

**SENATE  
STATE OF MINNESOTA  
EIGHTY-EIGHTH SESSION**

**S.F. No. 2050**

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DATE	D-PG	OFFICIAL STATUS
02/27/2014	5889	Introduction and first reading Referred to State and Local Government
03/04/2014	5965	Withdrawn and re-referred to Finance
04/10/2014	8080a	Comm report: To pass as amended
	8199	Second reading
04/22/2014	8209	HF substituted on General Orders HF2536

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; providing for pregnancy and parenting  
1.8 leave; requiring pregnancy accommodations; requiring certificates of pay  
1.9 equity compliance as a condition for certain state contracts; classifying data;  
1.10 protecting wage disclosure; prohibiting retaliation; prohibiting discrimination in  
1.11 employment based on status as a family caregiver; clarifying unfair employment  
1.12 practices related to nursing mothers; requiring a report; appropriating money;  
1.13 amending Minnesota Statutes 2012, sections 116L.98; 181.67, by adding a  
1.14 subdivision; 181.939; 181.940, subdivision 2; 181.941; 181.943; 268.095,  
1.15 subdivisions 1, 6; Minnesota Statutes 2013 Supplement, sections 116L.665,  
1.16 subdivision 2; 181.9413; proposing coding for new law in Minnesota Statutes,  
1.17 chapters 116L; 181; 363A.  
1.18

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

**ARTICLE 1**

**WOMEN'S ECONOMIC SECURITY ACT**

1.22 Section 1. CITATION; WOMEN'S ECONOMIC SECURITY ACT.

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

**ARTICLE 2**

**ECONOMIC SECURITY**

1.26 Section 1. Minnesota Statutes 2013 Supplement, section 116L.665, subdivision 2,  
1.27 is amended to read:

2.1 Subd. 2. **Membership.** The governor's Workforce Development Council is  
2.2 composed of 31 members appointed by the governor. The members may be removed  
2.3 pursuant to section 15.059. In selecting the representatives of the council, the governor  
2.4 shall ensure that 50 percent of the members come from nominations provided by local  
2.5 workforce councils. Local education representatives shall come from nominations  
2.6 provided by local education to employment partnerships. The 31 members shall represent  
2.7 the following sectors:

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

2.9 (1) commissioner of the Minnesota Department of Employment and Economic  
2.10 Development;

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

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

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

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

2.16 (d) Community-based organizations: four individuals shall represent  
2.17 community-based organizations of Minnesota. Community-based organizations are  
2.18 defined by the Workforce Investment Act as private nonprofit organizations that are  
2.19 representative of communities or significant segments of communities and that have  
2.20 demonstrated expertise and effectiveness in the field of workforce investment and may  
2.21 include entities that provide job training services, serve youth, serve individuals with  
2.22 disabilities, serve displaced homemakers, union-related organizations, employer-related  
2.23 nonprofit organizations, and organizations serving nonreservation Indians and tribal  
2.24 governments.

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

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

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

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

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

2.32 (5) the chancellor of the Board of Trustees of the Minnesota State Colleges and  
2.33 Universities; and

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

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

2.36 (1) units of local government; and

3.1 (2) applicable state or local programs.

3.2 The speaker and the minority leader of the house of representatives shall each  
 3.3 appoint a representative to serve as an ex officio member of the council. The majority  
 3.4 and minority leaders of the senate shall each appoint a senator to serve as an ex officio  
 3.5 member of the council.

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

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

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

3.15 Sec. 2. Minnesota Statutes 2012, section 116L.98, is amended to read:

3.16 **116L.98 WORKFORCE PROGRAM OUTCOMES.**

3.17 The commissioner shall develop and implement a set of standard approaches  
 3.18 for assessing the outcomes of workforce programs under this chapter. The outcomes  
 3.19 assessed must include, but are not limited to, periodic comparisons of workforce program  
 3.20 participants and nonparticipants. By January 1 of each year, the commissioner shall  
 3.21 report to the legislature on progress and outcomes of workforce programs, including the  
 3.22 requirements under section 116L.99. The report regarding outcomes of activities under  
 3.23 section 116L.99 must include data on:

3.24 (1) the gender, race, and age of participants, including cross tabulations;

3.25 (2) occupations;

3.26 (3) geography;

3.27 (4) advancement salaries; and

3.28 (5) the gender pay gap within occupations.

