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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2536

02/27/2014 Authored by Melin; Mahoney; Murphy, E.; Savick; Morgan and others

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance and Policy

A bill for an act

1.1 relating to women's economic security; promoting the economic self-sufficiency
1.2 of women; reducing gender segregation in the workforce; reducing the gender
1.3 pay gap through the participation of women in high-wage, high-demand,
1.4 nontraditional occupations; establishing a Women and Nontraditional Jobs Grant
1.5 Program; modifying eligibility for unemployment benefits when applicant is a
1.6 victim of sexual assault or stalking; creating a women entrepreneurs business
1.7 development competitive grant program; modifying medical assistance asset
1.8 availability requirements; providing for pregnancy and parenting leave; requiring
1.9 pregnancy accommodations; providing for earned sick and safe time; requiring
1.10 certificates of pay equity compliance as a condition for certain state contracts;
1.11 classifying data; protecting wage disclosure; prohibiting retaliation; prohibiting
1.12 discrimination in employment based on status as a family caregiver; clarifying
1.13 unfair employment practices related to nursing mothers; forecasting the basic
1.14 sliding fee child care assistance program; modifying child care assistance
1.15 provider reimbursement rates; early learning; expanding the availability of early
1.16 learning scholarships; requiring a report; authorizing rulemaking; appropriating
1.17 money; amending Minnesota Statutes 2012, sections 13.552, by adding a
1.18 subdivision; 116L.98; 119B.02, subdivisions 1, 2; 119B.03, subdivision 9;
1.19 119B.035, subdivisions 1, 4; 119B.05, subdivision 5; 119B.08, subdivision
1.20 3; 119B.09, subdivision 4a; 119B.231, subdivision 5; 177.24, subdivision 1;
1.21 181.939; 181.940, subdivision 2; 181.941; 181.943; 256.017, subdivision 9;
1.22 256B.059, subdivision 5; 268.095, subdivisions 1, 6, by adding a subdivision;
1.23 363A.03, by adding a subdivision; 363A.08, subdivisions 1, 2, 3, 4, by adding
1.24 a subdivision; 504B.001, by adding subdivisions; 504B.171, subdivision 1;
1.25 504B.206, subdivisions 1, 3, by adding a subdivision; 504B.285, subdivision
1.26 1; Minnesota Statutes 2013 Supplement, sections 116L.665, subdivision 2;
1.27 119B.011, subdivision 19b; 119B.05, subdivision 1; 119B.13, subdivision 1;
1.28 124D.165, subdivision 3; proposing coding for new law in Minnesota Statutes,
1.29 chapters 16A; 16C; 116L; 181; 363A; repealing Minnesota Statutes 2012,
1.30 sections 119B.011, subdivision 20a; 119B.03, subdivisions 1, 2, 5, 6, 6a, 6b, 8;
1.31 119B.09, subdivision 3; 504B.206, subdivisions 4, 6; Minnesota Statutes 2013
1.32 Supplement, sections 119B.03, subdivision 4; 181.9413; Minnesota Rules, parts
1.33 3400.0020, subpart 8; 3400.0030; 3400.0060, subparts 2, 4, 6, 6a, 7.
1.34

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

2.1 **ARTICLE 1**

2.2 **WOMEN'S ECONOMIC SECURITY ACT**

2.3 Section 1. **CITATION; WOMEN'S ECONOMIC SECURITY ACT.**

2.4 This act shall be known as the Women's Economic Security Act.

2.5 **ARTICLE 2**

2.6 **ECONOMIC SECURITY**

2.7 Section 1. Minnesota Statutes 2012, section 13.552, is amended by adding a
2.8 subdivision to read:

2.9 Subd. 7. **Certificates of compliance.** Access to data relating to certificates of pay
2.10 equity compliance is governed by sections 16C.37 and 363A.44.

2.11 Sec. 2. **[16A.066] MINNESOTA SECURE CHOICE RETIREMENT SAVINGS**
2.12 **BOARD.**

2.13 Subdivision 1. **Establishment.** There is established the Minnesota Secure Choice
2.14 Retirement Savings Board to study and develop recommendations for the creation of a
2.15 Minnesota Secure Choice Retirement Savings Plan with the goals of:

2.16 (1) promoting greater retirement income for private employees;

2.17 (2) maximizing participation by private employees who have no access to retirement
2.18 savings through their place of work by minimizing barriers to participation;

2.19 (3) minimizing fees;

2.20 (4) portability across private employers; and

2.21 (5) providing for stable income throughout retirement without incurring state
2.22 liability for the payment of benefits.

2.23 Subd. 2. **Membership.** (a) The board shall have nine members and shall be
2.24 composed of the commissioner of management and budget or a designee, who shall serve
2.25 as chair, and the following members:

2.26 (1) four members appointed by the governor;

2.27 (2) two members appointed by the speaker of the house who are not members of
2.28 the legislature; and

2.29 (3) two members appointed by the majority leader of the senate who are not
2.30 members of the legislature.

2.31 (b) Of the four members appointed under paragraph (a), clause (1):

2.32 (1) one must have retirement savings or investment expertise;

- 3.1 (2) one must represent an employer with between five and 50 employees; and
3.2 (3) one must be an employee without access to an employer-sponsored retirement
3.3 savings plan.

3.4 Subd. 3. **Appointments; membership terms.** (a) Section 15.0597 shall apply to all
3.5 appointments and filling of vacancies, except for the commissioner.

3.6 (b) Membership terms, compensation, and removal of members are as provided
3.7 in section 15.0575.

3.8 (c) Initial appointments to the board must be made by July 1, 2014.

3.9 (d) Initial terms are as follows:

3.10 (1) for members appointed under paragraph (a), clause (1), the governor shall
3.11 designate two to an initial term of two years and two to an initial term of four years;

3.12 (2) for members appointed under paragraph (a), clause (2), the speaker of the house
3.13 shall designate one to an initial term of one year and two to an initial term of three years; and

3.14 (3) for members appointed under paragraph (a), clause (3), the majority leader of
3.15 the senate shall designate one to an initial term of one year and two to an initial term
3.16 of three years.

3.17 Subd. 4. **Report.** The board must report the following no later than December
3.18 1, 2014, to the Senate Committee on State and Local Government and the House of
3.19 Representatives Committee on Government Operations:

3.20 (1) estimates of the average amount of savings and other financial resources
3.21 residents of Minnesota have upon retirement;

3.22 (2) estimates of the average amount of savings and other financial resources that are
3.23 recommended for a financially secure retirement in Minnesota;

3.24 (3) estimates of the relative progress toward achieving the savings recommended for
3.25 a financially secure retirement by gender, race, and ethnicity;

3.26 (4) the number of employees in Minnesota without access to an automatic enrollment
3.27 payroll deduction Individual Retirement Account (IRA) maintained or offered by the
3.28 employee's employer, or a multiemployer retirement plan or qualifying retirement plan
3.29 or arrangement described in sections 414(f) and 219(g)(5), respectively, of the Internal
3.30 Revenue Code of 1986, as amended through April 14, 2011;

3.31 (5) the estimated impact on publicly funded social safety net programs attributable
3.32 to insufficient retirement savings;

3.33 (6) options for structuring contributions to the Minnesota Secure Choice Retirement
3.34 Savings Plan that achieve the goals in subdivision 1, including a contribution mechanism
3.35 and applicability and portability under the Internal Revenue Code of 1986, as amended
3.36 through April 14, 2011;

4.1 (7) options for ensuring that benefits provide for stable income throughout
 4.2 beneficiaries' retirement years;

4.3 (8) projected fees relative to asset size and plan structure, to recover the costs of
 4.4 administration, record keeping, and investment management, consistent with efficient
 4.5 administration and high-quality investment management, so as to maximize the returns
 4.6 on plan investments;

4.7 (9) the cost to participating employers relative to plan structure;

4.8 (10) the aggregate economic effect of plan options within the state;

4.9 (11) the conditions by which the Minnesota Secure Choice Retirement Savings Plan,
 4.10 or a separate plan, could accept contributions from employers under the federal Employee
 4.11 Retirement Income Security Act, either into a multiemployer defined benefit plan under
 4.12 sections 413(c) and 414(j) of the Internal Revenue Code of 1986, as amended through
 4.13 April 14, 2011, or as a profit-sharing plan under section 401(a) of the Internal Revenue
 4.14 Code of 1986, as amended through April 14, 2011, including the extent to which assets
 4.15 might be invested in the same manner, with the same managers and asset allocations, as
 4.16 the assets of the Minnesota Secure Choice Retirement Savings Plan, and to which an
 4.17 individual's benefits might be combined with their benefits from the Minnesota Secure
 4.18 Choice Retirement Savings Plan upon retirement; and

4.19 (12) recommendations on:

4.20 (i) changes to state law to create a Minnesota Secure Choice Retirement Savings Plan
 4.21 that meets all of the requirements to qualify for the favorable federal income tax treatment
 4.22 ordinarily accorded to IRAs under section 408(a) or 408(b) of the Internal Revenue Code
 4.23 of 1986, as amended through April 14, 2011, and that must not be determined to be an
 4.24 employee benefit plan under the federal Employee Retirement Income Security Act;

4.25 (ii) a process for the enrollment of plan participants that minimizes barriers to
 4.26 participation and maximizes participation by private employees who have no access to
 4.27 retirement savings through their place of work;

4.28 (iii) the process by which an employer may forward contributions and related
 4.29 information to the Minnesota Secure Choice Retirement Savings Plan or its agents; and

4.30 (iv) investment policies that offer employees returns on contributions and the
 4.31 conversion of individual account balances within the Minnesota Secure Choice Retirement
 4.32 Savings Plan to provide for stable and secure retirement income, or annuitization, without
 4.33 incurring debt or liabilities to the state.

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

4.35 Sec. 3. **[16C.37] CERTIFICATE OF PAY EQUITY COMPLIANCE.**

5.1 (a) For a contract for goods or services in excess of \$500,000, a state department or
 5.2 agency may not accept a bid or proposal from a business having more than 40 full-time
 5.3 employees within the state on a single working day during the previous 12 months unless
 5.4 the commissioner of human rights, under the process established in section 363A.44,
 5.5 has approved the business's plan to establish equitable compensation relationships for
 5.6 its employees within the state and has issued the business a certificate of pay equity
 5.7 compliance. As used in this section, "equitable compensation relationship" has the
 5.8 meaning given in section 471.991.

5.9 (b) This section does not apply to construction projects governed by sections 177.43
 5.10 and 177.44.

5.11 Sec. 4. Minnesota Statutes 2013 Supplement, section 116L.665, subdivision 2, is
 5.12 amended to read:

5.13 Subd. 2. **Membership.** The governor's Workforce Development Council is
 5.14 composed of 31 members appointed by the governor. The members may be removed
 5.15 pursuant to section 15.059. In selecting the representatives of the council, the governor
 5.16 shall ensure that 50 percent of the members come from nominations provided by local
 5.17 workforce councils. Local education representatives shall come from nominations
 5.18 provided by local education to employment partnerships. The 31 members shall represent
 5.19 the following sectors:

5.20 (a) State agencies: the following individuals shall serve on the council:

5.21 (1) commissioner of the Minnesota Department of Employment and Economic
 5.22 Development;

5.23 (2) commissioner of the Minnesota Department of Education; and

5.24 (3) commissioner of the Minnesota Department of Human Services.

5.25 (b) Business and industry: six individuals shall represent the business and industry
 5.26 sectors of Minnesota.

5.27 (c) Organized labor: six individuals shall represent labor organizations of Minnesota.

5.28 (d) Community-based organizations: four individuals shall represent
 5.29 community-based organizations of Minnesota. Community-based organizations are
 5.30 defined by the Workforce Investment Act as private nonprofit organizations that are
 5.31 representative of communities or significant segments of communities and that have
 5.32 demonstrated expertise and effectiveness in the field of workforce investment and may
 5.33 include entities that provide job training services, serve youth, serve individuals with
 5.34 disabilities, serve displaced homemakers, union-related organizations, employer-related

6.1 nonprofit organizations, and organizations serving nonreservation Indians and tribal
6.2 governments.

6.3 (e) Education: six individuals shall represent the education sector of Minnesota
6.4 as follows:

6.5 (1) one individual shall represent local public secondary education;

6.6 (2) one individual shall have expertise in design and implementation of school-based
6.7 service-learning;

6.8 (3) one individual shall represent leadership of the University of Minnesota;

6.9 (4) one individual shall represent secondary/postsecondary vocational institutions;

6.10 (5) the chancellor of the Board of Trustees of the Minnesota State Colleges and
6.11 Universities; and

6.12 (6) one individual shall have expertise in agricultural education.

6.13 (f) Other: two individuals shall represent other constituencies including:

6.14 (1) units of local government; and

6.15 (2) applicable state or local programs.

6.16 The speaker and the minority leader of the house of representatives shall each
6.17 appoint a representative to serve as an ex officio member of the council. The majority
6.18 and minority leaders of the senate shall each appoint a senator to serve as an ex officio
6.19 member of the council.

6.20 The governor shall appoint one individual representing public libraries, one
6.21 individual with expertise in assisting women in obtaining employment in nontraditional
6.22 occupations, and one individual representing adult basic education programs to serve as a
6.23 nonvoting ~~advisor~~ advisors to the council.

6.24 (g) Appointment: each member shall be appointed for a term of three years from the
6.25 first day of January or July immediately following their appointment. Elected officials
6.26 shall forfeit their appointment if they cease to serve in elected office.

