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State of Minnesota

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HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 2900

- 01/31/2022 Authored by Frazier, Noor, Moran, Gomez, Her and others
- The bill was read for the first time and referred to the Committee on Workforce and Business Development Finance and Policy
- 02/10/2022 Adoption of Report: Amended and re-referred to the Committee on Labor, Industry, Veterans and Military Affairs Finance and Policy
- 02/14/2022 Adoption of Report: Re-referred to the Committee on State Government Finance and Elections
- 02/15/2022 Adoption of Report: Re-referred to the Committee on Taxes
- 02/17/2022 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
- 02/21/2022 Adoption of Report: Placed on the General Register as Amended
- Read for the Second Time
- 02/24/2022 Calendar for the Day, Amended
- Read Third Time as Amended
- Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

1.1 A bill for an act

1.2 relating to economic development; authorizing payments for frontline workers

1.3 whose work put them at risk of contracting COVID-19 during peacetime

1.4 emergency; classifying data; requiring a report; appropriating money.

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

1.6 Section 1. **FRONTLINE WORKER PAYMENTS; PUBLIC PURPOSE.**

1.7 This act is intended to provide payments to frontline workers whose work put them at

1.8 risk of contracting COVID-19 during the peacetime emergency declared by the governor

1.9 in Executive Order 20-01. The legislature finds that payments under this section specifically,

1.10 and under the premium pay provisions of the American Rescue Plan Act of 2021 generally,

1.11 have a public purpose and benefit the people of Minnesota by:

1.12 (1) responding to the extraordinary circumstances of the COVID-19 pandemic which

1.13 resulted in the peacetime emergency; and

1.14 (2) compensating workers for working in conditions that, in many cases, exceeded what

1.15 was originally contemplated in their employment agreement to ensure our state was able to

1.16 continue functioning during the pandemic.

1.17 Sec. 2. **FRONTLINE WORKER PAYMENTS.**

1.18 Subdivision 1. **Program established; payments authorized.** To the extent feasible, the

1.19 commissioner of revenue, in coordination with the commissioners of labor and industry and

1.20 employment and economic development, must make payments to eligible frontline workers

1.21 as provided in this section.

1.22 Subd. 2. **Frontline sector defined.** "Frontline sector" means the following sectors:

- 2.1 (1) long-term care and home care;
- 2.2 (2) health care;
- 2.3 (3) emergency responders;
- 2.4 (4) public health, social service, and regulatory service;
- 2.5 (5) courts and corrections;
- 2.6 (6) child care;
- 2.7 (7) schools, including charter schools, state schools, and higher education;
- 2.8 (8) food service, including production, processing, preparation, sale, and delivery;
- 2.9 (9) retail, including sales, fulfillment, distribution, and delivery;
- 2.10 (10) temporary shelters and hotels;
- 2.11 (11) building services, including maintenance, janitorial, and security;
- 2.12 (12) public transit;
- 2.13 (13) ground and air transportation services;
- 2.14 (14) manufacturing; and
- 2.15 (15) vocational rehabilitation.

2.16 Subd. 3. **Eligible frontline workers.** (a) An individual is eligible to receive a payment  
2.17 under this section if the individual:

2.18 (1) was employed for at least 120 hours in Minnesota in one or more frontline sectors  
2.19 during the time period beginning March 15, 2020, and ending June 30, 2021; and

2.20 (2) for the hours worked under clause (1), was not able to telework due to the nature of  
2.21 the individual's work and worked in close proximity to individuals outside of the individual's  
2.22 household;

2.23 (3) meets the income requirement in paragraph (b); and

2.24 (4) did not collect unemployment insurance benefits for more than 20 weeks on a  
2.25 cumulative basis during the time period beginning March 15, 2020, and ending June 30,  
2.26 2021.

2.27 (b) To qualify for a payment, an individual's adjusted gross income, as defined in  
2.28 Minnesota Statutes, section 290.01, subdivision 21a, must be less than the following amounts

3.1 for at least one of the taxable years beginning after December 31, 2019, and before January  
3.2 1, 2022:

3.3 (1) for an individual who was employed in an occupation with direct COVID-19 patient  
3.4 care responsibilities, \$350,000 for a married taxpayer filing a joint return and \$175,000 for  
3.5 all other filers; or

3.6 (2) for all other individuals, \$185,000 for a married taxpayer filing a joint return and  
3.7 \$85,000 for all other filers.

3.8 (c) A married individual who filed a separate return may elect to use the income limit  
3.9 for a married taxpayer filing a joint return for the purposes of determining eligibility under  
3.10 paragraph (b). For an individual who made this election, the commissioner of revenue must  
3.11 compare the combined income of the taxpayer and the taxpayer's spouse with the income  
3.12 limit for a married taxpayer filing a joint return.

