29 ten days after receiving payment of retainage, unless there is a dispute about the work under
106.30 a subcontract, in which case the contractor must pay out retainage to any party whose work
106.31 is not involved in the dispute. If there is a dispute about the work under a subcontract, the
106.32 contractor must pay out retainage to any subcontractor whose work is not involved in the

107.1 dispute, and must provide a written statement detailing the amount and reason for the
 107.2 withholding to the affected subcontractor.

107.3 (e) After substantial completion, an owner or owner's agent may withhold no more than:

107.4 (1) 250 percent of the cost to correct or complete work known at the time of substantial
 107.5 completion; and

107.6 (2) one percent of the value of the contract or \$500, whichever is greater, pending
 107.7 completion and submission of all final paperwork by the contractor or subcontractor. For
 107.8 purposes of this subdivision, "final paperwork" means documents required to fulfill
 107.9 contractual obligations, including, but not limited to, operation manuals, payroll documents
 107.10 for projects subject to prevailing wage requirements, and the withholding exemption
 107.11 certificate required by section 270C.66.

107.12 If the owner or the owner's agent withholds payment under this paragraph, the owner or the
 107.13 owner's agent must promptly provide a written statement detailing the amount and basis of
 107.14 withholding to the contractor. The owner or the owner's agent and the contractor must
 107.15 provide a copy of this statement to any subcontractor that requests it. Any amounts withheld
 107.16 under clause (1) must be paid within 60 days after completion of the work. Any amounts
 107.17 withheld under clause (2) must be paid within 60 days after submission of all final paperwork.

107.18 (f) Withholding retainage for warranty work is prohibited. This provision does not waive
 107.19 any rights for warranty claims.

107.20 (g) This subdivision does not apply to a public agency as defined in section 15.71,
 107.21 subdivision 3.

107.22 (h) This subdivision does not apply to contracts for professional services as defined in
 107.23 sections 326.02 to 326.15.

107.24 (i) Nothing in this section requires payment for a portion of a contract that is not complete
 107.25 or for which an invoice has not been submitted.

107.26 **EFFECTIVE DATE.** This section applies to agreements entered into on or after August
 107.27 1, 2019.

107.28 Sec. 14. Minnesota Statutes 2018, section 341.30, subdivision 1, is amended to read:

107.29 Subdivision 1. **Licensure; individuals.** All referees, judges, promoters, trainers, ~~ring~~
 107.30 ~~announcers~~, timekeepers, ringside physicians, combatants, ~~managers~~, and seconds are
 107.31 required to be licensed by the commissioner. The commissioner shall not permit any of

108.1 these persons to participate in any matter with any combative sport contest unless the
 108.2 commissioner has first issued the person a license.

108.3 Sec. 15. Minnesota Statutes 2018, section 341.32, subdivision 1, is amended to read:

108.4 Subdivision 1. **Annual licensure.** The commissioner may establish and issue annual
 108.5 licenses subject to the collection of advance fees by the commissioner for promoters,
 108.6 ~~managers~~, judges, referees, ~~ring announcers~~, ringside physicians, timekeepers, combatants,
 108.7 trainers, and seconds.

108.8 Sec. 16. Minnesota Statutes 2018, section 341.321, is amended to read:

108.9 **341.321 FEE SCHEDULE.**

108.10 (a) The fee schedule for professional and amateur licenses issued by the commissioner
 108.11 is as follows:

108.12 (1) referees, ~~\$80~~ \$25;

108.13 (2) promoters, \$700;

108.14 (3) judges and knockdown judges, ~~\$80~~ \$25;

108.15 (4) trainers and seconds, \$80;

108.16 ~~(5) ring announcers, \$80;~~

108.17 ~~(6)~~ (5) timekeepers, ~~\$80~~ \$25;

108.18 ~~(7)~~ (6) professional combatants, \$70;

108.19 ~~(8)~~ (7) amateur combatants, \$50;

108.20 ~~(9) managers, \$80;~~ and

108.21 ~~(10)~~ (8) ringside physicians, ~~\$80~~ \$25.

108.22 License fees for promoters are due at least six weeks prior to the combative sport contest.

108.23 All other license fees shall be paid no later than the weigh-in prior to the contest. No license
 108.24 may be issued until all prelicensure requirements are satisfied and fees are paid.

108.25 (b) The commissioner shall establish a contest fee for each combative sport contest and
 108.26 shall consider the size and type of venue when establishing a contest fee. The combative
 108.27 sport contest fee is \$1,500 per event or not more than four percent of the gross ticket sales,
 108.28 whichever is greater, as determined by the commissioner when the combative sport contest
 108.29 is scheduled.

109.1 (c) A professional or amateur combative sport contest fee is nonrefundable and shall be
109.2 paid as follows:

109.3 (1) \$500 at the time the combative sport contest is scheduled; and

109.4 (2) \$1,000 at the weigh-in prior to the contest.

109.5 If four percent of the gross ticket sales is greater than \$1,500, the balance is due to the
109.6 commissioner within seven days of the completed contest.

109.7 (d) The commissioner may establish the maximum number of complimentary tickets
109.8 allowed for each event by rule.

109.9 (e) All fees and penalties collected by the commissioner must be deposited in the
109.10 commissioner account in the special revenue fund.

109.11 Sec. 17. **REPEALER.**

109.12 Minnesota Statutes 2018, section 325F.75, is repealed.

109.13 **ARTICLE 10**

109.14 **COMMERCE**

109.15 Section 1. Minnesota Statutes 2018, section 46.131, subdivision 10, is amended to read:

109.16 Subd. 10. **Change fee.** Each financial institution described in subdivision 2 shall pay a
109.17 fee of \$50 to the commissioner of commerce upon application to the commissioner for
109.18 approval of a change in its certificate, charter, articles of incorporation, bylaws, powers or
109.19 license. Money collected by the commissioner under this subdivision shall be deposited in
109.20 ~~the general fund~~ financial institutions account in subdivision 11.

109.21 Sec. 2. Minnesota Statutes 2018, section 46.131, subdivision 11, is amended to read:

109.22 Subd. 11. **Financial institutions account; appropriation.** (a) The financial institutions
109.23 account is created as a separate account in the special revenue fund. ~~The account consists~~
109.24 ~~of funds received from assessments under subdivision 7, examination fees under subdivision~~
109.25 ~~8, and license and renewal fees under section 216C.437, subdivision 12.~~ Earnings, including
109.26 interest, dividends, and any other earnings arising from account assets, must be credited to
109.27 the account.

109.28 (b) The account consists of funds received from assessments under subdivision 7,
109.29 examination fees under subdivision 8, and funds received pursuant to subdivision 10 and

110.1 the following provisions: sections 53B.09; 53B.11, subdivision 1; 58A.045, subdivision 2;
110.2 and 216C.437, subdivision 12.

110.3 ~~(b)~~ (c) Funds in the account are annually appropriated to the commissioner of commerce
110.4 for activities under this section.

110.5 **EFFECTIVE DATE.** This section is effective July 1, 2019.

110.6 Sec. 3. Minnesota Statutes 2018, section 82B.021, subdivision 14, is amended to read:

110.7 Subd. 14. ~~**Federal Appraisal Subcommittee.**~~ "Federal Appraisal Subcommittee" means
110.8 the appraisal subcommittee of the Federal Financial Institutions Examinations Council under
110.9 United States Code, title 12, section 3301 et seq.

110.10 **EFFECTIVE DATE.** This section is effective January 1, 2020.

110.11 Sec. 4. Minnesota Statutes 2018, section 82B.021, subdivision 15, is amended to read:

110.12 Subd. 15. **Federal financial institutions regulatory agency.** "Federal financial
110.13 institutions regulatory agency" means the Board of Governors of the Federal Reserve System,
110.14 Consumer Financial Protection Bureau, the Federal Deposit Insurance Corporation, the
110.15 Office of the Comptroller of the Currency, ~~the Office of Thrift Supervision,~~ or the National
110.16 Credit Union Administration.

110.17 **EFFECTIVE DATE.** This section is effective January 1, 2020.

110.18 Sec. 5. Minnesota Statutes 2018, section 82B.073, is amended by adding a subdivision to
110.19 read:

110.20 Subd. 2a. **Compensation.** Members of the board must be compensated in accordance
110.21 with section 15.059.

110.22 **EFFECTIVE DATE.** This section is effective January 1, 2020.

110.23 Sec. 6. Minnesota Statutes 2018, section 82B.09, subdivision 3, is amended to read:

110.24 Subd. 3. **Fees to Federal Appraisal Subcommittee.** In addition to the fees required for
110.25 licensure under this section, the commissioner must collect and remit such other fees as are
110.26 required by the ~~Federal~~ Appraisal Subcommittee.

110.27 **EFFECTIVE DATE.** This section is effective January 1, 2020.

111.1 Sec. 7. Minnesota Statutes 2018, section 82B.095, is amended by adding a subdivision to
111.2 read:

111.3 Subd. 3. **Conformance to Appraisal Qualifications Board criteria.** (a) The
111.4 requirements to obtain a trainee real property appraiser, licensed real property appraiser,
111.5 certified residential real property appraiser, or certified general real property appraiser
111.6 license are the education, examination, and experience requirements established by the
111.7 Appraiser Qualifications Board of the Appraisal Foundation and published in the most
111.8 recent version of the Real Property Appraiser Qualification Criteria.

111.9 (b) An applicant must complete the applicable education and experience requirements
111.10 before taking the required examination.

111.11 **EFFECTIVE DATE.** This section is effective January 1, 2020.

111.12 Sec. 8. Minnesota Statutes 2018, section 82B.11, is amended by adding a subdivision to
111.13 read:

111.14 Subd. 2a. **Trainee real property appraiser.** The scope of practice for a trainee real
111.15 property appraiser is the appraisal of properties which a certified residential real property
111.16 appraiser or certified general real property appraiser acting as the supervisory appraiser is
111.17 permitted and competent to appraise.

111.18 **EFFECTIVE DATE.** This section is effective January 1, 2020.

111.19 Sec. 9. Minnesota Statutes 2018, section 82B.11, subdivision 6, is amended to read:

111.20 Subd. 6. **Temporary practice.** (a) The commissioner shall issue a license for temporary
111.21 practice as a real estate appraiser under subdivision 3, 4, or 5 to a person certified or licensed
111.22 by another state if:

111.23 ~~(1) the property to be appraised is part of a federally related transaction and the person~~
111.24 ~~is licensed to appraise property limited to the same transaction value or complexity provided~~
111.25 ~~in subdivision 3, 4, or 5;~~

111.26 ~~(2)~~ (1) the appraiser's business is of a temporary nature; and

111.27 ~~(3)~~ (2) the appraiser registers with the commissioner to obtain a temporary license before
111.28 conducting appraisals within the state.

111.29 (b) The term of a temporary practice license is the lesser of:

111.30 (1) the time required to complete the assignment; or

112.1 (2) 12 months.

112.2 If more than 12 months are necessary to complete the assignment, a new temporary
112.3 application and fee is required.

112.4 **EFFECTIVE DATE.** This section is effective January 1, 2020.

112.5 Sec. 10. Minnesota Statutes 2018, section 82B.13, subdivision 1, is amended to read:

112.6 Subdivision 1. **Trainee real property appraiser.** ~~(a)~~ As a prerequisite for licensing as
112.7 a trainee real property appraiser, an applicant must present evidence satisfactory to the
112.8 commissioner that the person has successfully completed:

112.9 ~~(1) at least 75 hours of prelicense courses approved by the commissioner. Fifteen of the~~
112.10 ~~75 hours must include successful completion of the 15-hour national USPAP course; and~~

112.11 ~~(2) in addition to the required hours under clause (1);~~ a six-hour course that is specifically
112.12 oriented to the requirements and responsibilities of supervisory appraisers and trainee
112.13 appraisers. A course approved by the commissioner for the purposes of this subdivision
112.14 must be given the course title "Minnesota Supervisor/Trainee Appraiser Course." This
112.15 course must not be counted toward qualifying education to upgrade to a higher level appraiser
112.16 license.

112.17 ~~(b) All qualifying education must be completed within the five-year period prior to the~~
112.18 ~~date of submission of a trainee real property appraiser license application.~~

112.19 **EFFECTIVE DATE.** This section is effective January 1, 2020.

112.20 Sec. 11. Minnesota Statutes 2018, section 82B.195, subdivision 2, is amended to read:

112.21 Subd. 2. **Disclosure requirements.** In addition to the requirements of the standards of
112.22 professional appraisal practice as defined by section 82B.021, subdivision 31, an appraiser
112.23 must, prior to performing any appraisal service which requires licensing pursuant to this
112.24 chapter, disclose in writing to the person contracting for the appraisal service the information
112.25 identified in clause (4). In addition, an appraiser must prepare a written disclosure providing
112.26 the information identified in clauses (1) to (13). The written disclosure must be included as
112.27 part of the final written appraisal report. As specified in this subdivision, an appraiser must:

112.28 (1) disclose who has employed the appraiser;

112.29 (2) disclose who the appraisal is rendered for, if not the person who employed the
112.30 appraiser;

113.1 (3) disclose the purpose of the appraisal, including an explanation of the difference
113.2 between the appraisal being given and an appraisal of fee simple market valuation;

113.3 (4) disclose any conflict of interest or situation which might reasonably be perceived to
113.4 be a conflict of interest which must include, but not be limited to, the following situations:

113.5 (i) whether the appraiser has any ownership interest in the subject property or contiguous
113.6 properties;

113.7 (ii) whether there is an ownership interest by a spouse, parent, or child of the appraiser
113.8 in the property or contiguous properties; and

113.9 (iii) whether the appraiser has a continuing business relationship with one of the parties,
113.10 for example, any part-time or full-time employment of the appraiser, spouse, children living
113.11 at home, or dependent children.