6.27 (h) Members of the council are compensated as provided in section 15.059,
6.28 subdivision 3.

6.29 Sec. 5. Minnesota Statutes 2012, section 116L.98, is amended to read:

6.30 **116L.98 WORKFORCE PROGRAM OUTCOMES.**

6.31 The commissioner shall develop and implement a set of standard approaches
6.32 for assessing the outcomes of workforce programs under this chapter. The outcomes
6.33 assessed must include, but are not limited to, periodic comparisons of workforce program
6.34 participants and nonparticipants. By January 1 of each year, the commissioner shall
6.35 report to the legislature on progress and outcomes of workforce programs, including the

7.1 requirements under section 116L.99. The report regarding outcomes of activities under
 7.2 section 116L.99 must include data on:

- 7.3 (1) the gender, race, and age of participants, including cross tabulations;
 7.4 (2) occupations;
 7.5 (3) geography;
 7.6 (4) advancement salaries; and
 7.7 (5) the gender pay gap within occupations.

7.8 The commissioner shall also monitor the activities and outcomes of programs and
 7.9 services funded by legislative appropriations and administered by the department on a
 7.10 pass-through basis and develop a consistent and equitable method of assessing recipients
 7.11 for the costs of its monitoring activities.

7.12 **Sec. 6. [116L.99] WOMEN AND NONTRADITIONAL JOBS GRANT**
 7.13 **PROGRAM.**

7.14 Subdivision 1. Definitions. (a) For the purpose of this section, the following terms
 7.15 have the meanings given.

7.16 (b) "Commissioner" means the commissioner of employment and economic
 7.17 development.

7.18 (c) "Eligible organization" includes, but is not limited to:

- 7.19 (1) community-based organizations experienced in serving women;
 7.20 (2) employers;
 7.21 (3) business and trade associations;
 7.22 (4) labor unions and employee organizations;
 7.23 (5) registered apprenticeship programs;
 7.24 (6) secondary and postsecondary education institutions located in Minnesota; and
 7.25 (7) workforce and economic development agencies.

7.26 (d) "Nontraditional occupations" means those occupations in which women make
 7.27 up less than 25 percent of the workforce as defined under United States Code, title 20,
 7.28 section 2302.

7.29 (e) "Registered apprenticeship program" means a program registered under United
 7.30 States Code, title 29, section 50.

7.31 Subd. 2. Grant program. The commissioner shall establish the women and
 7.32 nontraditional jobs grant program to increase the number of women in high-wage,
 7.33 nontraditional occupations. The commissioner shall make grants to eligible organizations
 7.34 for programs that encourage and assist women to enter high-wage, high-demand,

8.1 nontraditional occupations including but not limited to those in the skilled trades, science,
8.2 technology, engineering, and math (STEM) occupations.

8.3 Subd. 3. Use of funds. (a) Grant funds awarded under this section may be used for:

8.4 (1) recruitment, preparation, placement, and retention of women, including
8.5 low-income women and women over 50 years old, in registered apprenticeships,
8.6 postsecondary education programs, on-the-job training, and permanent employment in
8.7 high-wage, high-demand, nontraditional occupations;

8.8 (2) secondary or postsecondary education or other training to prepare women to
8.9 succeed in nontraditional occupations. Activities under this clause may be conducted by
8.10 the grantee or in collaboration with another institution, including but not limited to a
8.11 public or private secondary or postsecondary school;

8.12 (3) innovative, hands-on, best practices that stimulate interest in nontraditional
8.13 occupations among girls, increase awareness among girls about opportunities in
8.14 nontraditional occupations, or increase access to secondary programming leading to jobs
8.15 in nontraditional occupations. Best practices include but are not limited to mentoring,
8.16 internships, or apprenticeships for girls in nontraditional occupations;

8.17 (4) training and other staff development for job seeker counselors and Minnesota
8.18 family investment program (MFIP) caseworkers on opportunities in nontraditional
8.19 occupations;

8.20 (5) incentives for employers and sponsors of registered apprenticeship programs to
8.21 retain women in nontraditional occupations for more than one year;

8.22 (6) training and technical assistance for employers to create a safe and healthy
8.23 workplace environment designed to retain and advance women, including best practices
8.24 for addressing sexual harassment, and to overcome gender inequity among employers
8.25 and registered apprenticeship programs;

8.26 (7) public education and outreach activities to overcome stereotypes about women
8.27 in nontraditional occupations, including the development of educational and marketing
8.28 materials; and

8.29 (8) support for women in nontraditional occupations including but not limited to
8.30 assistance with workplace issues resolution and access to advocacy assistance and services.

8.31 (b) Grant applications must include detailed information about how the applicant
8.32 plans to:

8.33 (1) increase women's participation in high-wage, high-demand occupations in which
8.34 women are currently underrepresented in the workforce;

8.35 (2) comply with the requirements under subdivision 3; and

8.36 (3) use grant funds in conjunction with funding from other public or private sources.

9.1 (c) In awarding grants under this subdivision, the commissioner shall give priority
 9.2 to eligible organizations:

9.3 (1) with demonstrated success in recruiting and preparing women, especially
 9.4 low-income women and women over 50 years old, for nontraditional occupations; and

9.5 (2) that leverage additional public and private resources.

9.6 (d) At least 50 percent of total grant funds must be awarded to programs providing
 9.7 services and activities targeted to women with family incomes of less than 200 percent
 9.8 of the federal poverty guidelines.

9.9 (e) The commissioner of employment and economic development in conjunction
 9.10 with the commissioner of labor and industry shall monitor the use of funds under this
 9.11 section, collect and compile information on the activities of other state agencies and public
 9.12 or private entities that have purposes similar to those under this section, and identify other
 9.13 public and private funding available for these purposes.

9.14 Sec. 7. Minnesota Statutes 2012, section 256B.059, subdivision 5, is amended to read:

9.15 Subd. 5. **Asset availability.** (a) At the time of initial determination of eligibility for
 9.16 medical assistance benefits following the first continuous period of institutionalization on
 9.17 or after October 1, 1989, assets considered available to the institutionalized spouse shall
 9.18 be the total value of all assets in which either spouse has an ownership interest, reduced by
 9.19 the following amount for the community spouse:

9.20 (1) prior to July 1, 1994, the greater of:

9.21 (i) \$14,148;

9.22 (ii) the lesser of the spousal share or \$70,740; or

9.23 (iii) the amount required by court order to be paid to the community spouse;

9.24 (2) for persons whose date of initial determination of eligibility for medical
 9.25 assistance following their first continuous period of institutionalization occurs on or after
 9.26 July 1, 1994, the greater of:

9.27 (i) \$20,000;

9.28 (ii) the lesser of the spousal share or \$70,740; or

9.29 (iii) the amount required by court order to be paid to the community spouse.

9.30 The value of assets transferred for the sole benefit of the community spouse under section
 9.31 256B.0595, subdivision 4, in combination with other assets available to the community
 9.32 spouse under this section, cannot exceed the limit for the community spouse asset
 9.33 allowance determined under subdivision 3 or 4. ~~Assets that exceed this allowance shall be~~
 9.34 ~~considered available to the institutionalized spouse whether or not converted to income.~~ If
 9.35 the community spouse asset allowance has been increased under subdivision 4, then the

10.1 assets considered available to the institutionalized spouse under this subdivision shall be
 10.2 further reduced by the value of additional amounts allowed under subdivision 4.

10.3 (b) An institutionalized spouse may be found eligible for medical assistance even
 10.4 though assets in excess of the allowable amount are found to be available under paragraph
 10.5 (a) if the assets are owned jointly or individually by the community spouse, and the
 10.6 institutionalized spouse cannot use those assets to pay for the cost of care without the
 10.7 consent of the community spouse, and if: (i) the institutionalized spouse assigns to the
 10.8 commissioner the right to support from the community spouse under section 256B.14,
 10.9 subdivision 3; (ii) the institutionalized spouse lacks the ability to execute an assignment
 10.10 due to a physical or mental impairment; or (iii) the denial of eligibility would cause an
 10.11 imminent threat to the institutionalized spouse's health and well-being.

10.12 (c) After the month in which the institutionalized spouse is determined eligible for
 10.13 medical assistance, during the continuous period of institutionalization, no assets of the
 10.14 community spouse are considered available to the institutionalized spouse, unless the
 10.15 institutionalized spouse has been found eligible under paragraph (b).

10.16 (d) Assets determined to be available to the institutionalized spouse under this
 10.17 section must be used for the health care or personal needs of the institutionalized spouse.

10.18 (e) For purposes of this section, assets do not include assets excluded under the
 10.19 supplemental security income program.

10.20 **EFFECTIVE DATE.** This section is effective the day following final enactment
 10.21 and applies to applications for medical assistance initiated or pending on or after that date.

10.22 Sec. 8. Minnesota Statutes 2012, section 268.095, subdivision 1, is amended to read:

10.23 Subdivision 1. **Quit.** An applicant who quit employment is ineligible for all
 10.24 unemployment benefits according to subdivision 10 except when:

10.25 (1) the applicant quit the employment because of a good reason caused by the
 10.26 employer as defined in subdivision 3;

10.27 (2) the applicant quit the employment to accept other covered employment that
 10.28 provided substantially better terms and conditions of employment, but the applicant did
 10.29 not work long enough at the second employment to have sufficient subsequent earnings to
 10.30 satisfy the period of ineligibility that would otherwise be imposed under subdivision 10
 10.31 for quitting the first employment;

10.32 (3) the applicant quit the employment within 30 calendar days of beginning the
 10.33 employment because the employment was unsuitable for the applicant;

10.34 (4) the employment was unsuitable for the applicant and the applicant quit to enter
 10.35 reemployment assistance training;

11.1 (5) the employment was part time and the applicant also had full-time employment
 11.2 in the base period, from which full-time employment the applicant separated because of
 11.3 reasons for which the applicant was held not to be ineligible, and the wage credits from
 11.4 the full-time employment are sufficient to meet the minimum requirements to establish a
 11.5 benefit account under section 268.07;

11.6 (6) the applicant quit because the employer notified the applicant that the applicant
 11.7 was going to be laid off because of lack of work within 30 calendar days. An applicant
 11.8 who quit employment within 30 calendar days of a notified date of layoff because of lack
 11.9 of work is ineligible for unemployment benefits through the end of the week that includes
 11.10 the scheduled date of layoff;

11.11 (7) the applicant quit the employment (i) because the applicant's serious illness or
 11.12 injury made it medically necessary that the applicant quit; or (ii) in order to provide
 11.13 necessary care because of the illness, injury, or disability of an immediate family member
 11.14 of the applicant. This exception only applies if the applicant informs the employer of
 11.15 the medical problem and requests accommodation and no reasonable accommodation
 11.16 is made available.

11.17 If the applicant's serious illness is chemical dependency, this exception does not
 11.18 apply if the applicant was previously diagnosed as chemically dependent or had treatment
 11.19 for chemical dependency, and since that diagnosis or treatment has failed to make
 11.20 consistent efforts to control the chemical dependency.

11.21 This exception raises an issue of the applicant's being available for suitable
 11.22 employment under section 268.085, subdivision 1, that the commissioner must determine;

11.23 (8) the applicant's loss of child care for the applicant's minor child caused the
 11.24 applicant to quit the employment, provided the applicant made reasonable effort to obtain
 11.25 other child care and requested time off or other accommodation from the employer and no
 11.26 reasonable accommodation is available.

11.27 This exception raises an issue of the applicant's being available for suitable
 11.28 employment under section 268.085, subdivision 1, that the commissioner must determine;

11.29 (9) domestic abuse, sexual assault, or stalking of the applicant or an immediate
 11.30 family member of the applicant, necessitated the applicant's quitting the employment.
 11.31 Domestic abuse, sexual assault, or stalking must be shown by one or more of the following:

11.32 (i) a district court order for protection or other documentation of equitable relief
 11.33 issued by a court;

11.34 (ii) a police record documenting the domestic abuse, sexual assault, or stalking;

11.35 (iii) documentation that the perpetrator of the domestic abuse, sexual assault, or
 11.36 stalking has been convicted of the offense of ~~domestic abuse~~;

- 12.1 (iv) medical documentation of domestic abuse, sexual assault, or stalking; or
- 12.2 (v) written statement that the applicant or an immediate family member of the
- 12.3 applicant is a victim of domestic abuse, sexual assault, or stalking provided by a social
- 12.4 worker, member of the clergy, shelter worker, attorney at law, or other professional who
- 12.5 has assisted the applicant in dealing with the domestic abuse, sexual assault, or stalking; or
- 12.6 ~~Domestic abuse for purposes of this clause is defined under section 518B.01; or~~
- 12.7 (vi) the applicant's sworn statement attesting to the domestic abuse, sexual assault,
- 12.8 or stalking; or
- 12.9 (10) the applicant quit in order to relocate to accompany a spouse whose job location
- 12.10 changed making it impractical for the applicant to commute.