3.13 Subd. 4. **Application; verification of eligibility.** (a) To qualify for a payment under  
3.14 this section, an individual must apply to the commissioner of labor and industry in the form  
3.15 and manner specified by the commissioner. As part of the application, an individual must  
3.16 certify to the commissioner of labor and industry that the individual meets the eligibility  
3.17 requirements in subdivision 3.

3.18 (b) As soon as practicable after final enactment of this act, the commissioner of labor  
3.19 and industry must establish a process for accepting applications for payments under this  
3.20 section and begin accepting applications. The commissioner must not accept an application  
3.21 submitted more than 45 days after opening the application period.

3.22 (c) The commissioner of labor and industry must assist applicants in submitting an  
3.23 application under this section, including but not limited to:

3.24 (1) establishing a multilingual temporary help line for applicants; and

3.25 (2) offering multilingual applications and multilingual instructions.

3.26 (d) To the extent possible, the commissioners of revenue, employment and economic  
3.27 development, and labor and industry must verify applicant eligibility for a payment under  
3.28 this section. If the commissioners lack the information to verify an applicant's eligibility in  
3.29 a timely fashion, the commissioner of labor and industry must accept the applicant's  
3.30 self-certification of eligibility in the absence of contrary information.

3.31 (e) An applicant for a payment under this section may appeal a denial of eligibility under  
3.32 this subdivision to the commissioner of labor and industry within 15 days of notice of denial.  
3.33 The commissioner of labor and industry's decision on an appeal is final.

4.1 (f) The commissioner of labor and industry may contract with a third party to implement  
4.2 part or all of the application process and assistance required under this subdivision.

4.3 Subd. 5. **Eligibility; payments.** (a) After the deadline for applications under subdivision  
4.4 4 has elapsed, the commissioner of revenue must determine the payment amount based on  
4.5 available appropriations and the number of applications received from eligible frontline  
4.6 workers. The payment amount must be the same for each eligible frontline worker, and  
4.7 must not exceed \$1,500.

4.8 (b) As soon as practicable, the commissioner of revenue must make payments of the  
4.9 amount determined under paragraph (a) to all eligible frontline workers who applied in  
4.10 accordance with subdivision 4.

4.11 (c) If the full appropriation for payments is not expended after the initial round of  
4.12 payments under paragraphs (a) and (b), the commissioner of labor and industry must reopen  
4.13 the application period and allow eligible frontline workers who have not received a payment  
4.14 to apply for a payment. The commissioner of revenue must make payments of \$1,500 for  
4.15 all eligible frontline workers who apply under this paragraph, until the full appropriation is  
4.16 expended.

4.17 (d) The commissioner of revenue may contract with a third party to implement part or  
4.18 all of the payment process required under this subdivision.

4.19 Subd. 6. **Data practices.** (a) Data collected or created by the commissioners of revenue,  
4.20 labor and industry, and employment and economic development because an individual has  
4.21 sought information about, applied for, been denied, or received a payment under this section  
4.22 are classified as private data on individuals or nonpublic data, as defined in Minnesota  
4.23 Statutes, section 13.02, subdivisions 9 and 12.

4.24 (b) Data classified as private data on individuals or nonpublic data, including return  
4.25 information, as defined in Minnesota Statutes, section 270B.01, subdivision 3, may be  
4.26 shared or disclosed between the commissioners of revenue, employment and economic  
4.27 development, and labor and industry, and any third-party vendor contracted with under  
4.28 subdivision 4, to the extent necessary to verify eligibility and administer payments under  
4.29 this section.

4.30 Subd. 7. **Notice requirement.** (a) No later than 15 days after the application period is  
4.31 opened under subdivision 4, employers in a frontline sector must provide notice, in a form  
4.32 approved by the commissioner of labor and industry, advising all current workers who may  
4.33 be eligible for payments under this section of the assistance potentially available to them

5.1 and how to apply for benefits. An employer must provide notice using the same means the  
5.2 employer uses to provide other work-related notices to employees.

5.3 (b) Notice provided under paragraph (a) must be at least as conspicuous as:

5.4 (1) posting a copy of the notice at each work site where workers work and where the  
5.5 notice may be readily observed and reviewed by all workers working at the site; or

5.6 (2) providing a paper or electronic copy of the notice to all workers.

5.7 (c) The commissioner of labor and industry may exercise the commissioner of labor and  
5.8 industry's authority under Minnesota Statutes, section 177.27, subdivision 7, to enforce the  
5.9 notice requirement in this subdivision.