113.12 Failure to promptly give notification of a conflict must be considered a violation of the
113.13 standards of professional appraisal practice;

113.14 (5) disclose that the appraisal is a reevaluation and identify the areas of difference
113.15 between the two appraisals and the justification for the changes;

113.16 (6) disclose any facts concerning the valuation needed for loan purposes or similar
113.17 information that was provided to the appraiser before or during the appraisal;

113.18 (7) disclose that the appraiser has not performed appraisals of the type requested or for
113.19 the type of property to be appraised as a regular part of the appraiser's business in the
113.20 preceding five-year period, provided that if the appraiser asserts qualification by training
113.21 or related experience to perform the appraisal, the appraiser must set forth the training or
113.22 experience and how it is applicable to the appraisal;

113.23 (8) disclose the license classification of the appraiser and the types of appraisals that the
113.24 appraiser is authorized to conduct under the licensure;

113.25 (9) disclose any lack of experience or training that would affect the ability of the appraiser
113.26 to perform the appraisal or could cause rejection of the appraisal by the party requiring the
113.27 appraisal;

113.28 (10) disclose any appraisal on the same property made by the appraiser in the last three
113.29 years;

113.30 (11) disclose all pertinent assumptions upon which a valuation based upon income from
113.31 the property is derived such as expected occupancy rates, rental rates, construction of future
113.32 improvements, roads, or highways; and

114.1 (12) ~~prior to performing the appraisal, disclose whether the appraiser has previously~~
 114.2 ~~been to the property; and~~

114.3 ~~(13)~~ disclose any other fact or circumstance that could bring the reliability of the appraisal
 114.4 or the impartiality of the appraiser into question.

114.5 **EFFECTIVE DATE.** This section is effective January 1, 2020.

114.6 Sec. 12. Minnesota Statutes 2018, section 82B.21, is amended to read:

114.7 **82B.21 CLASSIFICATION OF SERVICES.**

114.8 A client or employer may retain or employ a licensed real estate appraiser to act as a
 114.9 disinterested third party in giving an unbiased estimate of value or analysis; to provide a
 114.10 market analysis to facilitate the client's or employer's objectives; ~~or to perform a limited~~
 114.11 ~~appraisal.~~ The appraisal and the appraisal report must comply with the provisions of this
 114.12 chapter and the uniform standards of professional appraisal practice.

114.13 **EFFECTIVE DATE.** This section is effective January 1, 2020.

114.14 Sec. 13. Minnesota Statutes 2018, section 345.41, is amended to read:

114.15 **345.41 REPORT OF ABANDONED PROPERTY.**

114.16 (a) Every person holding funds or other property, tangible or intangible, presumed
 114.17 abandoned under sections 345.31 to 345.60 shall report annually to the commissioner with
 114.18 respect to the property as hereinafter provided.

114.19 (b) The report shall be verified and shall include:

114.20 (1) a description of the property, including whether the property is interest-bearing, and,
 114.21 if so, the rate of interest;

114.22 (2) except with respect to traveler's checks and money orders, the name, if known, and
 114.23 last known address, if any, of each person appearing from the records of the holder to be
 114.24 the owner of any property of the value of \$100 or more presumed abandoned under sections
 114.25 345.31 to 345.60;

114.26 ~~(2)~~ (3) in case of unclaimed funds of life insurance corporations, the full name of the
 114.27 policyholder, insured or annuitant and that person's last known address according to the life
 114.28 insurance corporation's records;

114.29 ~~(3)~~ (4) the nature and identifying number, if any, or description of the property and the
 114.30 amount appearing from the records to be due, except that items of value under \$100 each
 114.31 may be reported in aggregate;

115.1 ~~(4)~~ (5) the date when the property became payable, demandable or returnable, and the
115.2 date of the last transaction with the owner with respect to the property; and

115.3 ~~(5)~~ (6) other information which the commissioner prescribes by rule as necessary for
115.4 the administration of sections 345.31 to 345.60.

115.5 (c) If the person holding property presumed abandoned is a successor to other persons
115.6 who previously held the property for the owner, or if the holder has changed a name while
115.7 holding the property, the holder shall file with the report all prior known names and addresses
115.8 of each holder of the property.

115.9 (d) The report shall be filed before November 1 of each year as of June 30 next preceding,
115.10 but the report of life insurance corporations shall be filed before October 1 of each year as
115.11 of December 31 next preceding. The commissioner may postpone the reporting date upon
115.12 written request by any person required to file a report.

115.13 (e) Not more than 120 days before filing the report required by this section, the holder
115.14 in possession of property abandoned and subject to custody as unclaimed property under
115.15 this chapter shall send written notice to the presumed owner at that owner's last known
115.16 address informing the owner that the holder is in possession of property subject to this
115.17 chapter and advising the owner of the steps necessary to prevent abandonment if:

115.18 (1) the holder has in its records an address for the presumed owner that the holder's
115.19 records do not disclose to be inaccurate;

115.20 (2) the claim of the apparent owner is not barred by the statute of limitations; and

115.21 (3) the property has a value of \$100 or more.

115.22 (f) Verification, if made by a partnership, shall be executed by a partner; if made by an
115.23 unincorporated association or private corporation, by an officer, and if made by a public
115.24 corporation, by its chief fiscal officer.

115.25 (g) Holders of property described in section 345.32 shall not impose any charges against
115.26 property which is described in section 345.32, clause (a), (b) or (c).

115.27 (h) Any person who has possession of property which the person has reason to believe
115.28 will be reportable in the future as unclaimed property may, with the permission of the
115.29 commissioner, report and deliver such property prior to the date required for reporting in
115.30 accordance with this section.

115.31 (i) Before the last day of each calendar year, the commissioner of revenue shall report
115.32 to the commissioner as unclaimed property under this section any uncashed checks or

116.1 warrants for overpayments of taxes that were issued more than two years preceding the date
116.2 of the report.

116.3 **Sec. 14. [345.451] CREDITING INCOME OR GAIN TO OWNER'S ACCOUNT.**

116.4 If property other than money is delivered to the commissioner, the owner is entitled to
116.5 receive from the commissioner income or gain realized or accrued on the property before
116.6 the property is sold. If the property was interest-bearing, the commissioner shall pay interest
116.7 at the lesser of the rate of the weekly average one-year constant maturity treasury yield, as
116.8 published by the Board of Governors of the Federal Reserve System, for the calendar week
116.9 preceding the beginning of the fiscal quarter in which the property was sold or the rate the
116.10 property earned while in the possession of the holder. Interest begins to accrue when the
116.11 property is delivered to the commissioner and ends on the earlier of the expiration of ten
116.12 years after its delivery or the date on which payment is made to the owner.

116.13 **Sec. 15. REPEALER.**

116.14 (a) Minnesota Statutes 2018, section 345.45, is repealed.

116.15 (b) Minnesota Statutes 2018, sections 82B.021, subdivision 17; 82B.095, subdivision
116.16 2; 82B.10, subdivisions 1, 2, 3, 4, 5, 6, 8, and 9; 82B.11, subdivision 2; 82B.12; 82B.13,
116.17 subdivisions 1a, 3, 4, 5, 6, 7, and 8; and 82B.14, are repealed effective January 1, 2020.

116.18 **ARTICLE 11**

116.19 **ENERGY**

116.20 Section 1. Minnesota Statutes 2018, section 116C.7792, is amended to read:

116.21 **116C.7792 SOLAR ENERGY INCENTIVE PROGRAM.**

116.22 The utility subject to section 116C.779 shall operate a program to provide solar energy
116.23 production incentives for solar energy systems of no more than a total aggregate nameplate
116.24 capacity of 40 kilowatts ~~direct~~ alternating current per premise. The owner of a solar energy
116.25 system installed before June 1, 2018, is eligible to receive a production incentive under this
116.26 section for any additional solar energy systems constructed at the same customer location,
116.27 provided that the aggregate capacity of all systems at the customer location does not exceed
116.28 40 kilowatts. The program shall be operated for eight consecutive calendar years commencing
116.29 in 2014. \$5,000,000 shall be allocated in each of the first four years, \$15,000,000 in the
116.30 fifth year, \$10,000,000 in each of the sixth and seventh years, and \$5,000,000 in the eighth
116.31 year from funds withheld from transfer to the renewable development account under section
116.32 116C.779, subdivision 1, paragraphs (b) and (e), and placed in a separate account for the

117.1 purpose of the solar production incentive program operated by the utility and not for any
117.2 other program or purpose. Any unspent amount allocated in the fifth year is available until
117.3 December 31 of the sixth year. Any unspent amount remaining at the end of any other
117.4 allocation year must be transferred to the renewable development account. The solar system
117.5 must be sized to less than 120 percent of the customer's on-site annual energy consumption
117.6 when combined with other distributed generation resources and subscriptions provided
117.7 under section 216B.1641 associated with the premise. The production incentive must be
117.8 paid for ten years commencing with the commissioning of the system. The utility must file
117.9 a plan to operate the program with the commissioner of commerce. The utility may not
117.10 operate the program until it is approved by the commissioner. A change to the program to
117.11 include projects up to a nameplate capacity of 40 kilowatts or less does not require the utility
117.12 to file a plan with the commissioner. Any plan approved by the commissioner of commerce
117.13 must not provide an increased incentive scale over prior years unless the commissioner
117.14 demonstrates that changes in the market for solar energy facilities require an increase.

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

117.16 Sec. 2. Minnesota Statutes 2018, section 216B.16, is amended by adding a subdivision to
117.17 read:

117.18 **Subd. 7e. Energy storage system pilot projects.** (a) A public utility may petition the
117.19 commission under this section to recover costs associated with implementing an energy
117.20 storage system pilot project. As part of the petition, the public utility must submit a report
117.21 to the commission containing, at a minimum, the following information regarding the
117.22 proposed energy storage system pilot project:

117.23 (1) the storage technology utilized;

117.24 (2) the energy storage capacity and the duration of output at that capacity;

117.25 (3) the proposed location;

117.26 (4) the purchase and installation costs;

117.27 (5) how the project will interact with existing distributed generation resources on the
117.28 utility's grid; and

117.29 (6) the goals the project proposes to achieve, which may include controlling frequency
117.30 or voltage, mitigating transmission congestion, providing emergency power supplies during
117.31 outages, reducing curtailment of existing renewable energy generators, and reducing peak
117.32 power costs.

118.1 (b) A utility may petition the commission to approve a rate schedule that provides for
 118.2 the automatic adjustment of charges to recover prudently incurred investments, expenses,
 118.3 or costs associated with energy storage system pilot projects approved by the commission
 118.4 under this subdivision. A petition filed under this subdivision must include the elements
 118.5 listed in section 216B.1645, subdivision 2a, paragraph (b), clauses (1) to (4), and must
 118.6 describe the benefits of the pilot project.

118.7 (c) The commission may approve, or approve as modified, a rate schedule filed under
 118.8 this subdivision. The rate schedule filed by the public utility may include the elements listed
 118.9 in section 216B.1645, subdivision 2a, paragraph (a), clauses (1) to (5).

118.10 (d) For each pilot project that the commission has found is in the public interest, the
 118.11 commission must make its determination on the specific amounts that are eligible for
 118.12 recovery under the approved rate schedule within 90 days of final approval of the specific
 118.13 pilot program or within 90 days of the public utility filing for approval of cost recovery for
 118.14 the specific pilot program, whichever is later.

118.15 (e) Nothing in this subdivision prohibits or deters the deployment of energy storage
 118.16 systems.

118.17 (f) For the purposes of this subdivision:

118.18 (1) "energy storage system" has the meaning given in section 216B.2422, subdivision
 118.19 1; and

118.20 (2) "pilot project" means a project that is (i) owned, operated, and controlled by a public
 118.21 utility to optimize safe and reliable system operations, and (ii) deployed at a limited number
 118.22 of locations in order to assess the technical and economic effectiveness of its operations.

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

118.24 Sec. 3. Minnesota Statutes 2018, section 216B.1642, subdivision 2, is amended to read:

118.25 Subd. 2. **Recognition of beneficial habitat.** An owner of a solar site implementing solar
 118.26 site management practices under this section may claim that the site provides benefits to
 118.27 gamebirds, songbirds, and pollinators only if the site adheres to guidance set forth by the
 118.28 pollinator plan provided by the Board of Water and Soil Resources or any other gamebird,
 118.29 songbird, or pollinator foraging-friendly vegetation standard established by the Board of
 118.30 Water and Soil Resources. An owner making a beneficial habitat claim must:

118.31 (1) make the site's vegetation management plan available to the public and;

119.1 (2) provide a copy of the plan to a Minnesota nonprofit solar industry trade association;
119.2 and

119.3 (3) report on its site management practices to the Board of Water and Soil Resources,
119.4 on a standard reporting form developed by the board for solar site management practices,
119.5 by June 1, 2020, and every third year thereafter. An owner that enters into operation after
119.6 June 1, 2019, must report to the board on the progress made toward establishing beneficial
119.7 habitat on or before June 1 of the year after operations commence and every third year
119.8 thereafter.

119.9 Sec. 4. Minnesota Statutes 2018, section 216B.2422, subdivision 1, is amended to read:

119.10 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms defined in this
119.11 subdivision have the meanings given them.