12.11 Sec. 9. Minnesota Statutes 2012, section 268.095, subdivision 6, is amended to read:

12.12 Subd. 6. **Employment misconduct defined.** (a) Employment misconduct means any

12.13 intentional, negligent, or indifferent conduct, on the job or off the job that displays clearly:

12.14 (1) a serious violation of the standards of behavior the employer has the right to

12.15 reasonably expect of the employee; or

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

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

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

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

12.20 (3) simple unsatisfactory conduct;

12.21 (4) conduct an average reasonable employee would have engaged in under the

12.22 circumstances;

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

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

12.25 (7) absence because of illness or injury of the applicant, with proper notice to the

12.26 employer;

12.27 (8) absence, with proper notice to the employer, in order to provide necessary care

12.28 because of the illness, injury, or disability of an immediate family member of the applicant;

12.29 (9) conduct that was a consequence of the applicant's chemical dependency, unless

12.30 the applicant was previously diagnosed chemically dependent or had treatment for

12.31 chemical dependency, and since that diagnosis or treatment has failed to make consistent

12.32 efforts to control the chemical dependency; or

12.33 (10) conduct that was a consequence of the applicant, or an immediate family

12.34 member of the applicant, being a victim of domestic abuse ~~as defined under section~~

13.1 ~~518B.01~~, sexual assault, or stalking. Domestic abuse, sexual assault, or stalking must be
 13.2 shown as provided for in subdivision 1, clause (9).

13.3 (c) Regardless of paragraph (b), clause (9), conduct in violation of sections 169A.20,
 13.4 169A.31, or 169A.50 to 169A.53 that interferes with or adversely affects the employment
 13.5 is employment misconduct.

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

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

13.13 Sec. 10. Minnesota Statutes 2012, section 268.095, is amended by adding a subdivision
 13.14 to read:

13.15 Subd. 13. **Definitions.** For purposes of this section, the following terms have the
 13.16 meanings given.

13.17 (a) "Domestic abuse" has the meaning given in section 518B.01.

13.18 (b) "Sexual assault" means an act that would constitute a violation of sections
 13.19 609.342 to 609.3453 or 609.352.

13.20 (c) "Stalking" means an act that would constitute a violation of section 609.749.

13.21 Sec. 11. [363A.44] CERTIFICATE OF PAY EQUITY COMPLIANCE.

13.22 Subdivision 1. **Compliance; good faith effort.** (a) The commissioner must approve
 13.23 a plan and issue a certificate of pay equity compliance under this section to a business
 13.24 seeking the certification required by section 16C.37 if the business demonstrates that it is
 13.25 in compliance with equitable compensation relationship standards or is making a good
 13.26 faith effort to achieve compliance with those standards. As used in this section, certificate
 13.27 of compliance means a certificate of pay equity compliance. A certificate of compliance is
 13.28 valid for two years. The standards for determining equitable compensation relationships
 13.29 for a business under this section are the same as the standards in sections 471.991 to
 13.30 471.997 and rules adopted under those sections.

13.31 (b) A business that is not in compliance with equitable compensation relationship
 13.32 standards is making a good faith effort to achieve compliance if the commissioner has
 13.33 approved:

14.1 (1) a plan for achieving compliance, including the business's proposed actions and
14.2 response to the commissioner's recommendations; and

14.3 (2) a proposed date for achieving compliance and for submitting a revised report
14.4 for the commissioner's review.

14.5 Subd. 2. **Filing fee; account; appropriation.** The commissioner shall collect a \$75
14.6 fee for each certificate of compliance issued by the commissioner under this section. The
14.7 proceeds of the fee must be deposited in the state treasury and credited to a pay equity fee
14.8 special revenue account. Money in the account is appropriated to the commissioner to
14.9 fund the cost of administering this section.

14.10 Subd. 3. **Revocation of certificate.** A certificate of compliance may be suspended
14.11 or revoked by the commissioner if a holder of a certificate is not effectively implementing
14.12 or making a good faith effort to implement its approved plan to establish equitable
14.13 compensation relationships. If a contractor does not effectively implement its approved
14.14 plan, or fails to make a good faith effort to do so, the commissioner may refuse to approve
14.15 subsequent plans submitted by that business.

14.16 Subd. 4. **Revocation of contract.** A contract awarded by a department or agency
14.17 of the state may be terminated or abridged by the contracting department or agency if a
14.18 certificate of compliance is suspended or revoked. If a contract is awarded to a business
14.19 that does not have a contract certificate of compliance as required, the commissioner of
14.20 administration may void the contract on behalf of the state.

14.21 Subd. 5. **Technical assistance.** If the commissioner has suspended a contractor's
14.22 certificate of compliance, the commissioner shall provide technical assistance that may
14.23 enable the contractor to be recertified within 90 days after the contractor's certificate of
14.24 compliance has been suspended.

14.25 Subd. 6. **Access to data.** Data submitted to the commissioner by a contractor
14.26 or potential contractor for purposes of obtaining a certificate of compliance under this
14.27 section are private data on individuals or nonpublic data with respect to persons other than
14.28 Department of Human Rights employees. The commissioner's decision to grant, not grant,
14.29 revoke, or suspend a certificate of compliance is public data.

14.30 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to contracts
14.31 for which a state department or agency issues solicitations on or after that date.

14.32 Sec. 12. Minnesota Statutes 2012, section 504B.001, is amended by adding a
14.33 subdivision to read:

15.1 Subd. 2a. **Court official.** "Court official" means a judge, referee, court
15.2 administrator, prosecutor, probation officer, or victim's advocate, whether employed by or
15.3 under contract with the court, who is authorized to act on behalf of the court.

15.4 Sec. 13. Minnesota Statutes 2012, section 504B.001, is amended by adding a
15.5 subdivision to read:

15.6 Subd. 10a. **Qualifying document.** "Qualifying document" means a document
15.7 stating that the tenant or lawful occupant is a victim and naming the perpetrator, if known,
15.8 which is signed by a:

15.9 (i) court official;

15.10 (ii) city, county, state, or tribal law enforcement official;

15.11 (iii) licensed health care professional;

15.12 (iv) domestic abuse advocate, as defined in section 595.02, subdivision 1, paragraph
15.13 (l); or

15.14 (v) sexual assault counselor, as defined in section 595.02, subdivision 1, paragraph

15.15 (k).

15.16 Sec. 14. Minnesota Statutes 2012, section 504B.171, subdivision 1, is amended to read:

15.17 Subdivision 1. **Terms of covenant.** (a) In every lease or license of residential
15.18 premises, whether in writing or parol, the landlord or licensor and the tenant or licensee
15.19 covenant that:

15.20 (1) neither will:

15.21 (i) unlawfully allow controlled substances in those premises or in the common
15.22 area and curtilage of the premises;

15.23 (ii) allow prostitution or prostitution-related activity as defined in section 617.80,
15.24 subdivision 4, to occur on the premises or in the common area and curtilage of the premises;

15.25 (iii) allow the unlawful use or possession of a firearm in violation of section 609.66,
15.26 subdivision 1a, 609.67, or 624.713, on the premises or in the common area and curtilage
15.27 of the premises; or

15.28 (iv) allow stolen property or property obtained by robbery in those premises or in the
15.29 common area and curtilage of the premises; and

15.30 (2) the common area and curtilage of the premises will not be used by either the
15.31 landlord or licensor or the tenant or licensee or others acting under the control of either to
15.32 manufacture, sell, give away, barter, deliver, exchange, distribute, purchase, or possess a
15.33 controlled substance in violation of any criminal provision of chapter 152. The covenant
15.34 is not violated when a person other than the landlord or licensor or the tenant or licensee

16.1 possesses or allows controlled substances in the premises, common area, or curtilage,
 16.2 unless the landlord or licensor or the tenant or licensee knew or had reason to know of
 16.3 that activity.

16.4 (b) In every lease or license of residential premises, whether in writing or parol, the
 16.5 tenant or licensee covenants that the tenant or licensee will not commit an act enumerated
 16.6 under section 504B.206, subdivision 1, paragraph (a) against a tenant or licensee or any
 16.7 person in the tenant or licensee's family or household.

16.8 Sec. 15. Minnesota Statutes 2012, section 504B.206, subdivision 1, is amended to read:

16.9 Subdivision 1. **Right to terminate; procedure.** ~~(a) A tenant to a residential lease~~
 16.10 ~~who is a victim of domestic abuse and fears imminent domestic abuse against the tenant or~~
 16.11 ~~the tenant's minor children if the tenant or the tenant's minor children remain in the leased~~
 16.12 ~~premises may terminate a lease agreement without penalty or liability as provided in this~~
 16.13 ~~section. The tenant must provide advance written notice to the landlord stating that:~~

16.14 ~~(1) the tenant fears imminent domestic abuse from a person named in an order~~
 16.15 ~~for protection or no contact order;~~

16.16 ~~(2) the tenant needs to terminate the tenancy; and~~

16.17 ~~(3) the specific date the tenancy will terminate.~~

16.18 A tenant to a residential lease may terminate a lease agreement without penalty or
 16.19 liability as provided in this section if the tenant or another lawful occupant fears imminent
 16.20 violence after being subjected to:

16.21 (1) domestic abuse, as defined in section 518B.01, subdivision 2;

16.22 (2) criminal sexual assault, as defined in sections 609.342 to 609.3451; or

16.23 (3) stalking, as defined in section 609.749, subdivision 1.

16.24 (b) The tenant must provide advance written notice to the landlord:

16.25 (1) stating the tenant fears imminent violence against the tenant or a lawful occupant
 16.26 if the tenant or lawful occupant remains in the leased premises from a person named in an
 16.27 order for protection or no contact order or as indicated in a qualifying document;

16.28 (2) stating the tenant needs to terminate the tenancy;

16.29 (3) providing the specific date the tenancy will terminate; and

16.30 (4) providing written instructions for the disposition of any remaining personal
 16.31 property in accordance with section 504B.271.

16.32 (c) The written notice must be delivered before the termination of the tenancy by
 16.33 mail, fax, or in person, and be accompanied by the order for protection or, no contact
 16.34 order, or qualifying document.

17.1 (d) The tenancy terminates, including the right of possession of the premises, on the
 17.2 termination date stated in the notice under paragraph (b).

17.3 (e) (e) For purposes of this section, an order for protection means an order issued
 17.4 under chapter 518B. A no contact order means a no contact order currently in effect,
 17.5 issued under section 629.75 or chapter 609.

17.6 Sec. 16. Minnesota Statutes 2012, section 504B.206, subdivision 3, is amended to read:

17.7 Subd. 3. **Liability for rent; termination of tenancy.** (a) A tenant who is a sole
 17.8 tenant and is terminating a lease under subdivision 1 is responsible for the rent payment
 17.9 for the full month in which the tenancy terminates and an additional amount equal to one
 17.10 month's rent. The tenant forfeits all claims for the return of the security deposit under
 17.11 section 504B.178 and is relieved of any other contractual obligation for payment of rent or
 17.12 any other charges for the remaining term of the lease, except as provided in this section.

17.13 (b) In a tenancy with multiple tenants, any lease governing all tenants is terminated
 17.14 at the latter of the end of the month or the end of the rent interval in which one tenant
 17.15 terminates the lease under subdivision 1. Upon termination, all claims by all tenants for
 17.16 the return of the security deposit under section 504B.178, and all claims by the landlord
 17.17 for future rent, are forfeited, provided that the landlord and remaining tenants maintain all
 17.18 rights and remedies available under law and the terms of the lease until termination of
 17.19 the lease. Any tenant whose tenancy was terminated under this paragraph may reapply
 17.20 to enter into a new lease with the landlord, provided the provisions of section 504B.173
 17.21 do not apply.

17.22 (c) This section does not affect a tenant's liability for delinquent, unpaid rent or
 17.23 other amounts owed to the landlord before the lease was terminated by the tenant under
 17.24 this section.

17.25 ~~(e) The tenancy terminates, including the right of possession of the premises, on the~~
 17.26 ~~termination date stated in the notice under subdivision 1. The amount equal to one month's~~
 17.27 ~~rent must be paid on or before the termination of the tenancy for the tenant to be relieved of~~
 17.28 ~~the contractual obligations for the remaining term of the lease as provided in this section.~~

17.29 ~~(d) For purposes of this section, the provisions of section 504B.178 are triggered~~
 17.30 ~~as follows:~~

17.31 ~~(1) if the only tenant is the tenant who is the victim of domestic abuse and the~~
 17.32 ~~tenant's minor children, if any, upon the first day of the month following the later of:~~

17.33 ~~(i) the date the tenant vacates the premises; or~~

17.34 ~~(ii) the termination of the tenancy indicated in the written notice under subdivision~~
 17.35 ~~1; or~~

18.1 ~~(2) if there are additional tenants bound by the lease, upon the expiration of the lease.~~

18.2 Sec. 17. Minnesota Statutes 2012, section 504B.206, is amended by adding a
18.3 subdivision to read:

18.4 Subd. 7. **Conflict with other law.** If a federal statute, regulation, or handbook
18.5 permitting termination of a residential tenancy subsidized under a federal program
18.6 conflicts with any provision of this section, then the landlord must comply with the federal
18.7 statute, regulation, or handbook.

18.8 Sec. 18. Minnesota Statutes 2012, section 504B.285, subdivision 1, is amended to read:

18.9 Subdivision 1. **Grounds.** (a) The person entitled to the premises may recover
18.10 possession by eviction when:

18.11 (1) any person holds over real property:

18.12 (i) after a sale of the property on an execution or judgment; or

18.13 (ii) after the expiration of the time for redemption on foreclosure of a mortgage, or
18.14 after termination of contract to convey the property;

18.15 (2) any person holds over real property after termination of the time for which it is
18.16 demised or leased to that person or to the persons under whom that person holds possession,
18.17 contrary to the conditions or covenants of the lease or agreement under which that person
18.18 holds, or after any rent becomes due according to the terms of such lease or agreement; or

18.19 (3) any tenant at will holds over after the termination of the tenancy by notice to quit.