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

3.33 Sec. 3. **[116L.99] WOMEN AND NONTRADITIONAL JOBS GRANT**  
 3.34 **PROGRAM.**

4.1 Subdivision 1. **Definitions.** (a) For the purpose of this section, the following terms  
4.2 have the meanings given.

4.3 (b) "Commissioner" means the commissioner of employment and economic  
4.4 development.

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

4.6 (1) community-based organizations experienced in serving women;

4.7 (2) employers;

4.8 (3) business and trade associations;

4.9 (4) labor unions and employee organizations;

4.10 (5) registered apprenticeship programs;

4.11 (6) secondary and postsecondary education institutions located in Minnesota; and

4.12 (7) workforce and economic development agencies.

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

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

4.18 Subd. 2. **Grant program.** The commissioner shall establish the women and  
4.19 nontraditional jobs grant program to increase the number of women in high-wage,  
4.20 nontraditional occupations. The commissioner shall make grants to eligible organizations  
4.21 for programs that encourage and assist women to enter high-wage, high-demand,  
4.22 nontraditional occupations including but not limited to those in the skilled trades, science,  
4.23 technology, engineering, and math (STEM) occupations.

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

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

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

4.33 (3) innovative, hands-on, best practices that stimulate interest in nontraditional  
4.34 occupations among girls, increase awareness among girls about opportunities in  
4.35 nontraditional occupations, or increase access to secondary programming leading to jobs

5.1 in nontraditional occupations. Best practices include but are not limited to mentoring,  
5.2 internships, or apprenticeships for girls in nontraditional occupations;

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

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

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

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

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

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

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

5.21 (2) comply with the requirements under paragraph (a); and

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

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

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

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

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

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

6.1       Sec. 4. **[116L.991] WOMEN ENTREPRENEURS BUSINESS DEVELOPMENT**  
 6.2       **GRANT PROGRAM.**

6.3       Subdivision 1. **Definitions.** For the purposes of this section, the following terms  
 6.4       have the meanings given.

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

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

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

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

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

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

6.21      Subd. 2. **Program created.** The commissioner of employment and economic  
 6.22      development shall operate a women entrepreneurs business development competitive  
 6.23      grant program to facilitate the creation and expansion of high-growth, high-revenue,  
 6.24      women-owned businesses that are a qualified business.

6.25      Subd. 3. **Use of funds.** Funds available for the purpose of this section may be  
 6.26      used for:

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

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

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

6.32      Sec. 5. **[363A.44] EQUAL PAY CERTIFICATE.**

6.33      Subdivision 1. **Scope.** (a) No department, agency of the state, the Metropolitan  
 6.34      Council, or an agency subject to section 473.143, subdivision 1, shall execute a contract or  
 6.35      agreement in excess of \$500,000 with a business that has 40 or more full-time employees

7.1 in this state or a state where the business has its primary place of business on a single  
 7.2 day during the prior 12 months, unless the business has an equal pay certificate or it has  
 7.3 certified in writing that it is exempt. For purposes of this section, a business does not  
 7.4 include an entity with a contract with a department or agency of the state if the entity has a  
 7.5 license, certification, registration, provider agreement, or provider enrollment contract,  
 7.6 which are prerequisite to providing goods and services to consumers under chapters 43A,  
 7.7 62A, 62C, 62D, 62E, 256B, 256L, and 256I. A certificate is valid for four years.

7.8 (b) This section does not apply to contracts entered into by the State Board of  
 7.9 Investment for investment options under section 352.965, subdivision 4.