119.12 (b) "Utility" means an entity with the capability of generating 100,000 kilowatts or more
119.13 of electric power and serving, either directly or indirectly, the needs of 10,000 retail
119.14 customers in Minnesota. Utility does not include federal power agencies.

119.15 (c) "Renewable energy" means electricity generated through use of any of the following
119.16 resources:

119.17 (1) wind;

119.18 (2) solar;

119.19 (3) geothermal;

119.20 (4) hydro;

119.21 (5) trees or other vegetation;

119.22 (6) landfill gas; or

119.23 (7) predominantly organic components of wastewater effluent, sludge, or related
119.24 by-products from publicly owned treatment works, but not including incineration of
119.25 wastewater sludge.

119.26 (d) "Resource plan" means a set of resource options that a utility could use to meet the
119.27 service needs of its customers over a forecast period, including an explanation of the supply
119.28 and demand circumstances under which, and the extent to which, each resource option
119.29 would be used to meet those service needs. These resource options include using,
119.30 refurbishing, and constructing utility plant and equipment, buying power generated by other
119.31 entities, controlling customer loads, and implementing customer energy conservation.

120.1 (e) "Refurbish" means to rebuild or substantially modify an existing electricity generating
120.2 resource of 30 megawatts or greater.

120.3 (f) "Energy storage system" means a commercially available technology that:

120.4 (1) uses mechanical, chemical, or thermal processes to:

120.5 (i) store energy, including energy generated from renewable resources and energy that
120.6 would otherwise be wasted, and deliver the stored energy for use at a later time; or

120.7 (ii) store thermal energy for direct use for heating or cooling at a later time in a manner
120.8 that reduces the demand for electricity at the later time;

120.9 (2) is composed of stationary equipment;

120.10 (3) if being used for electric grid benefits, is operationally visible and capable of being
120.11 controlled by the distribution or transmission entity managing it, to enable and optimize the
120.12 safe and reliable operation of the electric system; and

120.13 (4) achieves any of the following:

120.14 (i) reduces peak or electrical demand;

120.15 (ii) defers the need or substitutes for an investment in electric generation, transmission,
120.16 or distribution assets;

120.17 (iii) improves the reliable operation of the electrical transmission or distribution systems,
120.18 while ensuring transmission or distribution needs are not created; or

120.19 (iv) lowers customer costs by storing energy when the cost of generating or purchasing
120.20 it is low and delivering it to customers when the costs are high.

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

120.22 Sec. 5. Minnesota Statutes 2018, section 216B.2422, is amended by adding a subdivision
120.23 to read:

120.24 **Subd. 7. Energy storage systems assessment.** (a) Each public utility required to file a
120.25 resource plan under subdivision 2 must include in the filing an assessment of energy storage
120.26 systems that analyzes how the deployment of energy storage systems contributes to:

120.27 (1) meeting identified generation and capacity needs; and

120.28 (2) evaluating ancillary services.

120.29 (b) The assessment must employ appropriate modeling methods to enable the analysis
120.30 required in paragraph (a).

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

121.2 Sec. 6. Minnesota Statutes 2018, section 216B.62, subdivision 3b, is amended to read:

121.3 Subd. 3b. **Assessment for department regional and national duties.** In addition to
 121.4 other assessments in subdivision 3, the department may assess up to \$500,000 per fiscal
 121.5 year for performing its duties under section 216A.07, subdivision 3a. The amount in this
 121.6 subdivision shall be assessed to energy utilities in proportion to their respective gross
 121.7 operating revenues from retail sales of gas or electric service within the state during the last
 121.8 calendar year and shall be deposited into an account in the special revenue fund and is
 121.9 appropriated to the commissioner of commerce for the purposes of section 216A.07,
 121.10 subdivision 3a. An assessment made under this subdivision is not subject to the cap on
 121.11 assessments provided in subdivision 3 or any other law. For the purpose of this subdivision,
 121.12 an "energy utility" means public utilities, generation and transmission cooperative electric
 121.13 associations, and municipal power agencies providing natural gas or electric service in the
 121.14 state. This subdivision expires June 30, ~~2018~~ 2021.

121.15 **EFFECTIVE DATE.** This section is revived and reenacted effective retroactively from
 121.16 June 29, 2018, except that the department is prohibited from making an assessment under
 121.17 this subdivision to finance the performance of any duties that occurred between June 30,
 121.18 2018, and June 30, 2019.

121.19 Sec. 7. Minnesota Statutes 2018, section 216C.435, subdivision 3a, is amended to read:

121.20 Subd. 3a. **Cost-effective energy improvements.** "Cost-effective energy improvements"
 121.21 mean:

121.22 (1) any new construction, renovation, or retrofitting of:

121.23 ~~(i)~~ qualifying commercial real property to improve energy efficiency that is permanently
 121.24 affixed to the property, results in a net reduction in energy consumption without altering
 121.25 the principal source of energy, and has been identified in an energy audit as repaying the
 121.26 purchase and installation costs in 20 years or less, based on the amount of future energy
 121.27 saved and estimated future energy prices; ~~or~~

121.28 ~~(ii)~~ (2) any renovation or retrofitting of qualifying residential real property that is
 121.29 permanently affixed to the property and is eligible to receive an incentive through a program
 121.30 offered by the electric or natural gas utility that provides service under section 216B.241
 121.31 to the property or is otherwise determined to be a cost-effective energy improvement by
 121.32 the commissioner under section 216B.241, subdivision 1d, paragraph (a);

122.1 ~~(2)~~ (3) permanent installation of new or upgraded electrical circuits and related equipment
 122.2 to enable electrical vehicle charging; or

122.3 ~~(3)~~ (4) a solar voltaic or solar thermal energy system attached to, installed within, or
 122.4 proximate to a building that generates electrical or thermal energy from a renewable energy
 122.5 source that has been identified in an energy audit or renewable energy system feasibility
 122.6 study as repaying their purchase and installation costs in 20 years or less, based on the
 122.7 amount of future energy saved and estimated future energy prices.

122.8 Sec. 8. Minnesota Statutes 2018, section 216C.435, subdivision 8, is amended to read:

122.9 Subd. 8. **Qualifying commercial real property.** "Qualifying commercial real property"
 122.10 means a multifamily residential dwelling, or a commercial or industrial building, that the
 122.11 implementing entity has determined, after review of an energy audit or renewable energy
 122.12 system feasibility study, can be benefited by installation of cost-effective energy
 122.13 improvements. Qualifying commercial real property includes new construction.

122.14 Sec. 9. Minnesota Statutes 2018, section 216C.436, subdivision 4, is amended to read:

122.15 Subd. 4. **Financing terms.** Financing provided under this section must have:

122.16 (1) a cost-weighted average maturity not exceeding the useful life of the energy
 122.17 improvements installed, as determined by the implementing entity, but in no event may a
 122.18 term exceed 20 years;

122.19 (2) a principal amount not to exceed the lesser of:

122.20 (i) the greater of 20 percent of the assessed value of the real property on which the
 122.21 improvements are to be installed or 20 percent of the real property's appraised value, accepted
 122.22 or approved by the mortgage lender; or

122.23 (ii) the actual cost of installing the energy improvements, including the costs of necessary
 122.24 equipment, materials, and labor, the costs of each related energy audit or renewable energy
 122.25 system feasibility study, and the cost of verification of installation; and

122.26 (3) an interest rate sufficient to pay the financing costs of the program, including the
 122.27 issuance of bonds and any financing delinquencies.

122.28 Sec. 10. Minnesota Statutes 2018, section 216C.436, is amended by adding a subdivision
 122.29 to read:

122.30 Subd. 10. **Improvements; real property or fixture.** A cost-effective energy improvement
 122.31 financed under a PACE loan program, including all equipment purchased in whole or in

123.1 part with loan proceeds under a loan program, is deemed real property or a fixture attached
 123.2 to the real property.

123.3 Sec. 11. Laws 2017, chapter 94, article 10, section 28, is amended to read:

123.4 Sec. 28. **PROGRAM ADMINISTRATION; "MADE IN MINNESOTA" SOLAR**
 123.5 **THERMAL REBATES.**

123.6 (a) No rebate may be paid under Minnesota Statutes 2016, section 216C.416, to an owner
 123.7 of a solar thermal system whose application was approved by the commissioner of commerce
 123.8 after the effective date of this act.

123.9 (b) Unspent money remaining in the account established under Minnesota Statutes 2014,
 123.10 section 216C.416, as of July 2, 2017, must be transferred to the ~~C-LEAF~~ renewable
 123.11 development account established under Minnesota Statutes 2016, section 116C.779,
 123.12 subdivision 1.

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

123.14 Sec. 12. Laws 2017, chapter 94, article 10, section 29, is amended to read:

123.15 Sec. 29. **RENEWABLE DEVELOPMENT ACCOUNT; TRANSFER OF**
 123.16 **UNEXPENDED GRANT FUNDS.**

123.17 (a) No later than 30 days after the effective date of this section, the utility subject to
 123.18 Minnesota Statutes, section 116C.779, subdivision 1, must notify in writing each person
 123.19 who received a grant funded from the renewable development account previously established
 123.20 under that subdivision:

123.21 (1) after January 1, 2012; and

123.22 (2) before January 1, 2012, if the funded project remains incomplete as of the effective
 123.23 date of this section.

123.24 The notice must contain the provisions of this section and instructions directing grant
 123.25 recipients how unexpended funds can be transferred to the ~~clean energy advancement fund~~
 123.26 renewable development account.

123.27 (b) A recipient of a grant from the renewable development account previously established
 123.28 under Minnesota Statutes, section 116C.779, subdivision 1, must, no later than 30 days after
 123.29 receiving the notice required under paragraph (a), transfer any grant funds that remain
 123.30 unexpended as of the effective date of this section to the ~~clean energy advancement fund~~

124.1 renewable development account if, by that effective date, all of the following conditions
124.2 are met:

124.3 (1) the grant was awarded more than five years before the effective date of this section;

124.4 (2) the grant recipient has failed to obtain control of the site on which the project is to
124.5 be constructed;

124.6 (3) the grant recipient has failed to secure all necessary permits or approvals from any
124.7 unit of government with respect to the project; and

124.8 (4) construction of the project has not begun.

124.9 (c) A recipient of a grant from the renewable development account previously established
124.10 under Minnesota Statutes, section 116C.779, subdivision 1, must transfer any grant funds
124.11 that remain unexpended five years after the grant funds are received by the grant recipient
124.12 if, by that date, the conditions in paragraph (b), clauses (2) to (4), have been met. The grant
124.13 recipient must transfer the unexpended funds no later than 30 days after the fifth anniversary
124.14 of the receipt of the grant funds.

124.15 (d) A person who transfers funds to the ~~clean energy advancement fund~~ renewable
124.16 development account under this section is eligible to apply for funding from the ~~clean energy~~
124.17 ~~advancement fund~~ renewable development account.

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

124.19 Sec. 13. **ENERGY UTILITY DIVERSITY STAKEHOLDER GROUP; REPORT.**

124.20 (a) The Public Utilities Commission must convene a stakeholder group to examine the
124.21 challenges and opportunities for Minnesota's energy utilities to attract a diverse workforce
124.22 with the skills needed to advance a 21st century industry and to increase the supplier diversity
124.23 of energy utilities. The stakeholder group must include but is not limited to stakeholders
124.24 representative of public utilities as defined in Minnesota Statutes, section 216B.02,
124.25 subdivision 4, municipal electric or gas utilities, and electric or gas cooperative associations.
124.26 The executive director of the commission must convene the first meeting of the stakeholder
124.27 group.

124.28 (b) The stakeholder group must:

124.29 (1) examine current and projected employment in the energy utility sector;

124.30 (2) provide information on possible approaches to assist workers and energy utilities to
124.31 develop a diverse workforce that has the skills to build, maintain, and operate the electricity
124.32 system of the future;

125.1 (3) review key trends that have shaped employment in this sector and the demographics
125.2 of the sector, including the underrepresentation of women, veterans, and minorities in
125.3 employment and leadership;

125.4 (4) identify the challenges to replacing retiring workers;

125.5 (5) examine the imbalance of available worker skills to utility workforce needs; and

125.6 (6) identify the challenges and possible approaches to increasing supplier diversity.

125.7 (c) The stakeholder group must also consider whether information regarding workforce
125.8 and supplier diversity should be included and considered as part of any resource plan filed
125.9 by a utility with the commission.

125.10 (d) By January 15, 2020, the stakeholder group must issue a report to the chairs and
125.11 ranking minority members of the house of representatives and senate committees with
125.12 jurisdiction over energy policy and finance identifying its findings and recommendations
125.13 for establishing a more diverse workforce and increasing supplier diversity within the electric
125.14 energy sector.

