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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 3377

05/07/2014 Authored by Gunther

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

1.1 A bill for an act
1.2 relating to unemployment; expanding the measurement of unemployed and
1.3 underemployed Minnesotans; designating use of funds; proposing coding for
1.4 new law in Minnesota Statutes, chapter 116J.

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

1.6 Section 1. [116J.4012] EXPANSION OF MEASUREMENT OF UNEMPLOYED
1.7 AND UNDEREMPLOYED MINNESOTANS.

1.8 (a) By July 1, 2015, the commissioner of employment and economic development
1.9 shall design and implement a comprehensive measure of unemployment and
1.10 underemployment in the state to be used by the Labor Market Information Office within
1.11 the Department of Employment and Economic Development to analyze and produce
1.12 estimates of total unemployment. The measurement required under this section is in
1.13 addition to methods currently utilized by the commissioner to produce official forecasts
1.14 and must include data on:

1.15 (1) workers who are employed on a part-time basis but would prefer and accept
1.16 full-time employment if it were available; and

1.17 (2) those who are currently unemployed and not actively seeking employment due to
1.18 impediments to work including lack of child care or transportation or economic barriers
1.19 to seeking or obtaining employment as a result of the requirement to purchase health
1.20 insurance as mandated by the federal government.

1.21 The new measurement must also include information on state and substate unemployment
1.22 and underemployment and the incidence of unemployment and underemployment
1.23 across demographic categories including, but not limited to, race, age, and gender. The
1.24 commissioner must report monthly to all members of the committees of the senate and

2.1 house of representatives having jurisdiction over workforce issues on the most recent
2.2 monthly state unemployment rate under both the traditional measure, commonly referred
2.3 to as the U-3 measure, and the measure required to be designed by this section.

2.4 (b) The comprehensive measure required in paragraph (a) may, in addition to other
2.5 information, utilize information from the United States Bureau of Labor Statistics Current
2.6 Population Survey and the United States Census Bureau American Community Survey as
2.7 the base for identifying, evaluating, and utilizing correlations with other relevant data to
2.8 be used in econometric modeling of measures of unemployment and underemployment.

2.9 (c) The commissioner of employment and economic development shall update on a
2.10 quarterly basis measurements of job gains from expansion, job gains from openings, job
2.11 losses from contractions, job losses from closings, establishment births, job gains from
2.12 births, establishment deaths, and job losses from deaths.

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

2.14 **Sec. 2. USE OF FUNDS.**

2.15 Notwithstanding Minnesota Statutes, section 268.18, subdivision 2, up to \$150,000
2.16 of the funds collected for unemployment insurance administration under that subdivision
2.17 must be used to implement section 116J.4012.