7.10 Subd. 2. **Application.** (a) A business shall apply for an equal pay certificate  
 7.11 by paying a \$150 filing fee and submitting an equal pay compliance statement to the  
 7.12 commissioner. The proceeds from the fees collected under this subdivision shall be  
 7.13 deposited in an equal pay certificate special revenue account. Money in the account is  
 7.14 appropriated to the commissioner for the purposes of this section. The commissioner shall  
 7.15 issue an equal pay certificate of compliance to a business that submits to the commissioner  
 7.16 a statement signed by the chairperson of the board or chief executive officer of the business:

7.17 (1) that the business is in compliance with Title VII of the Civil Rights Act of 1964,  
 7.18 Equal Pay Act of 1963, Minnesota Human Rights Act, and Minnesota Equal Pay for  
 7.19 Equal Work Law;

7.20 (2) that wage and benefit disparities are corrected when identified to ensure  
 7.21 compliance with the laws cited in clause (1); and

7.22 (3) how often wages and benefits are evaluated to ensure compliance with the laws  
 7.23 cited in clause (1).

7.24 (b) The equal pay compliance statement shall also indicate whether the business, in  
 7.25 setting compensation and benefits, utilizes:

7.26 (1) a market pricing approach;

7.27 (2) state prevailing wage or union contract requirements;

7.28 (3) a performance pay system;

7.29 (4) an internal analysis; or

7.30 (5) an alternative approach to determine what level of wages and benefits to pay  
 7.31 its employees. If the business uses an alternative approach, the business must provide a  
 7.32 description of its approach.

7.33 (c) Receipt of the equal pay compliance statement by the commissioner does not  
 7.34 establish good-faith efforts or compliance with the laws set forth in paragraph (a), clause  
 7.35 (1).

8.1 Subd. 3. **Issuance or rejection of certificate.** The commissioner must issue an  
8.2 equal pay certificate, or a statement of why the application was rejected, within 15 days of  
8.3 receipt of the application. An application may be rejected only if it does not comply with  
8.4 the requirements of subdivision 2.

8.5 Subd. 4. **Revocation of certificate.** An equal pay certificate for a business may be  
8.6 suspended or revoked by the commissioner when the business fails to make a good-faith  
8.7 effort to comply with the laws identified in subdivision 2, paragraph (a), clause (1), fails  
8.8 to make a good-faith effort to comply with this section, or has multiple violations of  
8.9 this section or the laws identified in subdivision 2, paragraph (a), clause (1). Prior to  
8.10 suspending or revoking a certificate, the commissioner must first have sought to conciliate  
8.11 with the business regarding wages and benefits due to employees.

8.12 Subd. 5. **Revocation of contract.** (a) If a contract is awarded to a business that does  
8.13 not have an equal pay certificate as required under subdivision 1, the commissioner may  
8.14 void the contract on behalf of the state. The contract award entity that is a party to the  
8.15 agreement must be notified by the commissioner prior to the commissioner taking action  
8.16 to void the contract.

8.17 (b) A contract may be abridged or terminated by the contract award entity identified  
8.18 in subdivision 1 upon notice that the commissioner has suspended or revoked the  
8.19 certificate of the business.

8.20 Subd. 6. **Administrative review.** (a) A business may obtain an administrative  
8.21 hearing pursuant to sections 14.57 to 14.69 when the commissioner suspends or revokes  
8.22 its certificate by filing a written request for hearing 20 days after service of notice by  
8.23 the commissioner.

8.24 (b) A business may obtain an administrative hearing pursuant to sections 14.57 to  
8.25 14.69 when the contract award entity identified in subdivision 1 abridges or terminates  
8.26 a contract by filing a written request for a hearing 20 days after service of notice by the  
8.27 contract award entity.

8.28 Subd. 7. **Technical assistance.** The commissioner must provide technical assistance  
8.29 to any business that requests assistance regarding this section.