125.15 Sec. 14. **REPORT; COST-BENEFIT ANALYSIS OF ENERGY STORAGE**
125.16 **SYSTEMS.**

125.17 (a) The commissioner of commerce must contract with an independent consultant selected
125.18 through a request for proposal process to produce a report analyzing the potential costs and
125.19 benefits of energy storage systems, as defined in Minnesota Statutes, section 216B.2422,
125.20 subdivision 1, in Minnesota. The study may also include scenarios examining energy storage
125.21 systems that are not capable of being controlled by a utility. The commissioner must engage
125.22 a broad group of Minnesota stakeholders, including electric utilities and others, to develop
125.23 and provide information for the report. The study must:

125.24 (1) identify and measure the different potential costs and savings produced by energy
125.25 storage system deployment, including but not limited to:

125.26 (i) generation, transmission, and distribution facilities asset deferral or substitution;

125.27 (ii) impacts on ancillary services costs;

125.28 (iii) impacts on transmission and distribution congestion;

125.29 (iv) impacts on peak power costs;

125.30 (v) impacts on emergency power supplies during outages;

125.31 (vi) impacts on curtailment of renewable energy generators; and

- 126.1 (vii) reduced greenhouse gas emissions;
- 126.2 (2) analyze and estimate the:
- 126.3 (i) costs and savings to customers that deploy energy storage systems;
- 126.4 (ii) impact on the utility's ability to integrate renewable resources;
- 126.5 (iii) impact on grid reliability and power quality; and
- 126.6 (iv) effect on retail electric rates over the useful life of a given energy storage system
- 126.7 compared to providing the same services using other facilities or resources;
- 126.8 (3) consider the findings of analysis conducted by the Midcontinent Independent System
- 126.9 Operator on energy storage capacity accreditation and participation in regional energy
- 126.10 markets, including updates of the analysis; and
- 126.11 (4) include case studies of existing energy storage applications currently providing the
- 126.12 benefits described in clauses (1) and (2).
- 126.13 (b) By December 31, 2019, the commissioner of commerce must submit the study to
- 126.14 the chairs and ranking minority members of the senate and house of representatives
- 126.15 committees with jurisdiction over energy policy and finance.
- 126.16 (c) The commission is prohibited from spending more than the amount appropriated for
- 126.17 the study, cost-benefit analysis, and other activities required under this section.
- 126.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

ARTICLE 12

WORKERS' COMPENSATION ADVISORY COUNCIL

- 126.21 Section 1. Minnesota Statutes 2018, section 176.011, is amended by adding a subdivision
- 126.22 to read:
- 126.23 Subd. 1c. **Agency.** "Agency" means, unless the context indicates otherwise, the
- 126.24 commissioner of the Department of Labor and Industry, the Department of Labor and
- 126.25 Industry, the Department's workers' compensation division, the Office of Administrative
- 126.26 Hearings, the chief administrative law judge, and the Workers' Compensation Court of
- 126.27 Appeals.
- 126.28 **EFFECTIVE DATE.** This section is effective August 31, 2020.

127.1 Sec. 2. Minnesota Statutes 2018, section 176.011, is amended by adding a subdivision to
127.2 read:

127.3 Subd. 1d. **CAMPUS.** "CAMPUS" means the workers' compensation Claims Access and
127.4 Management Platform User System, developed pursuant to the appropriations in Laws 2015,
127.5 First Special Session chapter 1, article 1, section 5, as amended by Laws 2017, chapter 94,
127.6 article 2, section 17, and Laws 2017, chapter 94, article 1, section 4, and referenced as the
127.7 workers' compensation modernization program in section 176.2611 and as described in
127.8 section 176.2612.

127.9 **EFFECTIVE DATE.** This section is effective August 31, 2020.

127.10 Sec. 3. Minnesota Statutes 2018, section 176.011, is amended by adding a subdivision to
127.11 read:

127.12 Subd. 8d. **Division file.** "Division file" means the official file created and maintained
127.13 by the department within CAMPUS to retain imaged or electronic documents and data
127.14 related to an employee's workers' compensation claim or injury under chapter 176, including
127.15 documents transmitted to the commissioner under sections 176.281 and 176.2611. The
127.16 division file does not include:

127.17 (1) paper, images, or electronic data created, used, or maintained for internal operational
127.18 purposes by an agency, the special compensation fund, or the vocational rehabilitation unit;

127.19 (2) a confidential mediation statement, including any documents submitted with the
127.20 statement for the mediator's review and any additional documents submitted to or sent by
127.21 the mediator in furtherance of mediation efforts; and

127.22 (3) work product of a compensation judge, mediator, or commissioner that is not issued
127.23 or sent to a party to a claim. Examples of work product include personal notes of hearings
127.24 or conferences and draft decisions or orders.

127.25 **EFFECTIVE DATE.** This section is effective August 31, 2020.

127.26 Sec. 4. Minnesota Statutes 2018, section 176.011, is amended by adding a subdivision to
127.27 read:

127.28 Subd. 8e. **Document.** "Document" includes a form, record, report, notice, order, and
127.29 paper. Document also includes information and data, regardless of format, that are required
127.30 or authorized by this chapter to be filed with or served on or by an agency. Document
127.31 excludes physical objects such as clothing, flash drives, compact discs, or physical objects
127.32 used as demonstrative evidence.

128.1 **EFFECTIVE DATE.** This section is effective August 31, 2020.

128.2 Sec. 5. Minnesota Statutes 2018, section 176.1812, subdivision 2, is amended to read:

128.3 Subd. 2. **Filing and review.** (a) A copy of the agreement and the approximate number
 128.4 of employees who will be covered under it must be filed with the commissioner. Within 21
 128.5 days of receipt of an agreement, the commissioner shall review the agreement for compliance
 128.6 with this section and the benefit provisions of this chapter and notify the parties of any
 128.7 additional information required or any recommended modification that would bring the
 128.8 agreement into compliance. Upon receipt of any requested information or modification, the
 128.9 commissioner must notify the parties within 21 days whether the agreement is in compliance
 128.10 with this section and the benefit provisions of this chapter.

128.11 (b) After an agreement is approved by the commissioner under paragraph (a), a qualified
 128.12 employer may join or withdraw from a qualified group of employers without commissioner
 128.13 review or approval. The commissioner must be notified within 30 days when a qualified
 128.14 employer joins or withdraws from a qualified group of employers.

128.15 (c) In order for any agreement to remain in effect, it must provide for a timely and
 128.16 accurate method of reporting to the commissioner ~~necessary information regarding service~~
 128.17 ~~cost and utilization~~ the individual claims covered by the agreement and claim-specific
 128.18 dispute resolution data, in the form and manner prescribed by the commissioner. Dispute
 128.19 resolution data includes information about facilitation, mediation, and arbitration and shall
 128.20 be provided annually to the commissioner to enable the commissioner to annually report
 128.21 aggregate dispute data to the legislature. ~~The information provided to the commissioner~~
 128.22 ~~must include aggregate data on the:~~

128.23 (i) ~~person hours and payroll covered by agreements filed;~~

128.24 (ii) ~~number of claims filed;~~

128.25 (iii) ~~average cost per claim;~~

128.26 (iv) ~~number of litigated claims, including the number of claims submitted to arbitration,~~
 128.27 ~~the Workers' Compensation Court of Appeals, the Office of Administrative Hearings, the~~
 128.28 ~~district court, the Minnesota Court of Appeals or the supreme court;~~

128.29 (v) ~~number of contested claims resolved prior to arbitration;~~

128.30 (vi) ~~projected incurred costs and actual costs of claims;~~

128.31 (vii) ~~employer's safety history;~~

128.32 (viii) ~~number of workers participating in vocational rehabilitation; and~~

129.1 ~~(ix) number of workers participating in light-duty programs.~~

129.2 **EFFECTIVE DATE.** Paragraphs (a) and (b) are effective June 1, 2019. Paragraph (c)
 129.3 is effective August 31, 2020.

129.4 Sec. 6. Minnesota Statutes 2018, section 176.231, is amended to read:

129.5 **176.231 REPORT OF DEATH OR INJURY TO COMMISSIONER OF**
 129.6 **DEPARTMENT OF LABOR AND INDUSTRY.**

129.7 Subdivision 1. **Time limitation.** (a) Where death or serious injury occurs to an employee
 129.8 during the course of employment, the employer shall report the injury or death to the
 129.9 commissioner and insurer within 48 hours after its occurrence. Where any other injury
 129.10 occurs which wholly or partly incapacitates the employee from performing labor or service
 129.11 for more than three calendar days, the employer shall report the injury to the insurer on a
 129.12 form prescribed by the commissioner within ten days from its occurrence.

129.13 (b) An insurer and self-insured employer shall report the injury to the commissioner no
 129.14 later than 14 days from its occurrence. If an injury has not previously been required to be
 129.15 reported, the insurer or self-insured employer must report the injury to the commissioner,
 129.16 in the manner and format prescribed by the commissioner, no later than 14 days after the
 129.17 date that:

129.18 (1) any document initiating a dispute is filed under this chapter;

129.19 (2) a rehabilitation consultation report or a rehabilitation plan is filed under this chapter;
 129.20 or

129.21 (3) permanent partial disability is ascertainable under section 176.101, subdivision 3.

129.22 (c) Where an injury has once been reported but subsequently death ensues, the employer
 129.23 shall report the death to the commissioner and insurer within 48 hours after the employer
 129.24 receives notice of this fact.

129.25 (d) An employer who provides notice to the Occupational Safety and Health Division
 129.26 of the Department of Labor and Industry of a fatality within the eight-hour time frame
 129.27 required by law, or of an inpatient hospitalization, amputation, or loss of an eye, within the
 129.28 24-hour time frame required by law, has satisfied the employer's obligation under ~~this section~~
 129.29 paragraph (a).

129.30 (e) At the time an injury is required to be reported under paragraph (b), the insurer or
 129.31 self-insured employer must also specify whether the injury is covered by a collective

130.1 bargaining agreement approved by the commissioner under section 176.1812. Notice must
 130.2 be provided in the format and manner prescribed by the commissioner.

130.3 Subd. 2. **Initial report, written report.** (a) Where subdivision 1 requires an injury to
 130.4 be reported within 48 hours, the employer may make an initial report to the commissioner
 130.5 by telephone or personal notice, and ~~file a written~~ must report of the injury to the insurer
 130.6 within seven days from its occurrence ~~or within such time as the commissioner of labor and~~
 130.7 ~~industry designates.~~ After receiving this notice, the insurer or self-insured employer must
 130.8 report the injury to the commissioner as provided in subdivision 1. All ~~written~~ reports of
 130.9 ~~injuries~~ injury required by subdivision 1 or this subdivision shall include the date of injury.
 130.10 The reports shall be ~~on a form designed~~ made in the manner and format designated by the
 130.11 commissioner, with ~~a clear copy suitable for imaging to the commissioner,~~ one copy to the
 130.12 insurer, and one copy to the employee. The employer must give the employee the "Minnesota
 130.13 Workers' Compensation System Employee Information Sheet" at the time the employee is
 130.14 given a copy of the first report of injury. Within two business days after a report of injury
 130.15 filed by a self-insured employer or insurer is accepted by the commissioner, the self-insured
 130.16 employer or insurer must serve the report on the employee in the manner and format
 130.17 prescribed by the commissioner.

130.18 (b) If an insurer or ~~self-insurer~~ self-insured employer repeatedly fails to pay benefits
 130.19 within three days of the due date, pursuant to section 176.221, the insurer or ~~self-insurer~~
 130.20 self-insured employer shall be ordered by the commissioner to explain, in person, the failure
 130.21 to pay benefits due in a reasonable time. If prompt payments are not thereafter made, the
 130.22 commissioner shall refer the insurer or ~~self-insurer~~ self-insured employer to the commissioner
 130.23 of commerce for action pursuant to section 176.225, subdivision 4.

130.24 Subd. 3. **Physicians, chiropractors, or other health care providers to report**
 130.25 **injuries.** A physician, chiropractor, or other health care provider who has examined, treated,
 130.26 or has special knowledge of an injury to an employee which may be compensable under
 130.27 this chapter, shall report to the commissioner all facts relating to the nature and extent of
 130.28 the injury and disability, and the treatment provided for the injury or disability, within ten
 130.29 days after the health care provider has received a written request for the information from
 130.30 the commissioner or an authorized representative of the commissioner.

130.31 Subd. 4. **Supplementary reports.** The commissioner or an authorized representative
 130.32 may require the filing of supplementary reports of accidents as is deemed necessary to
 130.33 provide information required by law.

131.1 Supplementary reports or other documents related to the current nature and extent of
 131.2 the employee's injury, disability, or treatment may be requested from a physician, surgeon,
 131.3 chiropractor, or other health care provider by the commissioner or a representative, an
 131.4 employer or insurer, or the employee.

131.5 Subd. 5. ~~Forms for reports~~ Electronic reports filed under this section. (a) The
 131.6 commissioner shall prescribe ~~forms~~ the manner and format for ~~use in making~~ providing the
 131.7 reports and other documents required by this section. ~~Forms for reports required by this~~
 131.8 ~~section shall be as prescribed by the commissioner and shall be the only forms used by an~~
 131.9 ~~employer, insurer, self-insurer, group self-insurer, and all health care providers.~~

131.10 (b) A report or other document that is required to be filed with the commissioner under
 131.11 this section must be filed electronically in the manner and format required by the
 131.12 commissioner. Except as provided in paragraph (d), the commissioner must give at least 60
 131.13 days' notice to self-insured employers and insurers, and publish notice in the State Register,
 131.14 of the effective date of required electronic filing of the report or other document.

131.15 (c) Where specified by the commissioner under paragraph (d), a self-insured employer
 131.16 or insurer must file a report or other document with the commissioner electronically according
 131.17 to the version of the Claims Release Standard published by the International Association
 131.18 of Industrial Accident Boards and Commissions (IAIABC) adopted by the commissioner.
 131.19 The commissioner must publish on the department's website a Minnesota implementation
 131.20 guide that prescribes reporting requirements consistent with this chapter.