18.20 (b) A landlord must not commence an eviction action against a tenant or lawful
18.21 occupant solely on the basis that the tenant or lawful occupant has been the victim of
18.22 any of the acts listed in section 504B.206, subdivision 1, paragraph (a). Nothing in this
18.23 paragraph should be construed to prohibit an eviction action based on a breach of the lease.

18.24 Sec. 19. **CERTIFICATE OF COMPLIANCE; TEMPORARY PROVISION.**

18.25 Until July 1, 2015, a business that is not in compliance with equitable compensation
18.26 relationship standards is making a good faith effort to achieve compliance if the
18.27 commissioner of human rights has approved:

18.28 (1) a statement of the business's intention to prepare a pay equity report and an
18.29 estimated date no later than July 1, 2016, when the report and plan will be submitted; and

18.30 (2) information on the business's current status, including a statement on the
18.31 existence of a job evaluation system, the total number of male and female employees of
18.32 the business within this state, and the business's interest in receiving training on how to
18.33 establish equitable compensation relationships.

19.1 **EFFECTIVE DATE.** This section applies to contracts for which a state department
19.2 or agency issues solicitations on or after January 1, 2015.

19.3 Sec. 20. **REPORT.**

19.4 The commissioner of human rights, in cooperation with the commissioner of
19.5 administration, shall report to the legislature by January 31, 2015, on implementation
19.6 of sections 1, 3, 11, and 19. The report must include findings and recommendations
19.7 on any changes needed to ensure that state contractors achieve equitable compensation
19.8 relationships.

19.9 Sec. 21. **WOMEN AND NONTRADITIONAL JOBS GRANT PROGRAM;**
19.10 **APPROPRIATION.**

19.11 \$500,000 is appropriated from the general fund in fiscal year 2015 to the
19.12 commissioner of employment and economic development to develop and implement
19.13 the women and nontraditional jobs grant program under Minnesota Statutes, section
19.14 116L.99. Funds available under this section must not supplant other funds available for
19.15 the same purposes.

19.16 Sec. 22. **WOMEN AND NONTRADITIONAL JOBS APPRENTICESHIPS;**
19.17 **APPROPRIATION.**

19.18 \$250,000 is appropriated from the general fund in fiscal year 2015 to the
19.19 commissioner of labor and industry for the labor education advancement program under
19.20 Minnesota Statutes, section 178.11, to educate, promote, assist, and support women to
19.21 enter apprenticeship programs in nontraditional occupations. Funds available under this
19.22 section must not supplant other funds available for the same purposes.

19.23 Sec. 23. **WOMEN ENTREPRENEURS BUSINESS DEVELOPMENT**
19.24 **COMPETITIVE GRANT PROGRAM.**

19.25 Subdivision 1. **Appropriation.** \$500,000 is appropriated from the general fund
19.26 in fiscal year 2015 to the commissioner of employment and economic development
19.27 to establish a women entrepreneurs business development competitive grant program
19.28 to facilitate the creation and expansion of high-growth, high-revenue businesses by
19.29 entrepreneurs who are women. This is a onetime appropriation and is available until
19.30 expended.

20.1 Subd. 2. **Definitions.** For the purposes of this section, the following terms have
 20.2 the meanings given.

20.3 (a) "Women-owned business" means a business entity owned or controlled by
 20.4 women that is organized for profit including, but not limited to, an individual, partnership,
 20.5 corporation, joint venture, association, or cooperative. "Owned or controlled by women"
 20.6 means:

20.7 (1) that the business is at least 51 percent owned by one or more women or, in the
 20.8 case of any publicly traded business, at least 51 percent of the stock of which is owned by
 20.9 one or more women; and

20.10 (2) the business has management and daily business operations that are controlled
 20.11 by one or more women.

20.12 (b) "High economic impact firm" means a business that is projected to generate at
 20.13 least \$500,000 in annual revenue and create at least ten high-quality jobs.

20.14 (c) "Qualified business" means a women-owned business in the field of construction;
 20.15 transportation; warehousing; agriculture; mining; finance; insurance; professional,
 20.16 technical, or scientific services; technology; or other high economic impact industries.

20.17 (d) "High-quality job" means a job that pays an annual income equal to at least 150
 20.18 percent of the federal poverty guideline adjusted for a family size of four.

20.19 Subd. 3. **Use of funds.** Funds available under this section may be used for:

20.20 (1) entrepreneurial training, mentoring, and technical assistance for the startup or
 20.21 expansion of businesses owned by women;

20.22 (2) development of networks of potential investors; and

20.23 (3) development of a recruitment program for midcareer women with an interest
 20.24 in starting a qualified business.

20.25 Sec. 24. **REPEALER.**

20.26 Minnesota Statutes 2012, section 504B.206, subdivisions 4 and 6, are repealed.

20.27 **ARTICLE 3**

20.28 **LABOR STANDARDS AND WAGES**

20.29 Section 1. Minnesota Statutes 2012, section 177.24, subdivision 1, is amended to read:

20.30 Subdivision 1. **Amount.** (a) For purposes of this subdivision, the terms defined in
 20.31 this paragraph have the meanings given them.

20.32 (1) "Large employer" means an enterprise whose annual gross volume of sales made
 20.33 or business done is not less than ~~\$625,000~~ \$500,000 (exclusive of excise taxes at the

21.1 retail level that are separately stated) and covered by the Minnesota Fair Labor Standards
21.2 Act, sections 177.21 to 177.35.

21.3 (2) "Small employer" means an enterprise whose annual gross volume of sales
21.4 made or business done is less than ~~\$625,000~~ \$500,000 (exclusive of excise taxes at the
21.5 retail level that are separately stated) and covered by the Minnesota Fair Labor Standards
21.6 Act, sections 177.21 to 177.35.

21.7 (b) Except as otherwise provided in sections 177.21 to 177.35, ~~every large employer~~
21.8 ~~must pay each employee wages at a rate of at least \$5.15 an hour beginning September~~
21.9 ~~1, 1997, and at a rate of at least \$6.15 an hour beginning August 1, 2005. Every small~~
21.10 ~~employer must pay each employee at a rate of at least \$4.90 an hour beginning January 1,~~
21.11 ~~1998, and at a rate of at least \$5.25 an hour beginning August 1, 2005:~~

21.12 (1) every large employer must pay each employee wages at a rate of at least:

21.13 (i) \$8.00 per hour beginning August 1, 2014;

21.14 (ii) \$9.00 per hour beginning August 1, 2015;

21.15 (iii) \$9.50 per hour beginning August 1, 2016; and

21.16 (iv) the rate established under paragraph (d) beginning January 1, 2017; and

21.17 (2) every small employer must pay each employee at a rate of at least:

21.18 (i) \$7.00 per hour beginning August 1, 2014;

21.19 (ii) \$8.00 per hour beginning August 1, 2015;

21.20 (iii) \$8.50 per hour beginning August 1, 2016; and

21.21 (iv) the rate established under paragraph (d) beginning January 1, 2017.

21.22 (c) Notwithstanding paragraph (b), during the first 90 consecutive days of
21.23 employment, an employer may pay an employee under the age of 20 years a wage of ~~\$4.90~~
21.24 ~~an hour. No employer may take any action to displace any employee, including a partial~~
21.25 ~~displacement through a reduction in hours, wages, or employment benefits, in order to hire~~
21.26 ~~an employee at the wage authorized in this paragraph~~ at least:

21.27 (1) \$6.50 per hour beginning August 1, 2014;

21.28 (2) \$7.50 per hour beginning August 1, 2015;

21.29 (3) \$8.00 per hour beginning August 1, 2016; and

21.30 (4) the rate established under paragraph (d) beginning January 1, 2017.

21.31 No employer may take any action to displace an employee, including a partial
21.32 displacement through a reduction in hours, wages, or employment benefits, in order to
21.33 hire an employee at the wage authorized in this paragraph.

21.34 (d) No later than November 1 of each year, beginning in 2016, the commissioner
21.35 shall determine the percentage increase in the rate of inflation, as measured by the
21.36 Consumer Price Index for all urban consumers, United States city average, as determined

22.1 by the United States Department of Labor, during the most recent 12-month period for
 22.2 which data is available. The minimum wage rates in paragraphs (b) and (c) are increased
 22.3 by the lesser of: (1) 2.5 percent, rounded to the nearest cent; or (2) the percentage
 22.4 calculated by the commissioner, rounded to the nearest cent. The new minimum wage
 22.5 rates determined under this paragraph take effect on the next January 1.

22.6 (e) Minimum wage standards and inflation must be reflected in statewide
 22.7 reimbursement rates and county and state purchase of service contracts for social services,
 22.8 including those provided by direct service staff through home and community-based
 22.9 services waivers for seniors and persons with disabilities.

22.10 **EFFECTIVE DATE.** This section is effective August 1, 2014.

22.11 Sec. 2. Minnesota Statutes 2012, section 181.940, subdivision 2, is amended to read:

22.12 Subd. 2. **Employee.** "Employee" means a person who performs services for hire for
 22.13 an employer from whom a leave is requested under sections 181.940 to 181.944 for:

- 22.14 (1) at least 12 consecutive months immediately preceding the request; and
 22.15 (2) for an average number of hours per week equal to one-half the full-time
 22.16 equivalent position in the employee's job classification as defined by the employer's
 22.17 personnel policies or practices or pursuant to the provisions of a collective bargaining
 22.18 agreement, during those 12 months.

22.19 Employee includes all individuals employed at any site owned or operated by the
 22.20 employer but does not include an independent contractor.

22.21 Sec. 3. Minnesota Statutes 2012, section 181.941, is amended to read:

22.22 **181.941 PREGNANCY AND PARENTING LEAVE.**

22.23 Subdivision 1. ~~Six Twelve-week leave; pregnancy, birth, or adoption.~~ (a) An
 22.24 employer must grant an unpaid leave of absence to an employee who is a natural or
 22.25 adoptive parent in conjunction with the birth or adoption of a child. The length of the
 22.26 leave shall be determined by the employee, but may not exceed six weeks, unless agreed
 22.27 to by the employer.;

- 22.28 (1) a natural or adoptive parent in conjunction with the birth or adoption of a child; or
 22.29 (2) a female employee for prenatal care, or incapacity due to pregnancy, childbirth,
 22.30 or related health conditions.

22.31 (b) The length of the leave shall be determined by the employee, but must not exceed
 22.32 12 weeks, unless agreed to by the employer.

23.1 Subd. 2. **Start of leave.** The leave shall begin at a time requested by the employee.
 23.2 The employer may adopt reasonable policies governing the timing of requests for unpaid
 23.3 leave: and may require an employee who plans to take a leave under this section to give
 23.4 the employer reasonable notice of the date the leave shall commence and the estimated
 23.5 duration of the leave. For leave taken under subdivision 1, paragraph (a), clause (1), the
 23.6 leave may must begin not more than six weeks after within 12 months of the birth or
 23.7 adoption; except that, in the case where the child must remain in the hospital longer than
 23.8 the mother, the leave may not must begin more than six weeks within 12 months after the
 23.9 child leaves the hospital.

23.10 Subd. 3. **No employer retribution.** An employer shall not retaliate against an
 23.11 employee for requesting or obtaining a leave of absence as provided by this section.

23.12 Subd. 4. **Continued insurance.** The employer must continue to make coverage
 23.13 available to the employee while on leave of absence under any group insurance policy,
 23.14 group subscriber contract, or health care plan for the employee and any dependents.
 23.15 Nothing in this section requires the employer to pay the costs of the insurance or health
 23.16 care while the employee is on leave of absence.

23.17 Sec. 4. **[181.9414] PREGNANCY ACCOMMODATIONS.**

23.18 Subdivision 1. **Accommodation.** An employer must provide reasonable
 23.19 accommodation for an employee for conditions related to pregnancy, childbirth, or related
 23.20 health conditions, if she so requests. The employer may provide the accommodation
 23.21 requested by the employee or an equally effective alternative. "Reasonable
 23.22 accommodation" includes, but is not limited to: seating, frequent restroom breaks, and
 23.23 limits to heavy lifting.

23.24 Subd. 2. **Transfer.** An employer must temporarily transfer a pregnant female
 23.25 employee to a less strenuous or hazardous position for the duration of her pregnancy if she
 23.26 so requests where that transfer can be reasonably accommodated. An employee requesting
 23.27 a temporary transfer shall be required to provide to the employer a certification of medical
 23.28 necessity from her doctor. However, no employer shall be required by this subdivision to
 23.29 create additional employment that the employer would not otherwise have created, nor
 23.30 shall the employer be required to discharge any employee, transfer any employee with
 23.31 more seniority, or promote any employee who is not qualified to perform the job.

23.32 Subd. 3. **Interaction with other laws.** Nothing in this section shall be construed to
 23.33 affect any other provision of law relating to sex discrimination or pregnancy, or in any
 23.34 way to diminish the coverage of pregnancy, childbirth, or health conditions related to
 23.35 pregnancy or childbirth under any other provisions of any other law.

24.1 Subd. 4. **No employer retribution.** An employer shall not retaliate against an
 24.2 employee for requesting or obtaining accommodation under this section.