8.30 Subd. 8. **Audit.** The commissioner shall have authority to audit compliance  
8.31 with this section to determine exempt status or with respect to employees expected to  
8.32 perform work under the contract by requesting information from the business necessary to  
8.33 determine compliance with this section and laws identified under subdivision 2, paragraph  
8.34 (a), clause (1).

8.35 Subd. 9. **Access to data.** Data submitted to the commissioner related to equal pay  
8.36 certificates are private data on individuals or nonpublic data with respect to persons other



9.1 than department employees. The commissioner's decision to issue, not issue, revoke, or  
9.2 suspend an equal pay certificate is public data.

9.3 Subd. 10. **Report.** The commissioner shall report to the governor and the chairs and  
9.4 ranking minority members of the committees in the senate and the house of representatives  
9.5 with primary jurisdiction over the department by January 31 of every even-numbered year,  
9.6 beginning January 31, 2016. The report shall indicate the number of equal pay certificates  
9.7 issued, the number of audits conducted, the processes used by contractors to ensure  
9.8 compliance with the laws cited in subdivision 2, paragraph (a), clause (1), and a summary  
9.9 of its auditing efforts. The commissioner shall consult with the Legislative Coordinating  
9.10 Commission Office on the Economic Status of Women in preparing the report.

9.11 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to any  
9.12 solicitation made on or after that date.

9.13 Sec. 6. **REPORT; RETIREMENT SAVINGS PLAN.**

9.14 (a) The commissioner of management and budget must report to the legislature  
9.15 by January 15, 2015, on the potential for a state-administered retirement savings plan  
9.16 to serve employees without access to either an automatic enrollment payroll deduction  
9.17 IRA maintained or offered by their employer, or a multiemployer retirement plan or  
9.18 qualifying retirement plan or arrangement described in sections 414(f) and 219(g)(5),  
9.19 respectively, of the Internal Revenue Code of 1986, as amended through April 14, 2011.  
9.20 The potential state-administered plan would provide for individuals to make contributions  
9.21 to their own accounts to be pooled and invested by the State Board of Investment, with the  
9.22 benefit consisting of the balance in each individual's account, and with the state having no  
9.23 liability for investment earnings and losses, while discouraging employers from dropping  
9.24 existing retirement plan options.

9.25 (b) The report must include:

9.26 (1) estimates of the average amount of savings and other financial resources residents  
9.27 of Minnesota have upon retirement and those that are recommended for a financially  
9.28 secure retirement in Minnesota;

9.29 (2) estimates of the relative progress toward achieving the savings recommended for  
9.30 a financially secure retirement by gender, race, and ethnicity;

9.31 (3) barriers to savings and reasons individuals and employers may not be  
9.32 participating in existing private sector retirement plans;

9.33 (4) estimated impact on publicly funded social safety net programs attributable to  
9.34 insufficient retirement savings, and the aggregate effect of potential state-administered  
9.35 plan options on publicly funded social safety net programs and the state economy;

10.1 (5) estimates of the number of Minnesota workers who could be served by the  
10.2 potential state-administered plan, and the participation rate that would make the plan  
10.3 self-sustaining;

10.4 (6) effect of federal tax laws and the federal Employee Retirement Income Security  
10.5 Act on a potential state-administered plan and on participating employers and employees,  
10.6 including the effect of these laws if the plan included potential for employer contributions,  
10.7 either commingled with or segregated from employee contributions;

10.8 (7) comparison of a potential state-administered plan to private sector and federal  
10.9 government retirement savings options with regard to participation rates, contribution  
10.10 rates, risk-adjusted return expectations, and fees;

10.11 (8) existing state and federal consumer protections that would apply to a potential  
10.12 state-administered plan and options for strengthening consumer protections for plan  
10.13 participants;

10.14 (9) alternative ways and costs for the state to encourage similar outcomes to a  
10.15 state-administered plan;