131.21 (d) The commissioner must give notice to self-insured employers and insurers, and
 131.22 publish notice in the State Register, of intent to adopt a version of the Claims Release
 131.23 Standard for a report or other document required to be filed with the commissioner. The
 131.24 notice must include a link to the Minnesota implementation guide. Interested parties must
 131.25 have at least 90 days to submit comments to the commissioner. After considering the
 131.26 comments, the commissioner must publish notice of the adopted version of the Claims
 131.27 Release Standard and Minnesota implementation guide in the State Register at least 90 days
 131.28 before the effective date of the Standard and Guide. The commissioner must also give at
 131.29 least 30 days' notice to self-insured employers and insurers, and publish notice in the State
 131.30 Register, of any updates to the Minnesota implementation guide. The requirements in the
 131.31 adopted versions of the Claims Release Standard and the Minnesota implementation guide
 131.32 supersede any conflicting rule. The adopted versions of the Claims Release Standards and
 131.33 Minnesota implementation guides adopted by the commissioner under this section are not
 131.34 rules under chapter 14, but have the force and effect of law as of the effective date specified
 131.35 in the notice published in the State Register. The commissioner may publish the initial

132.1 notices in this subdivision before August 31, 2020, to ensure the adopted versions of the
 132.2 Standard and Guide are effective on that date.

132.3 **Subd. 6. Commissioner of the Department of Labor and Industry; duty to keep**
 132.4 **informed.** The commissioner of the Department of Labor and Industry shall keep fully
 132.5 informed of the nature and extent of all injuries compensable under this chapter, their
 132.6 resultant disabilities, and of the rights of employees to compensation. The insurer or
 132.7 self-insured employer must keep the department advised of all payments of compensation,
 132.8 the amounts of payments made, and the date of the first payment. Where a physician or
 132.9 surgeon has examined, treated, or has special knowledge relating to an injury which may
 132.10 be compensable under this chapter, the commissioner of the Department of Labor and
 132.11 Industry or any member or employee thereof shall request in writing a report from such
 132.12 person of the attendant facts.

132.13 **Subd. 7. Medical reports.** If requested by the division, a compensation judge, the
 132.14 Workers' Compensation Court of Appeals, or any member or employee thereof an employer,
 132.15 insurer, or employee shall file with the commissioner a ~~verified~~ copy suitable for imaging
 132.16 of any medical report or other document in possession which bears upon the case and shall
 132.17 also file a ~~verified~~ copy of the same report or document with the agency or individual who
 132.18 made the request.

132.19 **Subd. 8. No public inspection of reports.** Subject to subdivision 9, a report or other
 132.20 document, or its copy, which has been filed with the commissioner of the Department of
 132.21 Labor and Industry under this section is not available to public inspection. Any person who
 132.22 has access to such a report shall not disclose its contents to anyone in any manner.

132.23 A person who unauthorizedly discloses a report or its contents to another is guilty of a
 132.24 misdemeanor.

132.25 **Subd. 9. Uses that may be made of reports; access to division file.** (a) Reports ~~filed~~
 132.26 ~~with the commissioner under this section~~ and other documents in the division file are private
 132.27 data on individuals and nonpublic data as those terms are defined in section 13.02, except
 132.28 that the reports and documents in the division file may be used in hearings held under this
 132.29 chapter, and for the purpose of state investigations and for statistics. ~~These~~ The reports and
 132.30 documents in the division file are also available without authorization to:

132.31 (1) the Department of Revenue for use in enforcing Minnesota income tax and property
 132.32 tax refund laws, and the information shall be protected as provided in chapter 270B;

132.33 (2) an agency, as needed to perform its responsibilities under this chapter;

133.1 (3) the Workers' Compensation Reinsurance Association for use by the association in
133.2 carrying out its responsibilities under chapter 79;

133.3 (4) the special compensation fund for the purpose of auditing assessments under section
133.4 176.129; and

133.5 (5) the persons and entities allowed access under subdivisions 9a, 9b, and 9c.

133.6 ~~(b) The division or Office of Administrative Hearings or Workers' Compensation Court~~
133.7 ~~of Appeals may permit the examination of its file by the employer, insurer, employee, or~~
133.8 ~~dependent of a deceased employee or any person who furnishes signed authorization to do~~
133.9 ~~so from the employer, insurer, employee, or dependent of a deceased employee. Reports~~
133.10 ~~filed under this section and other information the commissioner has regarding injuries or~~
133.11 ~~deaths shall be made available to the Workers' Compensation Reinsurance Association for~~
133.12 ~~use by the association in carrying out its responsibilities under chapter 79.~~

133.13 (b) A person with an authorization signed by the employer, insurer, employee, or
133.14 dependent of a deceased employee has access to reports and other documents in the division
133.15 file as provided in the authorization. An authorization must:

133.16 (1) be in writing;

133.17 (2) include the printed name and dated signature of the employee or dependent of an
133.18 employee, employer, or insurer representative who is authorizing the documents to be
133.19 released;

133.20 (3) specify the employer, date of injury, and worker identification or Social Security
133.21 number;

133.22 (4) include the name of the individual or entity that is authorized to receive the documents.
133.23 If the authorization is signed by the employer or insurer, the authorization must specify that
133.24 the access is granted to a person acting on the employer or insurer's behalf in performing
133.25 responsibilities under chapter 176;

133.26 (5) specify the time period within which the authorization is valid, which may not exceed
133.27 one year from the date the authorization was signed, except that access to the division file
133.28 may exceed one year if provided in subdivision 9a, paragraph (b); and

133.29 (6) include a statement that the person signing the authorization may revoke the
133.30 authorization by filing written notice with the department at any time, which shall be effective
133.31 upon receipt by the department.

134.1 Subd. 9a. Access to division file without an authorization. (a) Access to the division
134.2 file established for a specific claimed date or dates of injury under this chapter is allowed
134.3 without an authorization from the employee, employer, insurer, or dependent, as described
134.4 in clauses (1) to (6):

134.5 (1) an employee, an employee's guardian under section 176.092, and a deceased
134.6 employee's legal heir or dependent as defined in section 176.011, have access to the division
134.7 file established for the employee's claimed date or dates of injury;

134.8 (2) an employer and insurer have access to the division file for a workers' compensation
134.9 claim to which the employer and insurer are parties;

134.10 (3) the Department of Administration under section 13.43, subdivision 18, the assigned
134.11 risk plan under chapter 79, the special compensation fund established under section 176.129,
134.12 the self-insurers security fund under chapter 79A, and the Minnesota insurance guarantee
134.13 association under chapter 60C have access to all of the documents in the division file for a
134.14 claim to which they are a party or are otherwise providing, paying, or reimbursing workers'
134.15 compensation benefits under this chapter;

134.16 (4) a person who has filed a motion to intervene in a pending dispute at an agency has
134.17 access to the documents in the division file that are filed in connection with the dispute in
134.18 which the person has filed a motion to intervene;

134.19 (5) a registered rehabilitation provider assigned to provide rehabilitation services to an
134.20 employee has access to the documents in the division file that are filed in connection with
134.21 the employee's vocational rehabilitation or a dispute about vocational rehabilitation under
134.22 section 176.102; and

134.23 (6) a third-party administrator licensed under section 60A.23, subdivision 8, has access
134.24 to the division file for a claim it has contracted to administer on behalf of any of the entities
134.25 listed in this subdivision.

134.26 (b) An attorney who has filed with the commissioner: a written authorization signed by
134.27 a person listed in paragraph (a), clause (1) or (2); or a retainer agreement, a notice of
134.28 appearance or representation, or a pleading or a response to a pleading, on behalf of a person
134.29 or entity listed in paragraph (a); has the same access to documents in the division file that
134.30 the authorizing person has, unless access is limited by the authorization, retainer agreement,
134.31 or notice of appearance or representation. If the attorney's access is not limited by one of
134.32 the documents in this paragraph, the attorney's access continues until one of the following
134.33 occurs, whichever is later:

- 135.1 (1) one year after an authorization is filed;
- 135.2 (2) five years after the date a retainer agreement or notice of appearance or representation
135.3 was filed where no dispute has been initiated;
- 135.4 (3) five years after the date the attorney filed a document initiating or responding to a
135.5 workers' compensation dispute under this chapter;
- 135.6 (4) five years after the date an award on stipulation was served and filed if the award
135.7 was related to a dispute in which the attorney represented a party in paragraph (a); or
- 135.8 (5) five years after the date a final order or final penalty assessment was issued as defined
135.9 in subdivision 9c, paragraph (a), clause (3), if the final order or penalty assessment was
135.10 related to a dispute in which the attorney represented a party in paragraph (a).
- 135.11 Notwithstanding the time frames in clauses (1) to (5), an attorney no longer has access to
135.12 the division file as of the date the attorney files a notice of withdrawal from the case, or the
135.13 date the department receives written notice that the authorization is withdrawn or that the
135.14 attorney no longer represents the person. However, if a dispute over an attorney's fees is
135.15 pending at the office, the attorney has continued access to the division file until a final order
135.16 or award on stipulation resolving the attorney fee dispute is received by the commissioner.
- 135.17 (c) The division may provide the worker identification number assigned under section
135.18 176.275, subdivision 1, without a signed authorization required under paragraph (b) to an:
- 135.19 (1) attorney who represents one of the persons described in paragraph (b);
- 135.20 (2) attorney who represents an intervenor or potential intervenor under section 176.361;
- 135.21 (3) intervenor; or
- 135.22 (4) employee's assigned qualified rehabilitation consultant under section 176.102.
- 135.23 (d) If the department receives information that indicates that identifying or contact
135.24 information for an employee, dependent, employer, insurer, or third-party administrator for
135.25 an employer or insurer is erroneous or no longer accurate, the department may update the
135.26 information in all relevant workers' compensation files to reflect:
- 135.27 (1) the current and accurate name, address, Social Security number or worker
135.28 identification number, and contact information for an employee, unless the employee notifies
135.29 the commissioner in writing that the information in a workers' compensation file for a
135.30 specific date of injury may not be updated; and
- 135.31 (2) the current and accurate name, address, and contact information for an employer,
135.32 insurer, or third-party administrator for an employer or insurer.

136.1 Subd. 9b. **Interagency access to documents and data related to workers'**
136.2 **compensation disputes.** An agency shall, without the need for an authorization, have full,
136.3 read-only, real-time, electronic access to view all documents, document contents, dispositions,
136.4 outcomes, and other data related to a workers' compensation dispute at one of the other
136.5 agencies, except for the following:

136.6 (1) paper, images, or electronic data created, used or maintained for internal operational
136.7 purposes by an agency, the special compensation fund, or the vocational rehabilitation unit;

136.8 (2) a confidential mediation statement, including any documents submitted with the
136.9 statement for the mediator's review and any additional documents submitted to or sent by
136.10 the mediator in furtherance of mediation efforts; and

136.11 (3) the work product of a compensation judge, Workers' Compensation Court of Appeals
136.12 judge, a mediator at the office or department, or the commissioner that is not issued or sent
136.13 to a party to a claim. Examples of work product include personal notes of hearings or
136.14 conferences and draft decisions or orders.

136.15 This subdivision is not intended to allow interagency access to non-dispute related paper,
136.16 images, or electronic data created, used or maintained solely for an agency's internal
136.17 operational purposes.

136.18 Each agency's responsible authority as defined in section 13.02 is responsible for its
136.19 own employees' use and dissemination of the data and documents in CAMPUS and the
136.20 office's case management system as required by section 13.05, subdivision 5.

136.21 Subd. 9c. **Investigative and enforcement data.** (a) For purposes of this subdivision,
136.22 the terms in this paragraph have the meanings given.

136.23 (1) "Enforcement action" means a proceeding initiated by the department, commissioner,
136.24 medical services review board under section 176.103, or rehabilitation review panel under
136.25 section 176.102, that may result in a penalty, fine, or sanction for violation of workers'
136.26 compensation laws or that may result in an order for compliance with workers' compensation
136.27 laws.

136.28 (2) "Investigation" includes an investigation, inspection, audit, file review, inquiry, or
136.29 examination performed by the department or commissioner to administer, enforce, and
136.30 monitor compliance with workers' compensation laws within the department's jurisdiction.

136.31 (3) "Final order" or "final penalty assessment," means that:

136.32 (i) no objection, appeal, or request for hearing has been filed in the manner and within
136.33 the time required by law;

137.1 (ii) an objection, appeal, or request for hearing has been withdrawn;

137.2 (iii) a settlement agreement or stipulation resolving all or part of the matter has been
137.3 signed by all parties and, if required by law, has been approved by a judge; or

137.4 (iv) all appeals have been exhausted or waived.

137.5 (b) A claim-specific final order or final penalty assessment issued by the department or
137.6 commissioner pursuant to a workers' compensation investigation or enforcement proceeding
137.7 shall be placed in the division file for that employee's claim. Access to the final enforcement
137.8 order or penalty assessment in the division file shall be as provided in subdivision 9a. Before
137.9 the enforcement order or penalty assessment is final, only the employee, dependent of a
137.10 deceased employee, employer, or insurer who are parties to the claim, and any respective
137.11 attorney representing the party, shall have access to it.

137.12 (c) Enforcement orders and penalty assessments issued by the department, commissioner,
137.13 medical services review board, or rehabilitation review panel pursuant to workers'
137.14 compensation investigations or enforcement proceedings that are not claim-specific shall
137.15 not be placed in the division file. The data practices classification of these orders and
137.16 penalties is as provided in sections 13.39 and 13.41, except that the names, Social Security
137.17 numbers, and worker identification numbers of employees with workers' compensation
137.18 claims and their dependents, and the identity of persons filing a complaint with the
137.19 department about the subject of the investigation or enforcement action, are private or
137.20 nonpublic data as those terms are defined in section 13.02 when maintained by a government
137.21 entity.