5.10 Subd. 8. **Payments not to be considered income.** (a) For the purposes of this subdivision,  
5.11 "subtraction" has the meaning given in Minnesota Statutes, section 290.0132, subdivision  
5.12 1, and the rules in that subdivision apply for this subdivision. The definitions in Minnesota  
5.13 Statutes, section 290.01, apply to this subdivision.

5.14 (b) The amount of frontline worker payments received under this section is a subtraction.

5.15 (c) Frontline worker payments under this section are excluded from income, as defined  
5.16 in Minnesota Statutes, sections 290.0674, subdivision 2a, and 290A.03, subdivision 3.

5.17 (d) Notwithstanding any law to the contrary, payments under this section must not be  
5.18 considered income, assets, or personal property for purposes of determining eligibility or  
5.19 recertifying eligibility for:

5.20 (1) child care assistance programs under Minnesota Statutes, chapter 119B;

5.21 (2) general assistance, Minnesota supplemental aid, and food support under Minnesota  
5.22 Statutes, chapter 256D;

5.23 (3) housing support under Minnesota Statutes, chapter 256I;

5.24 (4) Minnesota family investment program and diversionary work program under  
5.25 Minnesota Statutes, chapter 256J; and

5.26 (5) economic assistance programs under Minnesota Statutes, chapter 256P.

5.27 (e) The commissioner of human services must not consider frontline worker payments  
5.28 under this section as income or assets under Minnesota Statutes, section 256B.056,  
5.29 subdivision 1a, paragraph (a); 3; or 3c, or for persons with eligibility determined under  
5.30 Minnesota Statutes, section 256B.057, subdivision 3, 3a, or 3b.

6.1 Subd. 9. **Report.** No later than 45 days following the end of the application period under  
6.2 subdivision 4, the commissioners of revenue and labor and industry shall report to the  
6.3 legislative committees with jurisdiction over economic development policy and finance  
6.4 about the program established under this section. The report must include:

6.5 (1) the number of eligible frontline workers who applied, including the number in each  
6.6 sector and county, and the payment each worker received;

6.7 (2) if the initial payment to frontline workers under subdivision 5 was less than \$1,500,  
6.8 the additional appropriation needed to provide an additional payment equal to the difference  
6.9 between \$1,500 and the payment amount under subdivision 5; and

6.10 (3) the number of applications that were denied and the reasons for denial.

6.11 Subd. 10. **Procurement.** The commissioners of labor and industry and revenue are  
6.12 exempt from the requirements of Minnesota Statutes, sections 16A.15, subdivision 3; 16B.97;  
6.13 16B.98, subdivisions 5, 7, and 8; and chapter 16C, and any other state procurement laws  
6.14 and procedures in administering the program under this section.

6.15 Subd. 11. **Appropriations.** (a) \$1,000,000,000 in fiscal year 2022 is appropriated from  
6.16 the general fund to the commissioner of revenue for payments under this section. This is a  
6.17 onetime appropriation.

6.18 (b) \$2,480,000 in fiscal year 2022 is appropriated from the general fund to the  
6.19 commissioner of labor and industry for administrative costs to implement the payments  
6.20 under this section.

6.21 (c) \$1,992,000 in fiscal year 2022 is appropriated from the general fund to the  
6.22 commissioner of revenue for administrative costs to implement the payments under this  
6.23 section.

6.24 (d) \$756,000 in fiscal year 2022 is appropriated from the general fund to the commissioner  
6.25 of labor and industry for a grant to the Minnesota Training Partnership to promote the  
6.26 availability of payments under this section to frontline workers, which may include  
6.27 subcontracts with other community organizations with experience with frontline workers.  
6.28 Up to ten percent of the total of any subcontracts may be used for contract administration.

6.29 (e) The appropriations in this subdivision are available until June 30, 2023.

6.30 Subd. 12. **Audit.** The Office of the Legislative Auditor may begin work on an audit of  
6.31 the use of all funds appropriated under subdivision 11 no later than February 1, 2023.

7.1 **EFFECTIVE DATE.** (a) Unless otherwise specified, this section is effective the day  
7.2 following final enactment.

7.3 (b) Subdivision 8, paragraphs (a), (b), and (c), are effective for taxable years beginning  
7.4 after December 31, 2021, and before January 1, 2024, for property tax refunds based on  
7.5 rent paid in 2021 or 2022, and for property tax refunds based on property taxes payable in  
7.6 2022 or 2023. Subdivision 8, paragraphs (d) and (e), are effective the day following final  
7.7 enactment, except for a program for which federal approval is required, changes affecting  
7.8 the program are effective upon federal approval.