10.16 (10) options for state administration of the plan, including investment strategies for  
10.17 funds contributed to the plan in consultation with the State Board of Investment, the  
10.18 potential use and availability of investment strategies, private insurance, underwriting,  
10.19 or reinsurance against loss to limit or eliminate potential state liability and manage risk  
10.20 to the principal, and group annuities to ensure a stable stream of retirement income  
10.21 throughout beneficiaries' retirement years;

10.22 (11) options for meeting the investment needs of participants based on income,  
10.23 desired liquidity, age, risk tolerance, and other factors determined by the commissioner;

10.24 (12) options for the process by which individuals or employers would contribute to  
10.25 the plan, and their effect on participation rates, savings rates, and fees;

10.26 (13) options discouraging employers from dropping existing employer-sponsored  
10.27 retirement savings plans in favor of a potential state-administered plan;

10.28 (14) projected costs of administration, record keeping, and investment management,  
10.29 including staffing, legal, compliance, licensing, procurement, communications with  
10.30 employers and employees, oversight, marketing, technology and infrastructure, and the fee  
10.31 needed to cover these costs as a percentage of the average daily net assets of the potential  
10.32 state-administered plan, relative to asset size and plan structure, and projected by year of  
10.33 plan operation, with estimates of investment-related fees determined in consultation with  
10.34 the State Board of Investment;

10.35 (15) how the projected fees compare with those of comparable retirement savings  
10.36 options in the private sector with similar risk-adjusted return expectations; and

11.1 (16) other topics that the commissioner determines are relevant to legislative  
11.2 consideration of possible establishment of a state-administered plan.

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

11.4 Sec. 7. **APPROPRIATIONS.**

11.5 Subdivision 1. **Department of Human Rights.** \$674,000 in fiscal year 2015 is  
11.6 appropriated from the general fund to the commissioner of human rights for the equal pay  
11.7 certificate program under Minnesota Statutes, section 363A.44. The base budget for this  
11.8 appropriation for fiscal year 2016 and later is \$426,000.

11.9 Subd. 2. **Minnesota Management and Budget.** \$750,000 in fiscal year 2014 is  
11.10 appropriated from the general fund to the commissioner of Minnesota management and  
11.11 budget for the retirement savings plan report in section 6. This is a onetime appropriation  
11.12 and is available until expended.

11.13 Subd. 3. **Department of Employment and Economic Development.** (a)  
11.14 \$500,000 in fiscal year 2015 is appropriated from the general fund to the commissioner  
11.15 of employment and economic development for the women entrepreneurs business  
11.16 development grant program under Minnesota Statutes, section 166L.991. This is a onetime  
11.17 appropriation and is available until expended.

11.18 (b) \$500,000 in fiscal year 2015 is appropriated from the workforce development  
11.19 fund to the commissioner of employment and economic development for the women  
11.20 and nontraditional jobs grant program under Minnesota Statutes, section 166L.99. The  
11.21 commissioner may use up to five percent of the appropriation to administer the grant  
11.22 program. This is a onetime appropriation and is available until expended.

11.23 Subd. 4. **Department of Labor and Industry.** (a) \$250,000 in fiscal year 2015  
11.24 is appropriated from the workforce development fund to the commissioner of labor and  
11.25 industry for the labor education advancement program under Minnesota Statutes, section  
11.26 178.11, to educate, promote, assist, and support women to enter apprenticeship programs in  
11.27 nontraditional occupations. This is a onetime appropriation and is available until expended.

11.28 (b) \$24,000 in fiscal year 2015 is appropriated from the general fund to the  
11.29 commissioner of labor and industry for additional compliance and enforcement activities  
11.30 by the labor standards unit related to this act.

