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State of Minnesota
HOUSE OF REPRESENTATIVES
Unofficial Engrossment
House Engrossment of a Senate File

S. F. No. 209

EIGHTY-NINTH SESSION

Senate Author(s): Tomassoni, Saxhaug and Benson

House Action

- 03/25/2015 Companion to House File No. 180. (Authors:Garofalo, Isaacson and Hackbarth)
Read First Time and Sent for Comparison
Bills not identical, S.F. substituted on General Register
Read Second Time
05/18/2015 Pursuant to Rule 4.20, returned to the Committee on Job Growth and Energy Affordability Policy and Finance
03/08/2016 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
03/14/2016 Adoption of Report: Placed on the General Register as Amended
Read Second Time
03/17/2016 Calendar for the Day
Read Third Time
Passed by the House as Amended and transmitted to the Senate to include Committee Amendments

1.1 A bill for an act
1.2 relating to unemployment insurance; providing for extended benefits; reducing
1.3 unemployment insurance taxes; amending Minnesota Statutes 2014, section
1.4 268.051, by adding a subdivision.

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

1.6 ARTICLE 1

1.7 IRON ORE MINING

1.8 Section 1. IRON ORE MINING AND RELATED INDUSTRY EXTENDED
1.9 UNEMPLOYMENT BENEFITS PROGRAM.

1.10 Subdivision 1. Availability of extended benefits. Extended unemployment benefits
1.11 are available from the Minnesota unemployment insurance trust fund to an applicant who
1.12 was laid off due to lack of work after March 1, 2015, from:

- 1.13 (1) an iron ore mining industry employer; or
1.14 (2) an employer providing goods or services to an iron ore mining industry employer
1.15 if the applicant was laid off due to the cessation or substantial reduction in operations
1.16 of an iron ore mining industry employer.

1.17 Subd. 2. Eligibility requirements. An applicant is eligible to receive extended
1.18 unemployment benefits under this section for any week through the week ending June 25,
1.19 2017, if:

- 1.20 (1) the applicant established a benefit account under Minnesota Statutes, section
1.21 268.07, with a majority of the wage credits from an iron ore mining industry employer
1.22 or an employer providing goods or services to iron ore mining industry employers, and
1.23 has exhausted the maximum amount of regular unemployment benefits available on that
1.24 benefit account; and

2.1 (2) the applicant meets the same requirements that an applicant for regular
2.2 unemployment benefits must meet under Minnesota Statutes, section 268.069, subdivision
2.3 1.

2.4 Subd. 3. **Weekly and maximum amount of extended unemployment benefits.** (a)
2.5 The weekly benefit amount of extended unemployment benefits is the same as the weekly
2.6 benefit amount of regular unemployment benefits on the benefit account established in
2.7 subdivision 2, clause (1).

2.8 (b) The maximum amount of extended unemployment benefits available to an
2.9 applicant under this section is an amount equal to 26 weeks of payment at the applicant's
2.10 weekly extended unemployment benefit amount.

2.11 (c) If an applicant qualifies for a new regular benefit account that meets the
2.12 requirements of subdivision 4, paragraph (b), before the applicant has been paid extended
2.13 unemployment benefits, and that new regular benefit account meets the requirements
2.14 of subdivision 2, clause (1), the applicant's weekly extended unemployment benefit
2.15 amount is equal to the weekly unemployment benefit amount on the applicant's new
2.16 regular benefit account.

2.17 Subd. 4. **Qualifying for new regular benefit account.** (a) If after exhausting the
2.18 maximum amount of regular unemployment benefits available as a result of the layoff
2.19 under subdivision 1, an applicant qualifies for the new regular benefit account under
2.20 Minnesota Statutes, section 268.07, the applicant must apply for and establish that new
2.21 regular benefit account.

2.22 (b) If the applicant's weekly benefit amount under the new regular benefit account is
2.23 equal to or higher than the applicant's weekly extended unemployment benefit amount,
2.24 the applicant must request unemployment benefits under the new regular benefit account.
2.25 An applicant is ineligible for extended unemployment benefits under this section until
2.26 the applicant has exhausted the maximum amount of unemployment benefits available on
2.27 the new regular benefit account.