137.22 **Subd. 10. Failure to file required report, penalty.** If an employer, qualified
137.23 rehabilitation consultant or rehabilitation vendor, insurer, physician, chiropractor, or other
137.24 health provider fails to file with the commissioner any report or other document required
137.25 by this chapter in the manner and within the time limitations prescribed, or otherwise fails
137.26 to provide a report or other document required by this chapter in the manner provided by
137.27 this chapter, the commissioner may impose a penalty of up to \$500 for each failure.

137.28 The imposition of a penalty may be appealed to a compensation judge within 30 days
137.29 of notice of the penalty.

137.30 Penalties collected by the state under this subdivision shall be payable to the
137.31 commissioner for deposit into the assigned risk safety account.

137.32 **Subd. 11. Failure to file required report; substitute filing.** Where this section requires
137.33 the employer to file a report of injury with the commissioner, and the employer is unable

138.1 or refuses to file the report, the insurer shall file the report within ten days of a request from
138.2 the division. The report shall be filed in the manner prescribed by this section. If both the
138.3 employer and the insurer fail to file the report within 30 days of notice of the injury, the
138.4 commissioner shall file the report.

138.5 The filing of a report of injury by the commissioner does not subject an employee or
138.6 the dependents of an employee to the three-year time limitations under section 176.151,
138.7 paragraphs (a) and (b).

138.8 A substitute filing under this subdivision shall not be a defense to a penalty assessed
138.9 under subdivision 10.

138.10 Subd. 12. **Reports; electronic monitoring.** Beginning July 1, 1995, the commissioner
138.11 shall monitor electronically all reports of injury, all payments for reported injuries, and
138.12 compliance with all reporting and payment timelines.

138.13 **EFFECTIVE DATE.** This section is effective August 31, 2020.

138.14 Sec. 7. Minnesota Statutes 2018, section 176.253, is amended to read:

138.15 **176.253 INSURER, EMPLOYER, AND THIRD-PARTY ADMINISTRATOR;**
138.16 **PERFORMANCE OF ACTS.**

138.17 **Subdivision 1. Definitions.** (a) The terms used in this section have the meanings given
138.18 to them in this subdivision.

138.19 (b) "Department" has the meaning in section 176.011, subdivision 8b.

138.20 (c) "Employer" means an employer as defined in section 176.011, subdivision 10, against
138.21 whom a workers' compensation claim has been asserted or who is liable for a workers'
138.22 compensation injury under this chapter. Employer includes:

138.23 (1) an employer authorized to self-insure by the Department of Commerce under chapter
138.24 79A; and

138.25 (2) the state or a political subdivision that is not required to be authorized to self-insure
138.26 by the commissioner of commerce in order to pay its workers' compensation claims.

138.27 (d) "Insurer" means a workers' compensation insurer licensed by the Department of
138.28 Commerce under section 60A.

138.29 (e) "Third-party administrator" means an administrator that is licensed by the Department
138.30 of Commerce to administer a workers' compensation self-insurance or insurance plan under
138.31 section 60A.23, subdivision 8, with a contract to act on behalf of an employer or insurer.

139.1 Subd. 2. **General.** Where this chapter requires an employer to perform an act, the insurer
 139.2 of the employer may perform that act. Where the insurer acts in behalf of the employer, the
 139.3 employer is responsible for the authorized acts of the insurer and for any delay, failure, or
 139.4 refusal of the insurer to perform the act. This section does not relieve the employer from
 139.5 any penalty or forfeiture which this chapter imposes on the employer.

139.6 Subd. 3. **Authority of a third-party administrator.** A third-party administrator that
 139.7 has an active account in CAMPUS under section 176.2612 may act on behalf of the employer
 139.8 or insurer as provided in the contract between the administrator and the employer or insurer.
 139.9 If the department or commissioner issues an order or assesses a penalty against an employer
 139.10 or insurer, the order or penalty must be served on any administrator acting on behalf of the
 139.11 employer or insurer. A third-party administrator has the authority to act on behalf of the
 139.12 employer or insurer in responding to a commissioner or department inquiry, order or penalty
 139.13 assessment, or paying a penalty, until the insurer or administrator notifies the department
 139.14 in writing that the administrator does not have authority.

139.15 **EFFECTIVE DATE.** This section is effective August 31, 2020.

139.16 Sec. 8. Minnesota Statutes 2018, section 176.2611, subdivision 2, is amended to read:

139.17 Subd. 2. **Applicability.** Subject to further amendments pursuant to section 176.2612,
 139.18 subdivision 2, this section governs filing requirements pending completion of the workers'
 139.19 compensation modernization program specifies whether documents must be filed with the
 139.20 office or the commissioner, and governs access to dispute-related documents and data in
 139.21 the office's case management system, the workers' compensation Informix imaging system,
 139.22 and the system that will be developed as a result of the workers' compensation modernization
 139.23 program at the office or department. This section prevails over any conflicting provision in
 139.24 this chapter, Laws 1998, chapter 366, or corresponding rules.

139.25 **EFFECTIVE DATE.** This section is effective August 31, 2020.

139.26 Sec. 9. Minnesota Statutes 2018, section 176.2611, subdivision 5, is amended to read:

139.27 Subd. 5. **Form revision and access to documents and data.** (a) The commissioner
 139.28 must revise dispute resolution forms, in consultation with the chief administrative law judge,
 139.29 to reflect the filing requirements in this section.

139.30 (b) For purposes of this subdivision, "complete, read-only electronic access" means the
 139.31 ability to view all data and document contents, including scheduling information, related
 139.32 to workers' compensation disputes, except for the following:

140.1 (1) a confidential mediation statement, including any documents submitted with the
 140.2 statement for the mediator's review and any additional documents submitted to or sent by
 140.3 the mediator in furtherance of mediation efforts;

140.4 (2) work product of a compensation judge, mediator, or commissioner that is not issued.
 140.5 Examples of work product include personal notes of hearings or conferences and draft
 140.6 decisions;

140.7 (3) the department's Vocational Rehabilitation Unit's case management system data;

140.8 (4) the special compensation fund's case management system data; and

140.9 (5) audit trail information.

140.10 ~~(e) The office must be provided with continued, complete, read-only electronic access~~
 140.11 ~~to the workers' compensation Informix imaging system.~~

140.12 ~~(d) The department must be provided with read-only electronic access to the office's~~
 140.13 ~~case management system, including the ability to view all data, including scheduling~~
 140.14 ~~information, but excluding access into filed documents.~~

140.15 ~~(e)~~ (c) Until August 31, 2020, the office must send the department all documents that
 140.16 are accepted for filing or issued by the office. The office must send the documents to the
 140.17 department, electronically or by courier, within two business days of when the documents
 140.18 are accepted for filing or issued by the office. Beginning August 31, 2020, all dispute-related
 140.19 documents accepted for filing or issued by the office, and all dispute-related documents
 140.20 filed with the department that are referred to the office under section 176.106, must be
 140.21 immediately transmitted between the office's case management system and CAMPUS using
 140.22 application programming interfaces.

140.23 ~~(f)~~ (d) The department must place documents that the office sends to the department in
 140.24 the appropriate imaged file for the employee. This paragraph expires August 31, 2020.

140.25 ~~(g) The department must send the office copies of the following documents, electronically~~
 140.26 ~~or by courier, within two business days of when the documents are filed with or issued by~~
 140.27 ~~the department:~~

140.28 ~~(1) notices of discontinuance;~~

140.29 ~~(2) decisions issued by the department; and~~

140.30 ~~(3) mediated agreements.~~

140.31 ~~(h) Upon integration of the office's case management system and the department's system~~
 140.32 ~~resulting from the workers' compensation modernization program, (e) Each agency will~~

141.1 must be provided with complete, read-only electronic access, as defined in paragraph (b),
 141.2 to the other agency's case management system.

141.3 ~~(f)~~ (e) Each agency's responsible authority pursuant to section 13.02, subdivision 16, is
 141.4 responsible for its own employees' use and dissemination of the data and documents in the
 141.5 workers' compensation Informix imaging system, the office's case management system, and
 141.6 the system developed as a result of the workers' compensation modernization program. This
 141.7 paragraph expires August 31, 2020.

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

141.9 Sec. 10. Minnesota Statutes 2018, section 176.2611, subdivision 6, is amended to read:

141.10 Subd. 6. **Data privacy.** (a) All documents filed with or issued by ~~the department or the~~
 141.11 office under this chapter are private data on individuals and nonpublic data pursuant to
 141.12 chapter 13, except that the documents are available to the following:

141.13 (1) the office;

141.14 (2) the department;

141.15 (3) the employer;

141.16 (4) the insurer;

141.17 (5) the employee;

141.18 (6) the dependent of a deceased employee;

141.19 (7) an intervenor in the dispute;

141.20 (8) the attorney to a party in the dispute;

141.21 (9) a person who furnishes written authorization from the employer, insurer, employee,
 141.22 or dependent of a deceased employee; and

141.23 (10) a person, agency, or other entity allowed access to the documents under this chapter
 141.24 or other law.

141.25 Once a document filed with or issued by the office under this chapter is transmitted to the
 141.26 commissioner under subdivision 5 or section 176.281, access to the document in the division
 141.27 file is as provided in section 176.231.

141.28 (b) The office and department may post notice of scheduled proceedings on the agencies'
 141.29 websites and at their principal places of business in any manner that protects the employee's

142.1 identifying information. Identifying information includes the employee's name or any part
142.2 of the employee's name.

142.3 **EFFECTIVE DATE.** This section is effective August 31, 2020, except that the
142.4 amendments to paragraph (b) are effective the day following final enactment.

142.5 Sec. 11. [176.2612] THE WORKERS' COMPENSATION CLAIMS ACCESS AND
142.6 MANAGEMENT PLATFORM USER SYSTEM (CAMPUS).

142.7 Subdivision 1. **Requirements.** (a) The commissioner shall maintain the workers'
142.8 compensation Claims Access and Management Platform User System (CAMPUS) as defined
142.9 in section 176.011, subdivision 1d. This section applies to the department and the Workers'
142.10 Compensation Court of Appeals. Except for paragraph (b), clause (4), this subdivision does
142.11 not apply to the office.

142.12 (b) CAMPUS must:

142.13 (1) provide a single filing system for users to electronically file documents required or
142.14 authorized to be filed under this chapter with the commissioner or the Workers' Compensation
142.15 Court of Appeals;

142.16 (2) maintain and retain the division file and other claim-related documents;

142.17 (3) accept filings by electronic data entry and by uploaded images of supplemental
142.18 documents, such as a medical or narrative report or document;

142.19 (4) electronically and securely transmit data, and images of documents, between each
142.20 agency to allow the agency to perform its statutory functions;

142.21 (5) electronically and securely serve documents;

142.22 (6) organize electronic data filed in the division file into an image for viewing or printing
142.23 by parties to a claim and staff at each agency;

142.24 (7) provide electronic access to the division file by parties and each agency to workers'
142.25 compensation documents and other data as authorized or required by this chapter; and

142.26 (8) allow authorized stakeholders, the department, and the Workers' Compensation Court
142.27 of Appeals to manage and monitor claims and perform statutorily required functions.

142.28 Subd. 2. **Plan and proposal for improvement.** By January 11, 2021, the commissioner
142.29 must recommend to the Workers' Compensation Advisory Council a plan and proposed
142.30 statutory amendments for the most effective means, based on an assessment of benefits and
142.31 value, to implement improvements to CAMPUS and the case management system at the

143.1 office, including ensuring a single calendaring system and a single filing system. The filing
143.2 requirements in section 176.2611, subdivisions 3 and 4, remain in effect until further
143.3 amendments related to a single filing system in CAMPUS are enacted pursuant to the
143.4 recommendations of the Workers' Compensation Advisory Council.

143.5 Subd. 3. **Creating a CAMPUS account.** (a) For purposes of this subdivision, "employer,"
143.6 "insurer," and "third-party administrator" have the meanings given in section 176.253,
143.7 subdivision 1.

143.8 (b) Electronic access to view or file documents in CAMPUS shall be granted according
143.9 to the requirements established by the department and MN.IT services to authenticate the
143.10 identity of the person or entity creating the account and authorize access to the documents
143.11 that the person or entity is entitled to under this chapter.

143.12 (c) The persons or entities in clauses (1) to (12) must create and maintain an account in
143.13 CAMPUS to electronically access or file documents.

143.14 (1) an employee with a workers' compensation claim, the employee's guardian under
143.15 section 176.092, or the deceased employee's dependent under section 176.111;

143.16 (2) an employer with a workers' compensation claim;

143.17 (3) a licensed workers' compensation insurer acting on behalf of an employer with a
143.18 Minnesota workers' compensation claim;

143.19 (4) an intervenor or potential intervenor in a workers' compensation dispute;

143.20 (5) a registered rehabilitation provider under section 176.102;

143.21 (6) the state or a political subdivision or school district that is not required to be
143.22 self-insured by the commissioner of the Department of Commerce in order to pay its workers'
143.23 compensation claims;

143.24 (7) the assigned risk plan under chapter 79A;

143.25 (8) the Workers' Compensation Reinsurance Association under chapter 79;

143.26 (9) the Minnesota Insurance Guarantee Association established under chapter 60C;

143.27 (10) the self-insurers' security fund under chapter 79A;

143.28 (11) a third-party administrator that has contracted to act on behalf of any of the entities
143.29 listed in this subdivision; and

143.30 (12) an attorney representing a person or entity listed above.

144.1 (d) The commissioner may require that any person or entity listed in paragraph (c),
 144.2 clauses (2) to (12), create and maintain an account in CAMPUS if the person or entity is a
 144.3 party to a workers' compensation claim or associated with an enforcement action of the
 144.4 department.