12.1 **ARTICLE 3**

12.2 **EMPLOYMENT PROTECTIONS**

12.3 Section 1. Minnesota Statutes 2012, section 181.67, is amended by adding a  
12.4 subdivision to read:

12.5 **Subd. 3. Wage disclosure protection.** (a) An employer shall not:

12.6 (1) require nondisclosure by an employee of his or her wages as a condition of  
12.7 employment;

12.8 (2) require an employee to sign a waiver or other document which purports to deny  
12.9 an employee the right to disclose the employee's wages; or

12.10 (3) take any adverse employment action against an employee for disclosing the  
12.11 employee's own wages or discussing another employee's wages which have been disclosed  
12.12 voluntarily.

12.13 (b) Nothing in this subdivision shall be construed to:

12.14 (1) create an obligation on any employer or employee to disclose wages;

12.15 (2) permit an employee, without the written consent of the employer, to disclose  
12.16 proprietary information, trade secret information, or information that is otherwise subject  
12.17 to a legal privilege or protected by law;

12.18 (3) diminish any existing rights under the National Labor Relations Act under  
12.19 United States Code, title 29; or

12.20 (4) permit the employee to disclose wage information of other employees to a  
12.21 competitor of their employer.

12.22 Sec. 2. Minnesota Statutes 2012, section 181.939, is amended to read:

12.23 **181.939 NURSING MOTHERS.**

12.24 **Subdivision 1. Employer duties.** (a) An employer must provide reasonable unpaid  
12.25 break time each day to an employee who needs to express breast milk for her infant child.  
12.26 The break time must, if possible, run concurrently with any break time already provided to  
12.27 the employee. An employer is not required to provide break time under this section if to  
12.28 do so would unduly disrupt the operations of the employer.

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

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

13.3 (d) An employer may not retaliate against an employee for asserting rights or  
 13.4 remedies under this section.

13.5 Subd. 2. **Enforcement.** The Department of Labor and Industry shall enforce this  
 13.6 section. The department shall assess a fine of up to \$1,000 for a first violation and up to  
 13.7 \$2,000 for a second and subsequent violations of this section. A fine shall be assessed  
 13.8 only if an employer fails to remedy a violation within 15 days of written notice of a  
 13.9 violation from the department.

13.10 Sec. 3. Minnesota Statutes 2012, section 181.940, subdivision 2, is amended to read:

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

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

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

13.20 Sec. 4. Minnesota Statutes 2012, section 181.941, is amended to read:

13.21 **181.941 PREGNANCY AND PARENTING LEAVE.**

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

13.27 (1) a biological or adoptive parent in conjunction with the birth or adoption of a  
 13.28 child; or

13.29 (2) a female employee for prenatal care, or incapacity due to pregnancy, childbirth,  
 13.30 or related health conditions.

13.31 (b) The length of the leave shall be determined by the employee, but must not exceed  
 13.32 12 weeks, unless agreed to by the employer.

13.33 Subd. 2. **Start of leave.** The leave shall begin at a time requested by the employee.  
 13.34 The employer may adopt reasonable policies governing the timing of requests for unpaid

14.1 leave: and may require an employee who plans to take a leave under this section to give  
 14.2 the employer reasonable notice of the date the leave shall commence and the estimated  
 14.3 duration of the leave. For leave taken under subdivision 1, paragraph (a), clause (1), the  
 14.4 leave may must begin not more than six weeks after within 12 months of the birth or  
 14.5 adoption; except that, in the case where the child must remain in the hospital longer than  
 14.6 the mother, the leave may not must begin more than six weeks within 12 months after the  
 14.7 child leaves the hospital.

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

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

14.15 Sec. 5. Minnesota Statutes 2013 Supplement, section 181.9413, is amended to read:

14.16 **181.9413 SICK LEAVE BENEFITS; CARE OF RELATIVES.**

14.17 (a) An employee may use personal sick leave benefits provided by the employer  
 14.18 for absences due to an illness of or injury to the employee's child, as defined in section  
 14.19 181.940, subdivision 4, adult child, spouse, sibling, parent, grandchild, grandparent, or  
 14.20 stepparent, for reasonable periods of time as the employee's attendance may be necessary,  
 14.21 on the same terms upon which the employee is able to use sick leave benefits for the  
 14.22 employee's own illness or injury. This section applies only to personal sick leave benefits  
 14.23 payable to the employee from the employer's general assets.

