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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 602

02/14/2013 Authored by Atkins, Winkler, Sundin, Anzelc, Nelson and others
The bill was read for the first time and referred to the Committee on Labor, Workplace and Regulated Industries
03/11/2013 Adoption of Report: Pass as Amended and re-referred to the Committee on Jobs and Economic Development Finance and Policy
04/02/2013 Adoption of Report: Pass as Amended
Pursuant to Joint Rule 2.03, re-referred to the Committee on Rules and Legislative Administration

1.1 A bill for an act
1.2 relating to unemployment insurance; modifying eligibility for additional benefits;
1.3 providing penalties for organizations involved in lockouts; amending Minnesota
1.4 Statutes 2012, section 268.125, subdivisions 1, 3, 4, 5.

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

1.6 Section 1. Minnesota Statutes 2012, section 268.125, subdivision 1, is amended to read:

1.7 Subdivision 1. **Additional unemployment benefits; when available.** Additional
1.8 unemployment benefits are available if:

1.9 (1) MS 2008 [Expired, 2008 c 300 s 15]

1.10 (2)(i) at a facility that had 100 or more employees, the employer reduced operations,
1.11 resulting within a one-month period in the layoff of 50 percent or more of the facility's
1.12 work force, including reductions caused as a result of a major natural disaster declared by
1.13 the president;

1.14 (ii) the employer has no expressed plan to resume operations that would lead to the
1.15 reemployment of those employees in the immediate future; and

1.16 (iii) the seasonally adjusted unemployment rate in the county that the facility is
1.17 located was ten percent or more during the month of the reduction or any of the three
1.18 months before or after the month of the reduction; or

1.19 (3) the applicant stopped working because of a lockout. The term "lockout" has the
1.20 meaning given in section 179.01, subdivision 9.

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

1.22 Sec. 2. Minnesota Statutes 2012, section 268.125, subdivision 3, is amended to read:

2.1 Subd. 3. **Eligibility conditions.** (a) An applicant is eligible to receive additional
 2.2 unemployment benefits for any week during the applicant's benefit year if:

2.3 ~~(1) for any week during which benefits are available under subdivision 1, clause (1);~~

2.4 ~~(i) the applicant resides in a county that meets the requirements of subdivision 1,~~
 2.5 ~~clause (1), and resided in that county each week that regular unemployment benefits~~
 2.6 ~~were paid;~~

2.7 ~~(ii) the applicant was not paid unemployment benefits for any week in the 12 months~~
 2.8 ~~before the effective date of the applicant's benefit account;~~

2.9 ~~(iii) the applicant meets the same eligibility requirements that are required for~~
 2.10 ~~regular unemployment benefits under section 268.069; and~~

2.11 ~~(iv) MS 2008 [Expired, 2008 c 300 s 17]~~

2.12 ~~(2)~~ (1) the applicant was laid off from employment as a result of a reduction under
 2.13 subdivision 1, clause (2), or was laid off because of lack of work from that employer
 2.14 during the three-month period before, or the three-month period after, the month of the
 2.15 reduction under subdivision 1, clause (2);

2.16 ~~(3)~~ (2) the applicant meets the same eligibility requirements that are required for
 2.17 regular unemployment benefits under section 268.069;

2.18 ~~(4)~~ (3) the applicant has exhausted regular unemployment benefits under section
 2.19 268.07, is not entitled to receive extended unemployment benefits under section 268.115,
 2.20 and is not entitled to receive unemployment benefits under any other state or federal law
 2.21 for that week; and

2.22 ~~(5)~~ (4) a majority of the applicant's wage credits were from the employer that had a
 2.23 reduction in operations under subdivision 1, clause (2).

2.24 (b) An applicant who stopped working because of a lockout is eligible to receive
 2.25 additional unemployment benefits for any week if:

2.26 (1) the applicant meets the eligibility requirements under section 268.069;

2.27 (2) the applicant has exhausted regular unemployment benefits under section 268.07
 2.28 or the law of another state;

2.29 (3) the applicant is not eligible for extended unemployment benefits or
 2.30 unemployment benefits under any federal law; and

2.31 (4) the lockout is in active progress.

2.32 Section 268.085, subdivision 1, clause (2), does not apply to this paragraph.

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

2.34 Sec. 3. Minnesota Statutes 2012, section 268.125, subdivision 4, is amended to read:

3.1 Subd. 4. **Weekly unemployment benefit amount.** An applicant's weekly additional
3.2 unemployment benefit amount is the same as the applicant's weekly regular unemployment
3.3 benefit amount ~~during the current benefit year~~ under section 268.07.

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

3.5 Sec. 4. Minnesota Statutes 2012, section 268.125, subdivision 5, is amended to read:

3.6 Subd. 5. **Maximum amount of unemployment benefits.** (a) For an applicant
3.7 who qualifies for additional unemployment benefits under subdivision 1, clause (2), the
3.8 maximum amount of additional unemployment benefits available in the applicant's benefit
3.9 year is one-half of the applicant's maximum amount of regular unemployment benefits
3.10 available under section 268.07, subdivision 2. Extended unemployment benefits paid and
3.11 unemployment benefits paid under any federal law other than regular unemployment
3.12 benefits must be deducted from the maximum amount of additional unemployment
3.13 benefits available.

3.14 (b) For an applicant who qualifies for additional unemployment benefits under
3.15 subdivision 1, clause (3), the applicant may receive additional unemployment benefits
3.16 without limitation so long as the lockout is in active progress.

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

3.18 Sec. 5. **PUBLIC SUBSIDIES FOR ORGANIZATIONS ENGAGED IN**
3.19 **EMPLOYEE LOCKOUTS; PENALTIES.**

3.20 Subdivision 1. Definitions. (a) The terms defined in this section have the meanings
3.21 given.

3.22 (b) "Lockout" has the meaning given under Minnesota Statutes, section 179.01,
3.23 subdivision 9.

3.24 (c) "Local government agency" includes a statutory or home rule charter city,
3.25 housing and redevelopment authority, town, county, port authority, economic development
3.26 authority, community development agency, nonprofit entity created by a local government
3.27 agency, or any other entity created by or authorized by a local government with authority
3.28 to provide public subsidies.

3.29 (d) "Organization" means any nonprofit or for-profit business entity that receives a
3.30 public subsidy.

3.31 (e) "Public subsidy" means a state or local government agency grant, contribution
3.32 of personal property, real property, infrastructure, the principal amount of a loan at rates
3.33 below those commercially available to the recipient, any reduction or deferral of any tax

4.1 or any fee, any guarantee of any payment under any loan, lease, or other obligation, or any
4.2 preferential use of government facilities given to an organization. To qualify as a public
4.3 subsidy, the value must be \$150,000 or greater.

4.4 Subd. 2. **Subsidies prohibited during a lockout.** An organization that institutes,
4.5 causes, or declares a lockout may be issued a penalty under subdivision 4 by the state or
4.6 local government agency that provided the public subsidy.

4.7 Subd. 3. **Analysis.** In the event of a lockout, the state or local government agency
4.8 shall contact the commissioners of revenue and employment and economic development
4.9 and request a valuation of the public subsidy that was given to the organization. The
4.10 commissioners shall perform an analysis to determine the value of the public subsidy to
4.11 the organization for the period of time the organization is engaged in a lockout.

4.12 Subd. 4. **Penalty.** The state or local government agency is authorized to impose
4.13 a penalty on the organization equal to the value of the public subsidy determined by
4.14 the commissioners under subdivision 3.