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

24.4 Sec. 5. Minnesota Statutes 2012, section 181.943, is amended to read:

24.5 **181.943 RELATIONSHIP TO OTHER LEAVE.**

24.6 (a) The length of ~~parental~~ leave provided under section 181.941 may be reduced
 24.7 by any period of ~~paid parental or disability leave, but not accrued sick leave, provided~~
 24.8 ~~by the employer, so that the total leave does not exceed six weeks, unless agreed to by~~
 24.9 ~~the employer.:~~

24.10 (1) paid parental, disability, personal, medical, or sick leave, or accrued vacation
 24.11 provided by the employer so that the total leave does not exceed 12 weeks, unless agreed
 24.12 to by the employer; or

24.13 (2) leave taken for the same purpose by the employee under United States Code,
 24.14 title 29, chapter 28.

24.15 (b) Nothing in sections 181.940 to 181.943 prevents any employer from providing
 24.16 leave benefits in addition to those provided in sections 181.940 to 181.944 or otherwise
 24.17 affects an employee's rights with respect to any other employment benefit.

24.18 Sec. 6. **[181.9441] EARNED SICK AND SAFE TIME.**

24.19 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms
 24.20 have the meanings given.

24.21 (b) "Child" means a minor or adult: biological child, adopted child, foster child,
 24.22 grandchild, stepchild, legal ward, or a person to whom the covered employee stands in
 24.23 loco parentis.

24.24 (c) "Covered employee" means an employee who has been employed for not less
 24.25 than 30 days by the employer from whom earned sick and safe time is requested.

24.26 (d) "Domestic abuse" has the meaning given in section 518B.01.

24.27 (e) "Employee" has the meaning given in section 177.23, subdivision 7, except that
 24.28 for the purpose of this section, employee includes any individual employed in a bona fide
 24.29 executive, administrative, or professional capacity, or a salesperson who conducts no more
 24.30 than 20 percent of sales on the premises of the employer, and includes recipients of public
 24.31 benefits who are engaged in work activity as a condition of receiving public assistance.

25.1 (f) "Employer" means any individual, partnership, association, corporation, business,
25.2 trust, the state and any political subdivision of the state, or any person or group of persons
25.3 acting directly or indirectly in the interest of an employer in relation to an employee.

25.4 (g) "Extended family member" means any individual related by blood or affinity
25.5 whose close association with the covered employee is the equivalent of a family
25.6 relationship.

25.7 (h) "Grandparent" means a parent of a parent.

25.8 (i) "Earned sick and safe time" means leave that is compensated at the same hourly
25.9 rate as the covered employee earns from employment and is provided by an employer to a
25.10 covered employee for the purposes described in subdivision 3.

25.11 (j) "Parent" means:

25.12 (1) a biological parent, foster parent, stepparent, adoptive parent, or legal guardian
25.13 of a covered employee or a covered employee's spouse; or

25.14 (2) a person who stood in loco parentis when the covered employee or covered
25.15 employee's spouse was a minor child.

25.16 (k) "Sexual assault" means an act that constitutes a violation under sections 609.342
25.17 to 609.3453 or 609.352.

25.18 (l) "Sibling" means a biological, foster, adoptive, or step-sibling.

25.19 (m) "Stalking" has the meaning given in section 609.749.

25.20 (n) "Spouse" means a person to whom the covered employee is legally married
25.21 under the laws of Minnesota.

25.22 Subd. 2. **Accrual of earned sick and safe time.** (a) A covered employee shall accrue
25.23 a minimum of one hour of earned sick and safe time for every 30 hours worked. A covered
25.24 employee may not accrue more than 72 hours of earned sick and safe time in a calendar
25.25 year unless the employer agrees to a higher amount, except as provided in paragraph (b).

25.26 (b) Covered employees of an employer that employs fewer than 21 employees may
25.27 not accrue more than 40 hours of earned sick and safe time in a calendar year unless
25.28 the employer agrees to a higher amount.

25.29 (c) Covered employees who are exempt from overtime requirements under United
25.30 States Code, title 29, section 213(a)(1), are deemed to work 40 hours in each work week
25.31 for purposes of accruing earned sick and safe time, except that a covered employee whose
25.32 normal work week is less than 40 hours will accrue earned sick and safe time based upon
25.33 the normal work week.

25.34 (d) Earned sick and safe time under this section begins to accrue at the
25.35 commencement of employment of the covered employee.

26.1 (e) Covered employees shall be entitled to use accrued earned sick and safe time
 26.2 beginning 90 calendar days following commencement of their employment. After 90
 26.3 calendar days of employment, covered employees may use earned sick and safe time
 26.4 as it is accrued.

26.5 (f) Earned sick and safe time shall be carried over to the following calendar year.

26.6 (g) An employer complies with this section if the employer has a sick and safe time
 26.7 policy that makes available an amount of sick and safe time at least equal to and which
 26.8 may be used for the same purposes and under the same conditions as earned sick and safe
 26.9 time under this section.

26.10 (h) An employer may adopt or retain sick and safe time policies that are more
 26.11 generous to a covered employee than the requirements under this section.

26.12 Subd. 3. Use of earned sick and safe time. (a) Earned sick and safe time must be
 26.13 provided to a covered employee by an employer for:

26.14 (1) a covered employee's:

26.15 (i) mental or physical illness, injury, or health condition;

26.16 (ii) need for medical diagnosis, care, or treatment of a mental or physical illness,
 26.17 injury, or health condition; or

26.18 (iii) need for preventive medical or health care;

26.19 (2) care of a spouse, child, parent, grandparent, sibling, or extended family member:

26.20 (i) with a mental or physical illness, injury, or health condition;

26.21 (ii) who needs medical diagnosis, care, or treatment of a mental or physical illness,
 26.22 injury, or health condition; or

26.23 (iii) who needs preventive medical or health care;

26.24 (3) absence due to domestic abuse, sexual assault, or stalking of the covered

26.25 employee or covered employee's child, spouse, parent, grandparent, sibling, or extended
 26.26 family member, provided the absence is to:

26.27 (i) seek medical attention related to physical or psychological injury or disability
 26.28 caused by domestic abuse, sexual assault, or stalking;

26.29 (ii) obtain services from a victim services organization;

26.30 (iii) obtain psychological or other counseling;

26.31 (iv) seek relocation due to domestic abuse, sexual assault, or stalking; or

26.32 (v) take legal action, including preparing for or participating in any civil or criminal
 26.33 legal proceeding related to or resulting from domestic abuse, sexual assault, or stalking; and

26.34 (4) closure of the covered employee's place of business by order of a public official
 26.35 due to a public emergency, or a covered employee's need to care for a child whose school
 26.36 or place of care has been closed by order of a public official due to a public emergency.

27.1 (b) An employer may require reasonable notice of the need for earned sick and safe
27.2 time. If the need for the leave is foreseeable, an employer may require advance notice of
27.3 the intention to use earned sick and safe time, but in no case shall require more than seven
27.4 days' advance notice. If the need is not foreseeable, an employer may require a covered
27.5 employee to give notice of the need for earned sick and safe time as soon as practicable.

27.6 (c) For earned sick and safe time of more than three consecutive days, an employer
27.7 may require reasonable documentation that the earned sick and safe time is covered by
27.8 paragraph (a). For earned sick and safe time under paragraph (a), clause (1) or (2),
27.9 reasonable documentation shall include a signed statement by a health care professional
27.10 indicating the need for earned sick and safe time. For earned sick and safe time under
27.11 paragraph (a), clause (3), a court record or documentation signed by an employee or
27.12 volunteer working for a victims services organization, an attorney, a police officer, or other
27.13 anti-violence counselor shall be considered reasonable documentation.

27.14 (d) An employer may not require, as a condition of a covered employee's using earned
27.15 sick and safe time, that the covered employee search for or find a replacement worker to
27.16 cover the hours during which the covered employee is using earned sick and safe time.

27.17 (e) Accrued earned sick and safe time may be used in the smaller of hourly
27.18 increments or the smallest increment that the employer's payroll system uses to account
27.19 for absences or use of other time.

27.20 Subd. 4. **Retaliation prohibited.** An employer shall not retaliate against a covered
27.21 employee because the covered employee has requested earned sick and safe time, used
27.22 earned sick and safe time, or made a complaint or filed an action to enforce a right to
27.23 earned sick and safe time under this section.

27.24 Subd. 5. **Notice and posting.** (a) Employers shall give notice that covered
27.25 employees are entitled to earned sick and safe time, the amount of earned sick and safe
27.26 time, and the terms of its use under this section, that retaliation against covered employees
27.27 who request or use earned sick and safe time is prohibited, and that each covered employee
27.28 has the right to file a complaint or bring a civil action if earned sick and safe time is
27.29 denied by the employer or the covered employee is retaliated against for requesting or
27.30 using earned sick and safe time.

27.31 (b) Employers may comply with this section by supplying covered employees
27.32 with a notice in English and other appropriate languages that contains the information
27.33 required in paragraph (a).

27.34 (c) Employers may comply with this section by displaying a poster in a conspicuous
27.35 and accessible place in each establishment where covered employees are employed which
27.36 contains all information required under paragraph (a).

28.1 (d) The commissioner shall create and make available to employers for their use
28.2 in complying with this subdivision posters that contain the information required under
28.3 paragraph (a).

28.4 Subd. 6. **Rulemaking; investigations.** (a) The commissioner shall adopt rules for
28.5 implementing this section including, but not limited to, requirements for documentation
28.6 by employers demonstrating compliance with this section.

28.7 (b) The commissioner shall have enforcement authority and powers as provided
28.8 under section 175.20 to administer this section.

28.9 Subd. 7. **Remedies.** (a) Any person aggrieved by a failure of an employer to provide
28.10 earned sick and safe time as required by this section may bring an action in district
28.11 court against the employer. A prevailing plaintiff in an action under this paragraph is
28.12 entitled to recover the full amount of accrued earned sick and safe time, plus any actual
28.13 damages suffered as a result of the employer's failure to provide earned sick and safe
28.14 time, and reasonable attorney fees. A prevailing plaintiff is also entitled to any other
28.15 appropriate legal or equitable relief as determined by the court, including but not limited
28.16 to reinstatement in employment.

28.17 (b) A covered employee subjected to retaliation in violation of this section may
28.18 bring an action in district court against the employer. A prevailing plaintiff in an action
28.19 under this paragraph is entitled to recover damages and reasonable attorney fees, and other
28.20 appropriate legal or equitable relief as determined by the court.

28.21 (c) Any person aggrieved by a violation of this section may file a complaint with the
28.22 attorney general. The filing of a complaint with the attorney general does not preclude
28.23 the filing of a civil action under paragraph (a) or (b). The attorney general may bring a
28.24 civil action in district court to enforce this section on behalf of any person. The attorney
28.25 general may request injunctive relief and, in the case of a willful violation, imposition of a
28.26 fine of \$1,000 per violation payable to the state.

28.27 (d) An action authorized by this subdivision may be filed no later than five years
28.28 from the date the alleged violation occurred.

28.29 (e) Persons filing an action under this subdivision may seek certification as a class,
28.30 consistent with the requirements of law and court rule.

28.31 Subd. 8. **Confidentiality and nondisclosure.** If an employer possesses health
28.32 or medical information or information pertaining to domestic abuse, sexual assault,
28.33 or stalking about a covered employee or covered employee's child, parent, spouse,
28.34 grandparent, sibling, or extended family member, such information shall be treated
28.35 as confidential and not disclosed except to the affected covered employee or with the
28.36 permission of the affected covered employee.

29.1 Subd. 9. **Encouragement of more generous sick and safe time policies; no effect**
 29.2 **on more generous policies.** (a) Nothing in this section shall be construed to discourage or
 29.3 prohibit an employer from the adoption or retention of an earned sick and safe time policy
 29.4 more generous than required under this section.

29.5 (b) Nothing in this section shall be construed as diminishing the obligation of an
 29.6 employer to comply with any contract, collective bargaining agreement, employment
 29.7 benefit plan, or other agreement providing more generous sick and safe time to a covered
 29.8 employee than required under this section.

29.9 (c) Nothing in this section shall be construed as diminishing the rights of public
 29.10 employees regarding paid leave or use of leave as provided in section 43A.1815.

29.11 Subd. 10. **Termination, separation, transfer.** Nothing in this subdivision may be
 29.12 construed as requiring financial or other reimbursement to a covered employee from an
 29.13 employer upon the covered employee's termination, resignation, retirement, or other
 29.14 separation from employment for accrued earned sick and safe time that has not been
 29.15 used. If a covered employee is transferred to a separate division, entity, or location, but
 29.16 remains employed by the same employer, the covered employee is entitled to all earned
 29.17 sick and safe time accrued at the prior division, entity, or location and is entitled to use
 29.18 all earned sick and safe time as provided in this section. When there is a separation from
 29.19 employment and the covered employee is rehired within 12 months of separation by the
 29.20 same employer, previously accrued earned sick and safe time that had not been used must
 29.21 be reinstated. A covered employee is entitled to use accrued earned sick and safe time and
 29.22 accrue additional earned sick and safe time at the commencement of reemployment.

29.23 An employer may loan earned sick and safe time to a covered employee in advance
 29.24 of accrual by the covered employee.

29.25 **EFFECTIVE DATE.** This section is effective 180 days following final enactment.

29.26 Sec. 7. **SEVERABILITY.**

29.27 If any provision of Minnesota Statutes, section 181.9441, or application thereof
 29.28 to any person or circumstance is judged invalid, the invalidity shall not affect other
 29.29 provisions or applications of the act which can be given effect without the invalid
 29.30 provision or application, and to this end the provisions of this act are declared severable.