14.24 (b) An employee may use sick leave as allowed under this section for safety leave,  
 14.25 whether or not the employee's employer allows use of sick leave for that purpose for  
 14.26 such reasonable periods of time as assistance may be necessary. Safety leave may be  
 14.27 used for assistance to the employee or assistance to the relatives described in paragraph  
 14.28 (a). For the purpose of this section, "safety leave" is leave for the purpose of providing  
 14.29 or receiving assistance because of sexual assault, domestic abuse, or stalking. For the  
 14.30 purpose of this paragraph:

14.31 (1) "domestic abuse" has the meaning given in section 518B.01;

14.32 (2) "sexual assault" means an act that constitutes a violation under sections 609.342  
 14.33 to 609.3453 or 609.352; and

14.34 (3) "stalking" has the meaning given in section 609.749.

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

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

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

15.13 (f) For the purpose of this section, "grandchild" includes a step-grandchild, and a  
 15.14 biological, adopted, and foster grandchild.

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

15.17 (h) An employer shall not retaliate against an employee for requesting or obtaining a  
 15.18 leave of absence under this section.

15.19 **Sec. 6. [181.9414] PREGNANCY ACCOMMODATIONS.**

15.20 Subdivision 1. **Accommodation.** An employer must provide reasonable  
 15.21 accommodations to an employee for the employee's medical or physical conditions related  
 15.22 to pregnancy or childbirth, if the employee provides a written documentation of a medical  
 15.23 necessity by a licensed health care provider or certified doula for an accommodation  
 15.24 unless the employer demonstrates that the accommodation would impose an undue  
 15.25 hardship on the operation of the employer's business. A pregnant employee shall not  
 15.26 be required to provide documentation of medical necessity nor may an employer claim  
 15.27 undue hardship for the following accommodations: (1) more frequent restroom, food, and  
 15.28 water breaks; (2) seating; and (3) limits on lifting over 20 pounds. The employee and  
 15.29 employer shall engage in an interactive process with respect to an employee's request for  
 15.30 a reasonable accommodation. "Reasonable accommodation" may include, but is not  
 15.31 limited to, temporary transfer to a less strenuous or hazardous position, seating, frequent  
 15.32 restroom breaks, and limits to heavy lifting. Notwithstanding any other provision of  
 15.33 this section, an employer shall not be required to create a new or additional position in  
 15.34 order to accommodate an employee pursuant to this section, and shall not be required to

16.1 discharge any employee, transfer any other employee with greater seniority, or promote  
 16.2 any employee.

16.3 Subd. 2. **Interaction with other laws.** Nothing in this section shall be construed to  
 16.4 affect any other provision of law relating to sex discrimination or pregnancy, or in any  
 16.5 way to diminish the coverage of pregnancy, childbirth, or health conditions related to  
 16.6 pregnancy or childbirth under any other provisions of any other law.

16.7 Subd. 3. **No employer retribution.** An employer shall not retaliate against an  
 16.8 employee for requesting or obtaining accommodation under this section.

16.9 Subd. 4. **Employee not required to take leave.** An employer shall not require an  
 16.10 employee to take a leave or accept an accommodation.

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

16.12 Sec. 7. Minnesota Statutes 2012, section 181.943, is amended to read:

16.13 **181.943 RELATIONSHIP TO OTHER LEAVE.**

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

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

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

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

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

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

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

16.31 (2) the applicant quit the employment to accept other covered employment that  
 16.32 provided substantially better terms and conditions of employment, but the applicant did  
 16.33 not work long enough at the second employment to have sufficient subsequent earnings to



17.1 satisfy the period of ineligibility that would otherwise be imposed under subdivision 10  
17.2 for quitting the first employment;