144.5 (e) A designated medical contact under section 176.135 and a managed care organization
 144.6 certified by the department under section 176.1351 must create and maintain an account to
 144.7 file and view documents related to the certified managed care plan or designated medical
 144.8 contact.

144.9 (f) If a person or entity is required to create and maintain an account under this
 144.10 subdivision and fails to do so:

144.11 (1) unless good cause is shown, the commissioner may assess a \$500 penalty against
 144.12 the person or entity for each 30-day period that an account is not created or maintained
 144.13 following the commissioner's notice that one is required;

144.14 (2) failure to create or maintain an account shall not be a defense to untimely filing
 144.15 where electronic filing is required under this chapter; and

144.16 (3) failure to create or maintain an account results in the appointment of the commissioner
 144.17 and successors in office as the person's agent to receive service by the commissioner or the
 144.18 Workers' Compensation Court of Appeals where service is required under this chapter,
 144.19 provided that the commissioner attempts service by United States mail on the party at the
 144.20 last known address.

144.21 **EFFECTIVE DATE.** This section is effective August 31, 2020.

144.22 Sec. 12. Minnesota Statutes 2018, section 176.275, is amended to read:

144.23 **176.275 FILING OF PAPERS; PROOF OF SERVICE.**

144.24 Subdivision 1. **Filing.** If a document is required to be filed by this chapter or any rules
 144.25 adopted pursuant to authority granted by this chapter, the filing shall be completed ~~by the~~
 144.26 ~~receipt upon acceptance~~ of the document ~~at the division, department, office, or the court of~~
 144.27 ~~appeals by the agency. The division, department, office, and the court of appeals shall accept~~
 144.28 ~~any document which has been delivered to it for legal filing, but may refuse to accept~~ Any
 144.29 ~~form or~~ document that lacks information required by statute or rule, or is not filed in the
 144.30 manner and format required by this chapter, may be rejected. ~~The division, department,~~
 144.31 ~~office, and court of appeals are~~ A document rejected for any of these reasons is not considered
 144.32 filed. An agency is not required to maintain, and may destroy, a duplicate of a form or
 144.33 document that has already been filed. If a workers' compensation identification number has

145.1 been assigned by the department, it ~~may~~ must be substituted for the Social Security number
 145.2 on a ~~form or~~ document. ~~If the injured employee has fewer than three days of lost time from~~
 145.3 ~~work, the party submitting the required document must attach to it, at the time of filing, a~~
 145.4 ~~copy of the first report of injury.~~

145.5 A notice or other document required to be served or filed at either the department, the
 145.6 office, or the court of appeals which is inadvertently served or filed at the wrong one of
 145.7 these agencies by an unrepresented employee shall be deemed to have been served or filed
 145.8 with the proper agency. The receiving agency shall note the date of receipt of a document
 145.9 and shall forward the documents to the proper agency no later than two working days
 145.10 following receipt.

145.11 Subd. 2. **Proof of service; affidavits and notarized statements.** (a) Whenever a
 145.12 provision of this chapter or rules adopted pursuant to authority granted by this chapter
 145.13 require either a proof of service ~~or~~ an affidavit of service, or a notarized statement on a
 145.14 document, the requirement is satisfied by ~~the inclusion of a proof of service on the document~~
 145.15 ~~which has been served, in a form acceptable by the state district courts or approved by the~~
 145.16 ~~commissioner~~ a document that meets the definition of an affidavit under Rule 15 of the
 145.17 General Rules of Practice for the district courts.

145.18 (b) An agency is not required to verify the accuracy of a proof or affidavit of service
 145.19 filed by a party before accepting a document for filing. This does not prevent a party from
 145.20 asserting insufficient or lack of service in a proceeding.

145.21 (c) Service on a party's attorney constitutes service on the represented party, unless
 145.22 service on the employee is specifically required by this chapter.

145.23 (d) A party is not required to file a proof or affidavit of service when the party is served
 145.24 electronically by the agency and the agency has issued a proof of service.

145.25 **EFFECTIVE DATE.** This section is effective August 31, 2020.

145.26 Sec. 13. Minnesota Statutes 2018, section 176.281, is amended to read:

145.27 **176.281 ORDERS, DECISIONS, AND AWARDS; FILING; SERVICE.**

145.28 (a) When the commissioner or compensation judge or Office of Administrative Hearings
 145.29 or the Workers' Compensation Court of Appeals has ~~rendered a final~~ issued correspondence,
 145.30 a notice, order, decision, or award, or other disposition or outcome of a dispute, or an
 145.31 amendment to an order, decision, or award, it shall be filed immediately with the
 145.32 commissioner.

146.1 (b) The agencies' systems must be configured so that transmission of data and documents
 146.2 described in paragraph (a) and section 176.2611, subdivision 5, paragraph (c), are
 146.3 immediately transmitted between the Office of Administrative Hearings' case management
 146.4 system and CAMPUS using application programming interfaces.

146.5 (c) If the commissioner, compensation judge, Office of Administrative Hearings, or
 146.6 Workers' Compensation Court of Appeals has rendered a final order, decision, or award,
 146.7 or amendment thereto, the commissioner or the Office of Administrative Hearings or the
 146.8 Workers' Compensation Court of Appeals shall immediately serve a copy upon every party
 146.9 in interest, together with a notification of the date the order was filed.

146.10 (d) On all orders, decisions, awards, and other documents, the commissioner or
 146.11 compensation judge or Office of Administrative Hearings or the Workers' Compensation
 146.12 Court of Appeals may digitize the signatures of all officials, including judges, for the use
 146.13 of electronic data interchange and clerical automation. These signatures shall have the same
 146.14 legal authority of an original signature, provided that proper security is used to safeguard
 146.15 the use of the digitized signatures and each digitized signature has been certified by the
 146.16 division, department, office, or court of appeals before its use, in accordance with rules
 146.17 adopted by that agency or court.

146.18 **EFFECTIVE DATE.** This section is effective August 31, 2020.

146.19 Sec. 14. Minnesota Statutes 2018, section 176.285, is amended to read:

146.20 **176.285 SERVICE OF PAPERS AND NOTICES; ELECTRONIC FILING.**

146.21 Subdivision 1. **Service by mail.** Service of ~~papers and notices~~ documents shall be by
 146.22 United States mail or otherwise as the commissioner or the chief administrative law judge
 146.23 ~~may by rule direct~~ except where electronic service is authorized or required under this
 146.24 section and section 176.275. An employee cannot be required to accept electronic service
 146.25 where service on the employee is required. Where service is by mail, service is effected at
 146.26 the time mailed if properly addressed and stamped. If it is so mailed, it is presumed the
 146.27 paper or notice reached the party to be served. However, a party may show by competent
 146.28 evidence that that party did not receive it or that it had been delayed in transit for an unusual
 146.29 or unreasonable period of time. In case of nonreceipt or delay, an allowance shall be made
 146.30 for the party's failure to assert a right within the prescribed time.

146.31 Subd. 2. **Electronic service and filing on an agency.** (a) Where a statute or rule
 146.32 authorizes or requires a document to be filed with or served on ~~an agency~~ the office, the
 146.33 document may be filed electronically if electronic filing is authorized by the ~~agency~~ office

147.1 and if the document is transmitted in the manner and in the format specified by the ~~agency~~.
 147.2 office. Where a statute or rule authorizes or requires a document to be filed with or served
 147.3 on the commissioner or the Workers' Compensation Court of Appeals, the document must
 147.4 be filed electronically in the manner and format specified by the commissioner. An employee
 147.5 must not be required to file a document electronically at any agency unless the document
 147.6 is filed by an attorney on behalf of the employee.

147.7 (b) If electronic filing of a document is authorized by the ~~agency~~ office or required under
 147.8 this subdivision and a statute or rule requires a copy of the document to be provided or
 147.9 served on another person or party, the document filed electronically with the agency and
 147.10 provided or served on the other person or party must contain the same information in the
 147.11 format required by the ~~commissioner~~ agency.

147.12 (c) For purposes of serving on and filing with an agency under this chapter, "electronic"
 147.13 and "electronically" excludes facsimile and e-mail unless authorized by the agency. A
 147.14 document is deemed filed with an agency on the business day it is accepted for filing on or
 147.15 before 11:59 p.m.

147.16 Subd. 2a. **Electronic signatures.** ~~(a)~~ (a) Where a statute or rule authorizes or requires
 147.17 a person's signature on a document to be filed with or served on an agency, the signature
 147.18 may be an electronic signature, as defined by section 325L.02, or transmitted electronically,
 147.19 if authorized by the agency and if the signature is transmitted in the manner and format
 147.20 specified by the agency. The commissioner may require that a document authorized or
 147.21 required to be filed with the commissioner, department, or division be filed electronically
 147.22 in the manner and format specified by the commissioner, except that an employee must not
 147.23 be required to file a document electronically unless the document is filed by an attorney on
 147.24 behalf of an employee. The department or court may adopt rules for the certification of
 147.25 signatures.

147.26 (b) If a rehabilitation provider files a rehabilitation plan or other document that requires
 147.27 the signature of the employee, employer, or insurer pursuant to section 176.102, or rules
 147.28 adopted under section 176.102, the rehabilitation provider shall specify whether each party's
 147.29 signature has been obtained. The rehabilitation provider must retain the document with the
 147.30 original signature or signatures of the employee and insurer or self-insured employer for
 147.31 five years after the rehabilitation plan is closed and must make the signed document available
 147.32 to the commissioner or compensation judge upon request.

147.33 Subd. 2b. **Electronic service of documents on a party through the office's case**
 147.34 management system or CAMPUS. ~~(e)~~ (a) The office may serve a document

148.1 electronically on a payer, rehabilitation provider, or attorney. ~~An agency~~ The office may
 148.2 serve a document on any other party if the recipient agrees to receive it in an electronic
 148.3 format. The date of electronic service of a document is the date the recipient is sent a
 148.4 document electronically, or the date the recipient is notified that the document is available
 148.5 on a website, whichever occurs first.

148.6 (b) The commissioner, the Workers' Compensation Court of Appeals, and a party may
 148.7 electronically serve through CAMPUS a document required to be served on a party or filed
 148.8 with the commissioner on any person with an account in CAMPUS under section 176.2612.
 148.9 Service through CAMPUS must be either by secure e-mail or by e-mailing a notice that the
 148.10 document may be accessed through a web portal. Service of a document through CAMPUS
 148.11 on an attorney for a party is considered to be service on the party, except where service on
 148.12 the employee is specifically required by this chapter.

148.13 (c) An employee must not be electronically served unless the employee has created an
 148.14 account and has agreed to accept electronic service through the office's case management
 148.15 system or CAMPUS.

148.16 (d) The date of electronic service of a document is the date the recipient is sent a
 148.17 document electronically, or the date the recipient is notified that the document is available
 148.18 on a website, whichever occurs first.

148.19 Subd. 2c. **Time to assert a right when a document is served or filed electronically.** ~~(e)~~
 148.20 When the electronic filing of a legal document with ~~the department~~ an agency marks the
 148.21 beginning of a prescribed time for another party to assert a right, the prescribed time for
 148.22 another party to assert a right shall be ~~lengthened~~ extended by two calendar days when it
 148.23 can be shown that service to ~~the other~~ another party was by United States mail, and extended
 148.24 by one business day if the document was electronically served on the party in CAMPUS or
 148.25 the office's case management system after 4:30 p.m.

148.26 Subd. 3. **Proof of service of documents served by parties and agencies.** (a) The
 148.27 commissioner ~~and~~, the chief administrative law judge and the chief judge of the Workers'
 148.28 Compensation Court of Appeals shall ensure that proof of service of all papers and notices
 148.29 served by their respective agencies is ~~placed in~~ transmitted to the official division file of
 148.30 ~~the case~~ in the manner described in section 176.281.

148.31 (b) If a document unrelated to a dispute, such as a first report of injury, is required to be
 148.32 filed with the commissioner and required to be served on the employee or other party, the
 148.33 serving party must retain the proof of service and provide it to the commissioner or
 148.34 compensation judge upon request.

149.1 Subd. 4. **Definitions; applicability.** (a) For purposes of this section, "agency" means
 149.2 ~~the workers' compensation division, the Department of Labor and Industry, the commissioner~~
 149.3 ~~of the Department of Labor and Industry, the Office of Administrative Hearings, the chief~~
 149.4 ~~administrative law judge, or the Workers' Compensation Court of Appeals. "Document"~~
 149.5 ~~includes documents, reports, notices, orders, papers, forms, information, and data elements~~
 149.6 ~~that are authorized or required to be filed with an agency or the commissioner or that are~~
 149.7 ~~authorized or required to be served on or by an agency or the commissioner. "payer" means~~
 149.8 a workers' compensation insurer, self-insurer employer, or third-party administrator.

149.9 (b) Except as otherwise modified by this ~~section~~ chapter, the provisions of chapter 325L
 149.10 apply to electronic signatures and the electronic transmission of documents under this ~~section~~
 149.11 chapter.

149.12 **EFFECTIVE DATE.** This section is effective August 31, 2020.

149.13 Sec. 15. Minnesota Statutes 2018, section 176.312, is amended to read:

149.14 **176.312 AFFIDAVITS OF PREJUDICE AND PETITIONS FOR REASSIGNMENT.**

149.15 In accordance with rules adopted by the chief administrative law judge, an affidavit of
 149.16 prejudice for cause may be filed by each party to the claim against a compensation judge
 149.17 assigned to hear a case.