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

29.32 Sec. 8. **REPEALER.**

29.33 Minnesota Statutes 2013 Supplement, section 181.9413, is repealed.

30.1 **EFFECTIVE DATE.** This section is effective 180 days following final enactment.

30.2 **ARTICLE 4**

30.3 **EMPLOYMENT PROTECTIONS**

30.4 Section 1. Minnesota Statutes 2012, section 181.939, is amended to read:

30.5 **181.939 NURSING MOTHERS.**

30.6 (a) An employer must provide reasonable unpaid break time each day to an
30.7 employee who needs to express breast milk for her infant child. The break time must,
30.8 if possible, run concurrently with any break time already provided to the employee. An
30.9 employer is not required to provide break time under this section if to do so would unduly
30.10 disrupt the operations of the employer.

30.11 (b) The employer must make reasonable efforts to provide a room or other location,
30.12 in close proximity to the work area, other than a bathroom or a toilet stall, that is shielded
30.13 from view and free from intrusion from coworkers and the public and that includes access
30.14 to an electrical outlet, where the employee can express her milk in privacy. The employer
30.15 would be held harmless if reasonable effort has been made.

30.16 (c) For the purposes of this section, "employer" means a person or entity that
30.17 employs one or more employees and includes the state and its political subdivisions.

30.18 (d) A violation of this section is an unfair employment practice as provided for under
30.19 section 363A.08, subdivision 8.

30.20 Sec. 2. Minnesota Statutes 2012, section 363A.03, is amended by adding a subdivision
30.21 to read:

30.22 Subd. 18a. **Family caregiver.** "Family caregiver" means a person who cares for
30.23 another person:

30.24 (1) who is related by blood, marriage, or legal custody; or

30.25 (2) with whom the person lives in a familial relationship.

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

30.27 Sec. 3. Minnesota Statutes 2012, section 363A.08, subdivision 1, is amended to read:

30.28 Subdivision 1. **Labor organization.** Except when based on a bona fide occupational
30.29 qualification, it is an unfair employment practice for a labor organization, because of race,
30.30 color, creed, religion, national origin, sex, marital status, status with regard to public
30.31 assistance, familial status, status as a family caregiver, disability, sexual orientation, or age:

31.1 (1) to deny full and equal membership rights to a person seeking membership or
31.2 to a member;

31.3 (2) to expel a member from membership;

31.4 (3) to discriminate against a person seeking membership or a member with respect
31.5 to hiring, apprenticeship, tenure, compensation, terms, upgrading, conditions, facilities,
31.6 or privileges of employment; or

31.7 (4) to fail to classify properly, or refer for employment or otherwise to discriminate
31.8 against a person or member.

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

31.10 Sec. 4. Minnesota Statutes 2012, section 363A.08, subdivision 2, is amended to read:

31.11 Subd. 2. **Employer.** Except when based on a bona fide occupational qualification, it
31.12 is an unfair employment practice for an employer, because of race, color, creed, religion,
31.13 national origin, sex, marital status, status with regard to public assistance, familial status,
31.14 status as a family caregiver, membership or activity in a local commission, disability,
31.15 sexual orientation, or age to:

31.16 (1) refuse to hire or to maintain a system of employment which unreasonably
31.17 excludes a person seeking employment; or

31.18 (2) discharge an employee; or

31.19 (3) discriminate against a person with respect to hiring, tenure, compensation, terms,
31.20 upgrading, conditions, facilities, or privileges of employment.

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

31.22 Sec. 5. Minnesota Statutes 2012, section 363A.08, subdivision 3, is amended to read:

31.23 Subd. 3. **Employment agency.** Except when based on a bona fide occupational
31.24 qualification, it is an unfair employment practice for an employment agency, because of
31.25 race, color, creed, religion, national origin, sex, marital status, status with regard to public
31.26 assistance, familial status, status as a family caregiver, disability, sexual orientation, or
31.27 age to:

31.28 (1) refuse or fail to accept, register, classify properly, or refer for employment or
31.29 otherwise to discriminate against a person; or

31.30 (2) comply with a request from an employer for referral of applicants for
31.31 employment if the request indicates directly or indirectly that the employer fails to comply
31.32 with the provisions of this chapter.

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

32.1 Sec. 6. Minnesota Statutes 2012, section 363A.08, subdivision 4, is amended to read:

32.2 Subd. 4. **Employer, employment agency, or labor organization.** (a) Except when
32.3 based on a bona fide occupational qualification, it is an unfair employment practice for an
32.4 employer, employment agency, or labor organization, before a person is employed by an
32.5 employer or admitted to membership in a labor organization, to:

32.6 (1) require or request the person to furnish information that pertains to race, color,
32.7 creed, religion, national origin, sex, marital status, status with regard to public assistance,
32.8 familial status, status as a family caregiver, disability, sexual orientation, or age; or, subject
32.9 to section 363A.20, to require or request a person to undergo physical examination; unless
32.10 for the sole and exclusive purpose of national security, information pertaining to national
32.11 origin is required by the United States, this state or a political subdivision or agency of
32.12 the United States or this state, or for the sole and exclusive purpose of compliance with
32.13 the Public Contracts Act or any rule, regulation, or laws of the United States or of this
32.14 state requiring the information or examination. A law enforcement agency may, after
32.15 notifying an applicant for a peace officer or part-time peace officer position that the law
32.16 enforcement agency is commencing the background investigation on the applicant, request
32.17 the applicant's date of birth, gender, and race on a separate form for the sole and exclusive
32.18 purpose of conducting a criminal history check, a driver's license check, and fingerprint
32.19 criminal history inquiry. The form shall include a statement indicating why the data is
32.20 being collected and what its limited use will be. No document which has date of birth,
32.21 gender, or race information will be included in the information given to or available to
32.22 any person who is involved in selecting the person or persons employed other than the
32.23 background investigator. No person may act both as background investigator and be
32.24 involved in the selection of an employee except that the background investigator's report
32.25 about background may be used in that selection as long as no direct or indirect references
32.26 are made to the applicant's race, age, or gender; or

32.27 (2) seek and obtain for purposes of making a job decision, information from any
32.28 source that pertains to the person's race, color, creed, religion, national origin, sex,
32.29 marital status, status with regard to public assistance, familial status, status as a family
32.30 caregiver, disability, sexual orientation, or age, unless for the sole and exclusive purpose
32.31 of compliance with the Public Contracts Act or any rule, regulation, or laws of the United
32.32 States or of this state requiring the information; or

32.33 (3) cause to be printed or published a notice or advertisement that relates to
32.34 employment or membership and discloses a preference, limitation, specification, or
32.35 discrimination based on race, color, creed, religion, national origin, sex, marital status,

33.1 status with regard to public assistance, familial status, status as a family caregiver,
 33.2 disability, sexual orientation, or age.

33.3 (b) Any individual who is required to provide information that is prohibited by this
 33.4 subdivision is an aggrieved party under sections 363A.06, subdivision 4, and 363A.28,
 33.5 subdivisions 1 to 9.

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

33.7 Sec. 7. Minnesota Statutes 2012, section 363A.08, is amended by adding a subdivision
 33.8 to read:

33.9 **Subd. 8. Wage disclosure protection.** An employer shall not discharge or in any
 33.10 other manner discriminate or retaliate against, coerce, intimidate, threaten, or interfere
 33.11 with any employee because the employee inquired about, disclosed, compared, or
 33.12 discussed the employee's wages or the wages of any other employee.

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

33.14 Sec. 8. Minnesota Statutes 2012, section 363A.08, is amended by adding a subdivision
 33.15 to read:

33.16 **Subd. 8. Nursing mothers.** Except when based on a bona fide occupational
 33.17 qualification, any violation of section 181.939 by an employer is an unfair employment
 33.18 practice.

33.19 ARTICLE 5

33.20 AFFORDABLE CHILDCARE

33.21 Section 1. Minnesota Statutes 2013 Supplement, section 119B.011, subdivision 19b,
 33.22 is amended to read:

33.23 Subd. 19b. **Student parent.** "Student parent" means a person who is:

33.24 (1) under 21 years of age and has a child;

33.25 (2) pursuing a high school or general equivalency diploma; and

33.26 ~~(3) residing within a county that has a basic sliding fee waiting list under section~~
 33.27 ~~119B.03, subdivision 4; and~~

33.28 ~~(4)~~ (3) not an MFIP participant.

33.29 Sec. 2. Minnesota Statutes 2012, section 119B.02, subdivision 1, is amended to read:

33.30 Subdivision 1. **Child care services.** The commissioner shall develop standards
 33.31 for county and human services boards to provide child care services to enable eligible

34.1 families to participate in employment, training, or education programs. ~~Within the limits~~
 34.2 ~~of available appropriations,~~ The commissioner shall distribute money to counties to
 34.3 reduce the costs of child care for eligible families. The commissioner shall adopt rules to
 34.4 govern the program in accordance with this section. The rules must establish a sliding
 34.5 schedule of fees for parents receiving child care services. The rules shall provide that
 34.6 funds received as a lump-sum payment of child support arrearages shall not be counted
 34.7 as income to a family in the month received but shall be prorated over the 12 months
 34.8 following receipt and added to the family income during those months. The commissioner
 34.9 shall maximize the use of federal money under title I and title IV of Public Law 104-193,
 34.10 the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, and
 34.11 other programs that provide federal or state reimbursement for child care services for
 34.12 low-income families who are in education, training, job search, or other activities allowed
 34.13 under those programs. Money appropriated under this section must be coordinated with
 34.14 the programs that provide federal reimbursement for child care services to accomplish
 34.15 this purpose. ~~Federal reimbursement obtained must be allocated to the county that spent~~
 34.16 ~~money for child care that is federally reimbursable under programs that provide federal~~
 34.17 ~~reimbursement for child care services.~~ The ~~counties~~ commissioner shall use the federal
 34.18 money to expand child care services. The commissioner may adopt rules under chapter 14
 34.19 to implement and coordinate federal program requirements.

34.20 Sec. 3. Minnesota Statutes 2012, section 119B.02, subdivision 2, is amended to read:

34.21 Subd. 2. **Contractual agreements with tribes.** The commissioner may enter into
 34.22 contractual agreements with a federally recognized Indian tribe with a reservation in
 34.23 Minnesota to carry out the responsibilities of county human service agencies to the extent
 34.24 necessary for the tribe to operate child care assistance programs under sections 119B.03 and
 34.25 119B.05. An agreement may allow for the tribe to be reimbursed for child care assistance
 34.26 services provided under ~~section~~ sections 119B.03 and 119B.05. The commissioner shall
 34.27 consult with the affected county or counties in the contractual agreement negotiations, if
 34.28 the county or counties wish to be included, in order to avoid the duplication of county
 34.29 and tribal child care services. ~~Funding to support services under section 119B.03 may be~~
 34.30 ~~transferred to the federally recognized Indian tribe with a reservation in Minnesota from~~
 34.31 ~~allocations available to counties in which reservation boundaries lie. When funding is~~
 34.32 ~~transferred under section 119B.03, the amount shall be commensurate to estimates of the~~
 34.33 ~~proportion of reservation residents with characteristics identified in section 119B.03,~~
 34.34 ~~subdivision 6, to the total population of county residents with those same characteristics.~~

35.1 Sec. 4. Minnesota Statutes 2012, section 119B.03, subdivision 9, is amended to read:

35.2 Subd. 9. **Portability pool.** ~~(a) The commissioner shall establish a pool of up to five~~
 35.3 ~~percent of the annual appropriation for the basic sliding fee program to provide continuous~~
 35.4 ~~child care assistance for eligible families who move between Minnesota counties. At the~~
 35.5 ~~end of each allocation period, any unspent funds in the portability pool must be used for~~
 35.6 ~~assistance under the basic sliding fee program. If expenditures from the portability pool~~
 35.7 ~~exceed the amount of money available, the reallocation pool must be reduced to cover~~
 35.8 ~~these shortages.~~

35.9 ~~(b) To be eligible for portable basic sliding fee assistance, a family that has moved~~
 35.10 ~~from a county in which it~~ (a) A family receiving child care assistance under the child care
 35.11 fund that has moved from a county in which the family was receiving basic sliding fee
 35.12 child care assistance to a another county with a waiting list for the basic sliding fee program
 35.13 must be admitted into the receiving county's child care assistance program if the family:

35.14 (1) ~~meet~~ meets the income and eligibility guidelines for the basic sliding fee
 35.15 program; and

35.16 (2) ~~notify~~ notifies the new county of residence within 60 days of moving and ~~submit~~
 35.17 submits information to the new county of residence to verify eligibility for the basic
 35.18 sliding fee program.

