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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2536

02/27/2012 Authored by Anderson, P.; Gunther and Peterson, S.,
The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance

1.1 A bill for an act
1.2 relating to unemployment compensation; eliminating limits on wage credits for
1.3 certain family members of business owners; amending Minnesota Statutes 2011
1.4 Supplement, section 268.085, subdivision 9.

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

1.6 Section 1. Minnesota Statutes 2011 Supplement, section 268.085, subdivision 9,
1.7 is amended to read:

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

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

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

1.14 This subdivision is effective when the applicant has been paid five times the
1.15 applicant's weekly unemployment benefit amount in the current benefit year. This
1.16 subdivision does not apply if the applicant had wages paid in covered employment of
1.17 \$7,500 or more from the employer covered by this subdivision in each of the 16 calendar
1.18 quarters prior to the effective date of the benefit account and all taxes due on those wages
1.19 have been paid.

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

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