2.28 (c) If the applicant's weekly unemployment benefit amount on the new regular benefit
2.29 account is less than the applicant's weekly benefit amount of extended unemployment
2.30 benefits, the applicant must request extended unemployment benefits. An applicant is
2.31 ineligible for new regular unemployment benefits until the applicant has exhausted the
2.32 maximum amount of extended unemployment benefits available under this section.

2.33 Subd. 5. **Charging of benefits.** Extended unemployment benefits paid under this
2.34 section may not be used to compute the future unemployment tax rate of a taxpaying
2.35 employer nor charged to the reimbursing account of government or nonprofit employers.

3.1 Subd. 6. Eligibility for federal Trade Readjustment Allowance benefits. An
3.2 applicant who has applied and been determined eligible for federal Trade Readjustment
3.3 Allowance benefits is not eligible for extended unemployment benefits under this section.

3.4 Subd. 7. Legislative findings. (a) The legislature finds that the state greatly benefits
3.5 from the diversification of the state's mineral economy through long-term support of
3.6 mineral exploration, evaluation, environmental research, development, production, and
3.7 commercialization.

3.8 (b) The legislature further finds that maintaining and supporting a trained and
3.9 skillful mining workforce is critical to the long-term health and viability of the state's
3.10 mineral economy.

3.11 (c) The legislature finds that the best way to maintain a trained and skillful mining
3.12 workforce in the state is to make all reasonable efforts to facilitate the continued operation
3.13 of existing mines and the addition of new mines whenever feasible.

3.14 EFFECTIVE DATE. This section is effective retroactively from August 31, 2015.

3.15 **ARTICLE 2**

3.16 **UNEMPLOYMENT INSURANCE**

3.17 Section 1. Minnesota Statutes 2014, section 268.051, is amended by adding a
3.18 subdivision to read:

3.19 Subd. 2a. Unemployment insurance tax limits. (a) If the balance in the trust fund
3.20 on December 31 of any calendar year is four percent or more above the amount equal to
3.21 an average high cost multiple of 1.0, future unemployment taxes payable must be reduced
3.22 by all amounts above 1.0. The amount of tax reduction for any taxpaying employer is
3.23 the same percentage of the total amount above 1.0 as the percentage of taxes paid by the
3.24 employer during the calendar year is of the total amount of taxes that were paid by all
3.25 nonmaximum experience rated employers during the year.

3.26 (b) For purposes of this subdivision, "average high cost multiple" has the meaning
3.27 given in Code of Federal Regulations, title 20, section 606.3, as amended through the
3.28 effective date of this section. An amount equal to an average high cost multiple of 1.0
3.29 is a federal measure of adequate reserves in relation to the state's current economy.
3.30 The commissioner must calculate and publish, as soon as possible following December
3.31 31 of any calendar year, the trust fund balance on December 31 along with the amount
3.32 an average high cost multiple of 1.0 equals. Actual wages paid must be used in the
3.33 calculation and estimates may not be used.

4.1 (c) This subdivision does not apply to employers that were at the maximum
4.2 experience rating for the year, nor to high experience rating industry employers under
4.3 subdivision 5, paragraph (b). Computations under paragraph (a) are not subject to the
4.4 rounding requirement of section 268.034. The refund provisions of section 268.057,
4.5 subdivision 7, do not apply.

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

4.9 (e) The amount equal to the average high cost multiple of 1.0 on December 31,
4.10 2012, must be used for the calculation under paragraph (a) but only for the calculation
4.11 made on December 31, 2015. Notwithstanding paragraph (d), the tax reduction resulting
4.12 from the application of this paragraph applies to unemployment taxes paid between July 1,
4.13 2016, and June 30, 2017.

4.14 **EFFECTIVE DATE.** This section is effective retroactively from December 31,
4.15 2015.

APPENDIX
Article locations in UES0209-2

ARTICLE 1 IRON ORE MINING Page.Ln 1.6
ARTICLE 2 UNEMPLOYMENT INSURANCE Page.Ln 3.15