35.19 ~~(e)~~ (b) The receiving county must:

35.20 ~~(1) accept administrative responsibility for applicants for portable basic sliding fee~~
 35.21 ~~assistance at the end of the two months of assistance under the Unitary Residency Act;~~

35.22 ~~(2) continue basic sliding fee assistance for the lesser of six months or until the~~
 35.23 ~~family is able to receive assistance under the county's regular basic sliding program; and~~

35.24 ~~(3) notify the commissioner through the quarterly reporting process of any family~~
 35.25 ~~that meets the criteria of the portable basic sliding fee assistance pool.~~

35.26 Sec. 5. Minnesota Statutes 2012, section 119B.035, subdivision 1, is amended to read:

35.27 Subdivision 1. **Establishment.** A family in which a parent provides care for the
 35.28 family's infant child may receive a subsidy in lieu of assistance if the family is eligible for
 35.29 or is receiving assistance under the basic sliding fee program. An eligible family must
 35.30 meet the eligibility factors under section 119B.09, except as provided in subdivision 4,
 35.31 and the requirements of this section. Subject to federal match and maintenance of effort
 35.32 requirements for the child care and development fund, ~~and up to available appropriations,~~
 35.33 the commissioner shall provide assistance under the at-home infant child care program
 35.34 and for administrative costs associated with the program. At the end of a fiscal year, the

36.1 commissioner may carry forward any unspent funds under this section to the next fiscal
36.2 year within the same biennium for assistance under the basic sliding fee program.

36.3 Sec. 6. Minnesota Statutes 2012, section 119B.035, subdivision 4, is amended to read:

36.4 Subd. 4. **Assistance.** (a) A family is limited to a lifetime total of 12 months of
36.5 assistance under subdivision 2. The maximum rate of assistance is equal to 68 percent
36.6 of the rate established under section 119B.13 for care of infants in licensed family child
36.7 care in the applicant's county of residence.

36.8 (b) A participating family must report income and other family changes as specified
36.9 in the county's plan under section 119B.08, subdivision 3.

36.10 ~~(c) Persons who are admitted to the at-home infant child care program retain their~~
36.11 ~~position in any basic sliding fee program. Persons leaving the at-home infant child care~~
36.12 ~~program reenter the basic sliding fee program at the position they would have occupied.~~

36.13 ~~(d)~~ Assistance under this section does not establish an employer-employee
36.14 relationship between any member of the assisted family and the county or state.

36.15 Sec. 7. Minnesota Statutes 2013 Supplement, section 119B.05, subdivision 1, is
36.16 amended to read:

36.17 Subdivision 1. **Eligible participants.** Families eligible for child care assistance
36.18 under the MFIP child care program are:

36.19 (1) MFIP participants who are employed or in job search and meet the requirements
36.20 of section 119B.10;

36.21 (2) persons who are members of transition year families under section 119B.011,
36.22 subdivision 20, and meet the requirements of section 119B.10;

36.23 (3) families who are participating in employment orientation or job search, or
36.24 other employment or training activities that are included in an approved employability
36.25 development plan under section 256J.95;

36.26 (4) MFIP families who are participating in work job search, job support,
36.27 employment, or training activities as required in their employment plan, or in appeals,
36.28 hearings, assessments, or orientations according to chapter 256J;

36.29 (5) MFIP families who are participating in social services activities under chapter
36.30 256J as required in their employment plan approved according to chapter 256J;

36.31 (6) families who are participating in services or activities that are included in an
36.32 approved family stabilization plan under section 256J.575;

36.33 (7) families who are participating in programs as required in tribal contracts under
36.34 section 119B.02, subdivision 2, or 256.01, subdivision 2; and

37.1 ~~(8) families who are participating in the transition year extension under section~~
 37.2 ~~119B.011, subdivision 20a; and~~
 37.3 ~~(9)~~ (8) student parents as defined under section 119B.011, subdivision 19b.

37.4 Sec. 8. Minnesota Statutes 2012, section 119B.05, subdivision 5, is amended to read:

37.5 Subd. 5. **Federal reimbursement.** Counties and the state shall maximize their
 37.6 federal reimbursement under federal reimbursement programs for money spent for persons
 37.7 eligible under this chapter. The commissioner shall allocate any federal earnings to the
 37.8 county to be used to expand child care services under this chapter.

37.9 Sec. 9. Minnesota Statutes 2012, section 119B.08, subdivision 3, is amended to read:

37.10 Subd. 3. **Child care fund plan.** The county and designated administering agency
 37.11 shall submit a biennial child care fund plan to the commissioner. The commissioner shall
 37.12 establish the dates by which the county must submit the plans. The plan shall include:

37.13 (1) a description of strategies to coordinate and maximize public and private
 37.14 community resources, including school districts, health care facilities, government
 37.15 agencies, neighborhood organizations, and other resources knowledgeable in early
 37.16 childhood development, in particular to coordinate child care assistance with existing
 37.17 community-based programs and service providers including child care resource and
 37.18 referral programs, early childhood family education, school readiness, Head Start, local
 37.19 interagency early intervention committees, special education services, early childhood
 37.20 screening, and other early childhood care and education services and programs to the extent
 37.21 possible, to foster collaboration among agencies and other community-based programs that
 37.22 provide flexible, family-focused services to families with young children and to facilitate
 37.23 transition into kindergarten. The county must describe a method by which to share
 37.24 information, responsibility, and accountability among service and program providers;

37.25 (2) a description of procedures and methods to be used to make copies of the
 37.26 proposed state plan reasonably available to the public, including members of the public
 37.27 particularly interested in child care policies such as parents, child care providers, culturally
 37.28 specific service organizations, child care resource and referral programs, interagency
 37.29 early intervention committees, potential collaborative partners and agencies involved in
 37.30 the provision of care and education to young children, and allowing sufficient time for
 37.31 public review and comment; and

37.32 (3) information as requested by the department to ensure compliance with the child
 37.33 care fund statutes and rules promulgated by the commissioner.

38.1 The commissioner shall notify counties within 90 days of the date the plan is
 38.2 submitted whether the plan is approved or the corrections or information needed to approve
 38.3 the plan. The commissioner shall withhold ~~a county's allocation until it has an approved~~
 38.4 ~~plan. Plans not approved by the end of the second quarter after the plan is due may result~~
 38.5 ~~in a 25 percent reduction in allocation. Plans not approved by the end of the third quarter~~
 38.6 ~~after the plan is due may result in a 100 percent reduction in the allocation to the county~~
 38.7 payments to a county until it has an approved plan. Counties are to maintain services despite
 38.8 any ~~reduction in their allocation~~ withholding of payments due to plans not being approved.

38.9 Sec. 10. Minnesota Statutes 2012, section 119B.09, subdivision 4a, is amended to read:

38.10 Subd. 4a. **Temporary ineligibility of military personnel.** Counties must reserve a
 38.11 family's position under the child care assistance fund if a family has been receiving child
 38.12 care assistance but is temporarily ineligible for assistance due to increased income from
 38.13 active military service. Activated military personnel may be temporarily ineligible until
 38.14 deactivation. ~~A county must reserve a military family's position on the basic sliding fee~~
 38.15 ~~waiting list under the child care assistance fund if a family is approved to receive child care~~
 38.16 ~~assistance and reaches the top of the waiting list but is temporarily ineligible for assistance.~~

38.17 Sec. 11. Minnesota Statutes 2013 Supplement, section 119B.13, subdivision 1, is
 38.18 amended to read:

38.19 Subdivision 1. **Subsidy restrictions.** (a) Beginning ~~February 3~~ July 1, 2014, the
 38.20 maximum rate paid for child care assistance in any county or county price cluster under
 38.21 the child care fund shall be the greater of the ~~25th~~ 50th percentile of the ~~2011~~ most recent
 38.22 biennial child care provider rate survey under section 119B.02, subdivision 7, or the
 38.23 maximum rate effective November 28, 2011. The commissioner may: (1) assign a county
 38.24 with no reported provider prices to a similar price cluster; and (2) consider county level
 38.25 access when determining final price clusters.

38.26 (b) A rate which includes a special needs rate paid under subdivision 3 or under a
 38.27 school readiness service agreement paid under section 119B.231, may be in excess of the
 38.28 maximum rate allowed under this subdivision.

38.29 (c) The department shall monitor the effect of this paragraph on provider rates. The
 38.30 county shall pay the provider's full charges for every child in care up to the maximum
 38.31 established. The commissioner shall determine the maximum rate for each type of care
 38.32 on an hourly, full-day, and weekly basis, including special needs and disability care. The
 38.33 maximum payment to a provider for one day of care must not exceed the daily rate. The
 38.34 maximum payment to a provider for one week of care must not exceed the weekly rate.

39.1 (d) Child care providers receiving reimbursement under this chapter must not be
 39.2 paid activity fees or an additional amount above the maximum rates for care provided
 39.3 during nonstandard hours for families receiving assistance.

39.4 (e) When the provider charge is greater than the maximum provider rate allowed,
 39.5 the parent is responsible for payment of the difference in the rates in addition to any
 39.6 family co-payment fee.

39.7 (f) All maximum provider rates changes shall be implemented on the Monday
 39.8 following the effective date of the maximum provider rate.

39.9 (g) Notwithstanding Minnesota Rules, part 3400.0130, subpart 7, maximum
 39.10 registration fees in effect on January 1, 2013, shall remain in effect.

39.11 Sec. 12. Minnesota Statutes 2012, section 119B.231, subdivision 5, is amended to read:

39.12 Subd. 5. **Relationship to current law.** (a) The following provisions in chapter 119B
 39.13 must be waived or modified for families receiving services under this section.

39.14 (b) Notwithstanding section 119B.13, subdivisions 1 and 1a, maximum weekly rates
 39.15 under this section are 125 percent of the existing maximum weekly rate for like-care.
 39.16 Providers eligible for a differential rate under section 119B.13, subdivision 3a, remain
 39.17 eligible for the differential above the rate identified in this section. Only care for children
 39.18 who have not yet entered kindergarten may be paid at the maximum rate under this
 39.19 section. The provider's charge for service provided through an SRSA may not exceed the
 39.20 rate that the provider charges a private-pay family for like-care arrangements.

39.21 (c) A family or child care provider may not be assessed an overpayment for care
 39.22 provided through an SRSA unless:

- 39.23 (1) there was an error in the amount of care authorized for the family; or
 39.24 (2) the family or provider did not timely report a change as required under the law.

39.25 (d) Care provided through an SRSA is authorized on a weekly basis.

39.26 (e) ~~Funds appropriated under this section to serve families eligible under section~~
 39.27 ~~119B.03 are not allocated through the basic sliding fee formula under section 119B.03.~~

39.28 Funds appropriated under this section are used to offset increased costs when payments
 39.29 are made under SRSA's.

39.30 (f) Notwithstanding section 119B.09, subdivision 6, the maximum amount of child
 39.31 care assistance that may be authorized for a child receiving care through an SRSA in a
 39.32 two-week period is 160 hours per child.

39.33 (g) Effective May 23, 2008, absent day payment limits under section 119B.13,
 39.34 subdivision 7, do not apply to children for care paid through SRSA's provided the family
 39.35 remains eligible under subdivision 3.

40.1 Sec. 13. Minnesota Statutes 2013 Supplement, section 124D.165, subdivision 3,
40.2 is amended to read:

40.3 Subd. 3. **Administration.** (a) The commissioner shall establish application
40.4 timelines and determine the schedule for awarding scholarships that meets operational
40.5 needs of eligible families and programs. The commissioner may prioritize applications on
40.6 factors including family income, geographic location, and whether the child's family is on a
40.7 waiting list for a publicly funded program providing early education or child care services.

40.8 (b) Scholarships may be awarded up to \$5,000 for each eligible child. The
40.9 commissioner shall establish a target for the average scholarship amount per child
40.10 based on the results of the rate survey conducted under section 119B.13, subdivision 1,
40.11 paragraph (b), per year.

40.12 (c) A four-star rated program that has children eligible for a scholarship enrolled
40.13 in or on a waiting list for a program beginning in July, August, or September may notify
40.14 the commissioner, in the form and manner prescribed by the commissioner, each year
40.15 of the program's desire to enhance program services or to serve more children than
40.16 current funding provides. The commissioner may designate a predetermined number of
40.17 scholarship slots for that program and notify the program of that number.

40.18 (d) A scholarship is awarded for a 12-month period. If the scholarship recipient has
40.19 not been accepted and subsequently enrolled in a rated program within ten months of the
40.20 awarding of the scholarship, the scholarship cancels and the recipient must reapply in
40.21 order to be eligible for another scholarship. A child may not be awarded more than one
40.22 scholarship in a 12-month period.

40.23 (e) A child who receives a scholarship who has not completed development
40.24 screening under sections 121A.16 to 121A.19 must complete that screening within 90
40.25 days of first attending an eligible program.

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

40.27 Sec. 14. Minnesota Statutes 2012, section 256.017, subdivision 9, is amended to read:

40.28 Subd. 9. **Timing and disposition of penalty and case disallowance funds.** Quality
40.29 control case penalty and administrative penalty amounts shall be disallowed or withheld
40.30 from the next regular reimbursement made to the county agency for state and federal
40.31 benefit reimbursements and federal administrative reimbursements for all programs
40.32 covered in this section, according to procedures established in statute, but shall not be
40.33 imposed sooner than 30 calendar days from the date of written notice of such penalties.
40.34 Except for penalties withheld under the child care assistance program, all penalties
40.35 must be deposited in the county incentive fund provided in section 256.018. Penalties

41.1 withheld under the child care assistance program shall be reallocated to counties ~~using the~~
41.2 ~~allocation formula under section 119B.03, subdivision 5.~~ All penalties must be imposed
41.3 according to this provision until a decision is made regarding the status of a written
41.4 exception. Penalties must be returned to county agencies when a review of a written
41.5 exception results in a decision in their favor.

41.6 Sec. 15. **DIRECTION TO COMMISSIONER OF MANAGEMENT AND**
41.7 **BUDGET.**

41.8 The state obligation for the basic sliding fee child care assistance program under
41.9 Minnesota Statutes, section 119B.03, must be included in the Minnesota Management
41.10 and Budget February and November forecast of state revenues and expenditures under
41.11 Minnesota Statutes, section 16A.103, beginning with the November 2014 forecast.