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

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

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

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

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

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

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

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

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

18.1 (9) the applicant quit because domestic abuse, sexual assault, or stalking of the  
 18.2 applicant or an immediate family member of the applicant, necessitated the applicant's  
 18.3 quitting the employment. ~~Domestic abuse must be shown by one or more of the following:~~

18.4 ~~(i) a district court order for protection or other documentation of equitable relief~~  
 18.5 ~~issued by a court;~~

18.6 ~~(ii) a police record documenting the domestic abuse;~~

18.7 ~~(iii) documentation that the perpetrator of the domestic abuse has been convicted~~  
 18.8 ~~of the offense of domestic abuse;~~

18.9 ~~(iv) medical documentation of domestic abuse; or~~

18.10 ~~(v) written statement that the applicant or an immediate family member of the~~  
 18.11 ~~applicant is a victim of domestic abuse, provided by a social worker, member of the~~  
 18.12 ~~clergy, shelter worker, attorney at law, or other professional who has assisted the applicant~~  
 18.13 ~~in dealing with the domestic abuse.~~

18.14 ~~Domestic abuse for purposes of this clause is defined under section 518B.01; or~~

18.15 For purposes of this paragraph:

18.16 (1) "domestic abuse" has the meaning given in section 518B.01;

18.17 (2) "sexual assault" means an act that would constitute a violation of sections  
 18.18 609.342 to 609.3453 or 609.352; and

18.19 (3) "stalking" means an act that would constitute a violation of section 609.749; or

18.20 (10) the applicant quit in order to relocate to accompany a spouse whose job location  
 18.21 changed making it impractical for the applicant to commute.

18.22 **EFFECTIVE DATE.** This section is effective October 5, 2014, and applies to all  
 18.23 determinations and appeal decisions issued on or after that date.

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

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

18.27 (1) a serious violation of the standards of behavior the employer has the right to  
 18.28 reasonably expect of the employee; or

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

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

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

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

18.33 (3) simple unsatisfactory conduct;

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

- 19.1 (5) conduct that was a consequence of the applicant's inability or incapacity;
- 19.2 (6) good faith errors in judgment if judgment was required;
- 19.3 (7) absence because of illness or injury of the applicant, with proper notice to the
- 19.4 employer;
- 19.5 (8) absence, with proper notice to the employer, in order to provide necessary care
- 19.6 because of the illness, injury, or disability of an immediate family member of the applicant;
- 19.7 (9) conduct that was a consequence of the applicant's chemical dependency, unless
- 19.8 the applicant was previously diagnosed chemically dependent or had treatment for
- 19.9 chemical dependency, and since that diagnosis or treatment has failed to make consistent
- 19.10 efforts to control the chemical dependency; or
- 19.11 (10) conduct that was a consequence of the applicant, or an immediate family
- 19.12 member of the applicant, being a victim of domestic abuse as defined under section
- 19.13 ~~518B.01~~, sexual assault, or stalking. ~~Domestic abuse must be shown as provided for in~~
- 19.14 ~~subdivision 1, clause (9)~~.
- 19.15 (c) Regardless of paragraph (b), clause (9), conduct in violation of sections 169A.20,
- 19.16 169A.31, or 169A.50 to 169A.53 that interferes with or adversely affects the employment
- 19.17 is employment misconduct.
- 19.18 (d) If the conduct for which the applicant was discharged involved only a single
- 19.19 incident, that is an important fact that must be considered in deciding whether the conduct
- 19.20 rises to the level of employment misconduct under paragraph (a). This paragraph does
- 19.21 not require that a determination under section 268.101 or decision under section 268.105
- 19.22 contain a specific acknowledgment or explanation that this paragraph was considered.
- 19.23 (e) The definition of employment misconduct provided by this subdivision is
- 19.24 exclusive and no other definition applies.
- 19.25 **EFFECTIVE DATE.** This section is effective October 5, 2014, and applies to all
- 19.26 determinations and appeal decisions issued on or after that date.

APPENDIX  
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