149.18 A petition for reassignment of a case to a different compensation judge for hearing may
 149.19 be filed once, in any case, by each party to the claim within ~~ten~~ 20 days after the filing party
 149.20 has received notice of the assigned judge. Upon receipt of a timely petition for reassignment,
 149.21 the chief administrative law judge shall assign the case to another judge.

149.22 An affidavit of prejudice or a petition for reassignment shall be filed with the chief
 149.23 administrative law judge and shall not result in the continuance or delay of a hearing
 149.24 scheduled under section 176.341.

149.25 This section does not apply to prehearing ~~or~~ settlement conferences, or administrative
 149.26 conferences.

149.27 **EFFECTIVE DATE.** This section is effective July 1, 2019.

82B.021 DEFINITIONS.

Subd. 17. **Foundation appraisal organization.** "Foundation appraisal organization" means a member private appraisal trade organization of the Appraisal Foundation including, but not limited to, the following: American Institute of Real Estate Appraisers, American Society of Appraisers, American Society of Farm Managers and Rural Appraisers, International Association of Assessing Officers, International Right of Way Association, National Association of Independent Fee Appraisers, National Society of Real Estate Appraisers, or Society of Real Estate Appraisers.

82B.095 APPRAISER QUALIFICATION COMPONENTS.

Subd. 2. **Conformance to Appraiser Qualifications Board criteria.** Qualifications for all levels of licensing must conform to the Real Property Qualification Criteria established by the Appraisal Qualifications Board for implementation effective January 1, 2015.

82B.10 EXAMINATIONS.

Subdivision 1. **Generally.** (a) An applicant for a license must pass an examination conducted by the commissioner. The examinations must be of sufficient scope to establish the competency of the applicant to act as a real estate appraiser and must conform with the current National Uniform Exam Content Outlines published by the Appraiser Qualifications Board.

(b) A passing grade for a real estate appraiser licensing examination must be the cut score defined by the Appraiser Qualifications Board criteria.

(c) To qualify for a license as a trainee real property appraiser, an applicant must pass a current trainee real property appraiser examination. The examination must test the applicant's knowledge of appraisal terms, principles, theories, and ethics as provided in this chapter.

(d) To qualify for a license as a licensed real property appraiser, an applicant must pass a current uniform licensed real property appraiser examination approved by the Appraiser Qualifications Board. The examination must test the applicant's knowledge of appraisal terms, principles, theories, and ethics as provided in this chapter.

(e) To qualify for a license as a certified residential real property appraiser, an applicant must pass a current uniform certified residential real property appraiser examination approved by the Appraiser Qualifications Board. The examination must test the applicant's knowledge of appraisal terms, principles, theories, and ethics as provided in this chapter.

(f) To qualify for a license as a certified general real property appraiser, an applicant must pass a current uniform certified general real property appraiser examination approved by the Appraiser Qualifications Board. The examination must test the applicant's knowledge of appraisal terms, principles, theories, and ethics as provided in this chapter.

(g) An applicant must complete the applicable education prerequisites in section 82B.13 and the experience requirements in section 82B.14 before the applicant takes the examination required under this section.

Subd. 2. **Reexaminations.** An examination must be required before renewal of a license that has been suspended, or before the issuance of a license to a person whose license has been ineffective for a period of two years. No reexamination is required of an individual who has failed to renew an existing license because of absence from the state while on active duty with the armed services of the United States of America.

Subd. 3. **Examination frequency.** The commissioner must hold examinations at times and places the commissioner determines.

Subd. 4. **Period for application.** An applicant who obtains an acceptable score on an examination must file an application and obtain the license within two years of the date of successful completion of the examination or a second examination must be taken to qualify for the license.

Subd. 5. **Renewal; examination.** Except as provided in subdivision 2, no examination is required for the renewal of a license. However, a licensee who has been licensed in the state of Minnesota and who fails to renew the license for a period of two years must be required by the commissioner to again take an examination.

Subd. 6. **Examination eligibility; revocation.** No applicant may take an examination if a license as a real estate appraiser has been revoked in this or another state within two years of the date of the application.

Subd. 8. **Fees.** The commissioner may assess an examination fee sufficient to recover the actual direct costs of holding the examination.

Subd. 9. **Cheating.** The commissioner must not accept the scores of a person who has cheated on an examination. Cheating on a real estate appraiser examination must be grounds for denying an application for an appraiser's license.

82B.11 CLASSES OF LICENSE.

Subd. 2. **Trainee real property appraiser.** When a net income capitalization analysis is not required by the uniform standards of professional appraisal practice, a trainee real property appraiser may appraise residential real property or agricultural property.

82B.12 EXAMINATION REQUIREMENT.

An original license as a licensed real estate appraiser must be issued to a person who has demonstrated through a written examination process that the appraiser has the following qualifications:

(1) appropriate knowledge of technical terms commonly used in or related to real estate appraising, appraisal report writing, and economic concepts applicable to real estate;

(2) understanding the principles of land economics, real estate appraisal processes, and problems likely to be encountered in gathering, interpreting, and processing of data in carrying out appraisal disciplines;

(3) understanding the standards for the development and communication of real estate appraisals as provided in this chapter;

(4) knowledge of theories of depreciation, cost estimating, methods of capitalization, and the mathematics of real estate appraisal that are appropriate for the classification of license for which the person is applying;

(5) knowledge of other principles and procedures appropriate for the classification of license for which the person is applying;

(6) basic understanding of real estate law; and

(7) understanding the types of misconduct and ethical considerations for which disciplinary proceedings may be started against a licensed real estate appraiser.

82B.13 EDUCATION PREREQUISITES.

Subd. 1a. **Licensed real property appraiser.** As a prerequisite for licensing as a licensed real property appraiser, an applicant must present evidence satisfactory to the commissioner that the person has successfully completed:

(1) at least 150 hours of prelicense courses approved by the commissioner. The courses must consist of 75 hours of general real estate appraisal principles and the 15-hour national USPAP course; and

(2) an associate degree or higher from an accredited college or university. In lieu of the required degree, the applicant may present satisfactory documentation of successful completion of 30 semester credit hours of instruction from an accredited college or university.

Subd. 3. **Commissioner's approval; rules.** The courses and instruction and procedures of courses must be approved by the commissioner. The commissioner may adopt rules to administer this section. These rules must, to the extent practicable, conform to the rules adopted for real estate and insurance education. The credit hours required under this section may be credited to a person for distance education courses that meet Appraiser Qualifications Board criteria.

Subd. 4. **Certified residential real property appraiser.** As a prerequisite for licensing as a certified residential real property appraiser, an applicant must present evidence satisfactory to the commissioner that the person has successfully completed:

(1) at least 200 hours of prelicense courses approved by the commissioner, with particular emphasis on the appraisal of one to four unit residential properties. Fifteen of the 200 hours must include successful completion of the 15-hour national USPAP course; and

(2) a bachelor's degree or higher from an accredited college or university.

APPENDIX
Repealed Minnesota Statutes: 19-5227

Subd. 5. **Certified general real property appraiser.** As a prerequisite for licensing as a certified general real property appraiser, an applicant must present evidence satisfactory to the commissioner that the person has successfully completed:

(1) at least 300 hours of prelicense courses approved by the commissioner, with particular emphasis on the appraisal of nonresidential properties. Fifteen of the 300 hours must include successful completion of the 15-hour national USPAP course; and

(2) a bachelor's degree or higher from an accredited college or university.

Subd. 6. **All appraiser license levels.** To receive approval from the commissioner, an appraiser prelicense education course must be at least 15 hours long. The required course hours for all appraiser license levels include completion of the 15-hour national USPAP course and specific core curriculum courses and hours in accordance with the real property appraiser qualification criteria as defined by the Appraisal Qualifications Board:

Trainee	
Basic appraisal principles	30 hours
Basic appraisal procedures	30 hours
The 15-hour national USPAP course or its equivalent	15 hours
Trainee level total education requirements	75 hours
Licensed	
Basic appraisal principles	30 hours
Basic appraisal procedures	30 hours
The 15-hour national USPAP course or its equivalent	15 hours
Residential market analysis and highest and best use	15 hours
Residential appraiser site valuation and cost approach	15 hours
Residential sales comparison and income approaches	30 hours
Residential report writing and case studies	15 hours
Licensed level total education requirements	150 hours
Certified residential	
Basic appraisal principles	30 hours
Basic appraisal procedures	30 hours
The 15-hour national USPAP course or its equivalent	15 hours
Residential market analysis and highest and best use	15 hours
Residential appraiser site valuation and cost approach	15 hours
Residential sales comparison and income approaches	30 hours
Residential report writing and case studies	15 hours
Statistics, modeling, and finance	15 hours
Advanced residential applications and case studies	15 hours
Appraisal subject matter electives	20 hours
(May include hours over minimum shown above in other modules)	
Certified residential level total education requirements	200 hours
Certified general	
Basic appraisal principles	30 hours
Basic appraisal procedures	30 hours

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The 15-hour national USPAP course or its equivalent	15 hours
General appraiser market analysis and highest and best use	30 hours
Statistics, modeling, and finance	15 hours
General appraiser sales comparison approach	30 hours
General appraiser site valuation and cost approach	30 hours
General appraiser income approach	60 hours
General appraiser report writing and case studies	30 hours
Appraisal subject matter electives	30 hours
(May include hours over minimum shown above in other modules)	
Certified general level total education requirements	300 hours

Subd. 7. **Student tracking manual.** It is the responsibility of students to record the qualifying education they have completed in a student tracking manual broken down by required core curriculum modules and subtopics, and to maintain an orderly record of education, experience, and other requirements.

Subd. 8. **Appraiser prelicense education.** (a) Credit toward the qualifying education requirements of this section may also be obtained via the completion of a degree in real estate from an accredited degree-granting college or university approved by the Association to Advance Collegiate Schools of Business, or a regional or national accreditation agency recognized by the United States Secretary of Education, provided that the college or university has had its curriculum reviewed and approved by the Appraiser Qualifications Board.

(b) Notwithstanding section 45.22, a college or university real estate course may be approved retroactively by the commissioner for appraiser prelicense education credit if:

- (1) the course was offered by a college or university physically located in Minnesota;
- (2) the college or university was an approved education provider at the time the course was offered; and
- (3) the commissioner's approval is made to the same extent in terms of courses and hours and with the same time limits as those specified by the Appraiser Qualifications Board.

82B.14 EXPERIENCE REQUIREMENT.

(a) As a prerequisite for licensing as a licensed real property appraiser, an applicant must present evidence satisfactory to the commissioner that the person has obtained 2,000 hours of experience in real property appraisal obtained in no fewer than 12 months.

As a prerequisite for licensing as a certified residential real property appraiser, an applicant must present evidence satisfactory to the commissioner that the person has obtained 2,500 hours of experience in real property appraisal obtained in no fewer than 24 months.

As a prerequisite for licensing as a certified general real property appraiser, an applicant must present evidence satisfactory to the commissioner that the person has obtained 3,000 hours of experience in real property appraisal obtained in no fewer than 30 months. At least 50 percent, or 1,500 hours, must be in nonresidential appraisal work.

(b) Each applicant for license under section 82B.11, subdivision 3, 4, or 5, shall give under oath a detailed listing of the real estate appraisal reports or file memoranda for which experience is claimed by the applicant. Upon request, the applicant shall make available to the commissioner for examination, a sample of appraisal reports that the applicant has prepared in the course of appraisal practice.

(c) Applicants may not receive credit for experience accumulated while unlicensed, if the experience is based on activities which required a license under this section.

(d) Experience for all classifications must be obtained after January 30, 1989, and must be USPAP compliant.

325F.75 ADVERTISING RESTRICTIONS; SCOPE; PENALTIES.

Subdivision 1. **Restrictions.** Except as provided in this section, where a plumbing license is required under section 326B.46, no person offering plumbing services may do any of the following unless the person employs a licensed master plumber or the person is a licensed master or journeyman plumber:

- (1) advertise as a plumbing contractor, master plumber, journeyman plumber, or plumber;
- (2) append the person's name to, or in connection with, the title "plumbing contractor," "master plumber," "journeyman plumber," or "plumber";
- (3) append the person's name to any other words that tend to represent the person as a plumbing contractor, master plumber, journeyman plumber, or plumber.

A person who advertises as a master plumber shall include in the advertisement the number of the person's license as a master plumber. A person who advertises as a journeyman plumber must include in the advertisement the person's master or journeyman plumber license number. A person who advertises as a plumbing contractor shall include in the advertisement the license number of the master plumber employed by the plumbing contractor.

A vehicle used to conduct plumbing business must prominently display on its exterior the license number of the master plumber or journeyman plumber performing plumbing services.

Subd. 2. **Scope.** (a) This section applies to a person advertising plumbing services if that person engages in or works at the business of plumbing or offers plumbing services in a city of 5,000 or more population.

(b) This section also applies to a person advertising plumbing services who engages in or works at the business of plumbing or offers plumbing services in a city of less than 5,000 in population that by ordinance requires licensing to do business as a master or journeyman plumber.

Subd. 3. **Penalties.** (a) A person who is found guilty of violating subdivision 1 is subject to a fine not to exceed \$200 for the first offense.

(b) A person who is found guilty of violating subdivision 1 is subject to a fine not to exceed \$1,000 for the second offense.

(c) A person who is found guilty of violating subdivision 1 is subject to a fine not to exceed \$1,000 or imprisonment not to exceed 30 days, or both, for the third and subsequent offenses.

345.45 INCOME ACCRUING AFTER PAYMENT OR DELIVERY.

When property is paid or delivered to the commissioner under sections 345.31 to 345.60, the owner is not entitled to receive income or other increments accruing thereafter.