41.12 Sec. 16. **REPEALER.**

41.13 (a) Minnesota Statutes 2012, sections 119B.011, subdivision 20a; 119B.03,
41.14 subdivisions 1, 2, 5, 6, 6a, 6b, and 8; and 119B.09, subdivision 3, are repealed.

41.15 (b) Minnesota Statutes 2013 Supplement, section 119B.03, subdivision 4, is repealed.

41.16 (c) Minnesota Rules, parts 3400.0020, subpart 8; 3400.0030; and 3400.0060,
41.17 subparts 2, 4, 6, 6a, and 7, are repealed.

APPENDIX
Article locations in 14-4843

ARTICLE 1	WOMEN'S ECONOMIC SECURITY ACT	Page.Ln 2.1
ARTICLE 2	ECONOMIC SECURITY	Page.Ln 2.5
ARTICLE 3	LABOR STANDARDS AND WAGES	Page.Ln 20.27
ARTICLE 4	EMPLOYMENT PROTECTIONS	Page.Ln 30.2
ARTICLE 5	AFFORDABLE CHILDCARE	Page.Ln 33.19

119B.011 DEFINITIONS.

Subd. 20a. **Transition year extension families.** "Transition year extension families" means families who have completed their transition year of child care assistance under this subdivision and who are eligible for, but on a waiting list for, services under section 119B.03. For purposes of sections 119B.03, subdivision 3, and 119B.05, subdivision 1, clause (2), families participating in extended transition year shall not be considered transition year families. Transition year extension child care may be used to support employment or a job search that meets the requirements of section 119B.10 for the length of time necessary for families to be moved from the basic sliding fee waiting list into the basic sliding fee program.

119B.03 BASIC SLIDING FEE PROGRAM.

Subdivision 1. **Notice of allocation.** By October 1 of each year, the commissioner shall notify all counties of their final child care fund program allocation.

Subd. 2. **Waiting list.** Each county that receives funds under this section must keep a written record and report to the commissioner the number of eligible families who have applied for a child care subsidy or have requested child care assistance. Counties shall perform a preliminary determination of eligibility when a family requests child care assistance. At a minimum, a county must make a preliminary determination of eligibility based on family size, income, and authorized activity. A family seeking child care assistance must provide the required information to the county. A family that appears to be eligible must be put on a waiting list if funds are not immediately available. The waiting list must identify students in need of child care. Counties must review and update their waiting list at least every six months.

Subd. 4. **Funding priority.** (a) First priority for child care assistance under the basic sliding fee program must be given to eligible non-MFIP families who do not have a high school or general equivalency diploma or who need remedial and basic skill courses in order to pursue employment or to pursue education leading to employment and who need child care assistance to participate in the education program. This includes student parents as defined under section 119B.011, subdivision 19b. Within this priority, the following subpriorities must be used:

- (1) child care needs of minor parents;
- (2) child care needs of parents under 21 years of age; and
- (3) child care needs of other parents within the priority group described in this paragraph.

(b) Second priority must be given to parents who have completed their MFIP or DWP transition year, or parents who are no longer receiving or eligible for diversionary work program supports.

(c) Third priority must be given to families who are eligible for portable basic sliding fee assistance through the portability pool under subdivision 9.

(d) Fourth priority must be given to families in which at least one parent is a veteran as defined under section 197.447.

(e) Families under paragraph (b) must be added to the basic sliding fee waiting list on the date they begin the transition year under section 119B.011, subdivision 20, and must be moved into the basic sliding fee program as soon as possible after they complete their transition year.

Subd. 5. **Review of use of funds; reallocation.** (a) After each quarter, the commissioner shall review the use of basic sliding fee program allocations by county. The commissioner may reallocate unexpended or unencumbered money among those counties who have expended their full allocation or may allow a county to expend up to ten percent of its allocation in the subsequent allocation period.

(b) Any unexpended state and federal appropriations from the first year of the biennium may be carried forward to the second year of the biennium.

Subd. 6. **Allocation formula.** The basic sliding fee state and federal funds shall be allocated on a calendar year basis. Funds shall be allocated first in amounts equal to each county's guaranteed floor according to subdivision 8, with any remaining available funds allocated according to the following formula:

(a) One-fourth of the funds shall be allocated in proportion to each county's total expenditures for the basic sliding fee child care program reported during the most recent fiscal year completed at the time of the notice of allocation.

(b) Up to one-fourth of the funds shall be allocated in proportion to the number of families participating in the transition year child care program as reported during and averaged over the most recent six months completed at the time of the notice of allocation. Funds in excess of the amount necessary to serve all families in this category shall be allocated according to paragraph (f).

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(c) Up to one-fourth of the funds shall be allocated in proportion to the average of each county's most recent six months of reported first, second, and third priority waiting list as defined in subdivision 2 and the reinstatement list of those families whose assistance was terminated with the approval of the commissioner under Minnesota Rules, part 3400.0183, subpart 1. Funds in excess of the amount necessary to serve all families in this category shall be allocated according to paragraph (f).

(d) Up to one-fourth of the funds shall be allocated in proportion to the average of each county's most recent six months of reported waiting list as defined in subdivision 2 and the reinstatement list of those families whose assistance was terminated with the approval of the commissioner under Minnesota Rules, part 3400.0183, subpart 1. Funds in excess of the amount necessary to serve all families in this category shall be allocated according to paragraph (f).

(e) The amount necessary to serve all families in paragraphs (b), (c), and (d) shall be calculated based on the basic sliding fee average cost of care per family in the county with the highest cost in the most recently completed calendar year.

(f) Funds in excess of the amount necessary to serve all families in paragraphs (b), (c), and (d) shall be allocated in proportion to each county's total expenditures for the basic sliding fee child care program reported during the most recent fiscal year completed at the time of the notice of allocation.

Subd. 6a. **Allocation due to increased funding.** When funding increases are implemented within a calendar year, every county must receive an allocation at least equal to its original allocation for the same time period. The remainder of the allocation must be recalculated to reflect the funding increase, according to formulas identified in subdivision 6.

Subd. 6b. **Allocation due to decreased funding.** When funding decreases are implemented within a calendar year, county allocations must be reduced in an amount proportionate to the reduction in the total allocation for the same time period. This applies when a funding decrease necessitates the revision of an existing calendar year allocation.

Subd. 8. **Guaranteed floor.** (a) Beginning January 1, 1996, each county's guaranteed floor shall equal 90 percent of the allocation received in the preceding calendar year. For the period January 1, 1999, to December 31, 1999, each county's guaranteed floor must be equal to its original calendar year 1998 allocation or its actual earnings for calendar year 1998, whichever is less.

(b) When the amount of funds available for allocation is less than the amount available in the previous year, each county's previous year allocation shall be reduced in proportion to the reduction in the statewide funding, for the purpose of establishing the guaranteed floor.

119B.09 FINANCIAL ELIGIBILITY.

Subd. 3. **Priorities; allocations.** If a county projects that its child care allocation is insufficient to meet the needs of all eligible families, it may prioritize among the families that remain to be served after the county has complied with the priority requirements of section 119B.03. Counties that have established a priority for families who are not MFIP participants beyond those established under section 119B.03 must submit the policy in the annual child care fund plan.

181.9413 SICK LEAVE BENEFITS; CARE OF RELATIVES.

(a) An employee may use personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's child, as defined in section 181.940, subdivision 4, adult child, spouse, sibling, parent, grandparent, or stepparent, for reasonable periods of time as the employee's attendance may be necessary, on the same terms upon which the employee is able to use sick leave benefits for the employee's own illness or injury. This section applies only to personal sick leave benefits payable to the employee from the employer's general assets.

(b) An employer may limit the use of personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's adult child, spouse, sibling, parent, grandparent, or stepparent to no less than 160 hours in any 12-month period. This paragraph does not apply to absences due to the illness or injury of a child, as defined in section 181.940, subdivision 4.

(c) For purposes of this section, "personal sick leave benefits" means time accrued and available to an employee to be used as a result of absence from work due to personal illness or injury, but does not include short-term or long-term disability or other salary continuation benefits.

(d) For the purpose of this section, "child" includes a stepchild and a biological, adopted, and foster child.

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(e) This section does not prevent an employer from providing greater sick leave benefits than are provided for under this section.

504B.206 RIGHT OF VICTIMS OF DOMESTIC ABUSE TO TERMINATE LEASE.

Subd. 4. **Multiple tenants.** Notwithstanding the release of a tenant from a lease agreement under this section, if there are any remaining tenants the tenancy continues for those remaining tenants.

Subd. 6. **Definition.** For purposes of this section, "domestic abuse" has the meaning given in section 518B.01, subdivision 2.

3400.0020 DEFINITIONS.

Subp. 8. **Allocation.** "Allocation" means the share of the total state appropriation of child care funds that a county may earn and be reimbursed for in an allocation period. A county's allocation may be raised or lowered during the allocation period when the commissioner redistributes unexpended or unencumbered allocations or when additional funds become available.

3400.0030 NOTICE OF BASIC SLIDING FEE PROGRAM ALLOCATION.

By July 1 of each year, the commissioner shall notify all county and human services boards of their allocation under the basic sliding fee program, including the amount available for payment of administrative expenses.

3400.0060 BASIC SLIDING FEE PROGRAM.

Subp. 2. **Basic sliding fee allocation.** The commissioner shall allocate child care funds for the basic sliding fee program as provided in Minnesota Statutes, section 119B.03, subdivisions 6 to 9.

3400.0060 BASIC SLIDING FEE PROGRAM.

Subp. 4. **Reallocation of unexpended or unencumbered funds.** The commissioner shall reallocate unexpended or unencumbered funds according to items A to D.

A. The commissioner may reallocate unexpended or unencumbered funds following the first, second, and third quarters of the allocation period as provided in Minnesota Statutes, section 119B.03, subdivision 5. Following the fourth quarter of the allocation period, the commissioner shall review county expenditures under the basic sliding fee program and shall reallocate unearned allocations to counties that had direct service earnings in excess of their allocation.

B. The amount reallocated to any county shall be based on direct service earnings in excess of its allocation. The amount reallocated shall not be greater than the direct service earnings in excess of allocation minus the county's fixed local match to be calculated as specified in Minnesota Statutes, section 119B.11, subdivision 1.

C. If the amount of funds available for reallocation is less than total county direct service earnings in excess of allocations, the reallocated funds shall be prorated to each county based on the ratio of the county's direct service earnings in excess of its allocation to the total of all county direct service earnings in excess of their allocation.

D. If the amount of funds available for reallocation is greater than total county direct service earnings in excess of allocations under the basic sliding fee program, the funds remaining after the basic sliding fee reallocation shall be carried forward and added to the funds available for allocation in the next allocation period.

3400.0060 BASIC SLIDING FEE PROGRAM.

Subp. 6. **Basic sliding fee program waiting lists.** Counties must keep a written record of families who have requested child care assistance. When a family requests information about child care assistance, the county shall perform a preliminary determination of eligibility. If it appears that a family is or will be eligible for child care assistance and funds are not immediately available, the family shall be placed on a child care waiting list. The county must determine the highest priority group for which a family qualifies and must notify the family of this determination.

Families who inquire or apply while they are temporarily ineligible shall be placed on the waiting list if it appears they will be eligible for child care assistance. When a family advances to the top of the county's waiting list and is temporarily ineligible for child care assistance, the county shall leave the family at the top of the list according to priority group and serve the applicant who is next on the waiting list unless a different procedure is provided in the county's child care fund plan.

3400.0060 BASIC SLIDING FEE PROGRAM.

Subp. 6a. **Transfer of families from waiting list to basic sliding fee program.** Families on the basic sliding fee waiting list shall be moved into the basic sliding fee program as funding permits according to the priorities listed in Minnesota Statutes, section 119B.03. After the county has complied with the priority requirement in section 119B.03, the county must comply with any priority requirements adopted under part 3400.0140, subpart 10, to move families on the waiting list into the basic sliding fee program.

3400.0060 BASIC SLIDING FEE PROGRAM.

Subp. 7. Waiting list; transfer of transition year families to the basic sliding fee program.

A. The county shall place transition year families on the county's basic sliding fee program waiting list effective on the date the family became eligible for transition year child care assistance.

B. If a transition year family moves to a new county, the date the family was placed on the basic sliding fee waiting list in the original county shall transfer with the family.

C. Families who are eligible for, but do not use, transition year child care assistance retain their priority status for the basic sliding fee program. Families lose their priority status at the conclusion of their transition year.

D. The county shall manage its basic sliding fee allocation in a way that allows families to move from transition year to the basic sliding fee program without any interruption in services. The county shall not serve families who are a lower priority on the basic sliding fee waiting list than a transition year family unless the county can ensure basic sliding fee program funding for the transition year family at the end of the transition year.

E. When the transition year ends, the county shall move the transition year family into the basic sliding fee program. A transition year family that does not come to the top of the county's basic sliding fee program waiting list before completion of the transition year shall be moved into the basic sliding fee program as funding becomes available according to the priority under Minnesota Statutes, section 119B.03, subdivision 4. Transition year extension child care may be used to support employment or a job search that meets the requirements of Minnesota Statutes, section 119B.10, for the time necessary for the family to be moved from the basic sliding fee waiting list into the basic sliding fee program.