ARTICLE 1

FAMILY AND MEDICAL BENEFITS

Section 1. Minnesota Statutes 2022, section 13.719, is amended by adding a subdivision to read:

Subd. 7. Family and medical insurance data. (a) For the purposes of this subdivision, the terms used have the meanings given them in section 268B.01.

(b) Data on applicants, family members, or employers under chapter 268B are private or nonpublic data, provided that the department may share data collected from applicants with employers or health care providers to the extent necessary to meet the requirements of chapter 268B or other applicable law.

(c) The department and the Department of Labor and Industry may share data classified under paragraph (b) to the extent necessary to meet the requirements of chapter 268B or the Department of Labor and Industry's enforcement authority over chapter 268B, as provided in section 177.27.

Sec. 2. Minnesota Statutes 2022, section 177.27, subdivision 4, is amended to read:

Subd. 4.

(a) For the purposes of this subdivision, the terms used have the meanings given them in section 268B.01.

(b) Data on applicants, family members, incapacitated persons, or employers under chapter 268B are private or nonpublic data, provided that the department may share data collected from applicants with employers or health care providers to the extent necessary to meet the requirements of chapter 268B or other applicable law.

(c) The data classified under paragraph (b) may be exchanged between the department and the Department of Labor and Industry or the Department of Commerce to the extent necessary to meet the requirements of chapter 268B or the Department of Labor and Industry's enforcement authority over chapter 268B, as provided in section 177.27, or to the extent necessary for the Department of Commerce to review or verify compliance for a private plan under section 268A.10.

Sec. 3. Minnesota Statutes 2022, section 177.27, subdivision 4, is amended to read:

EFFECTIVE DATE. This section is effective July 1, 2023.
order with the commissioner within 15 calendar days after being served with the order. A contested case proceeding must then be held in accordance with sections 14.57 to 14.69.

If, within 15 calendar days after being served with the order, the employer fails to file a written notice of objection with the commissioner, the order becomes a final order of the commissioner.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 4. Minnesota Statutes 2022, section 181.032, is amended to read:

**181.032 REQUIRED STATEMENT OF EARNINGS BY EMPLOYER; NOTICE TO EMPLOYEE.**

(a) At the end of each pay period, the employer shall provide each employee an earnings statement, either in writing or by electronic means, covering that pay period. An employer who chooses to provide an earnings statement by electronic means must provide employee access to an employer-owned computer during an employee's regular working hours to review and print earnings statements, and must make statements available for review or printing for a period of three years.

(b) The earnings statement may be in any form determined by the employer but must include:

1. the name of the employee;
2. the rate or rates of pay and basis thereof, including whether the employee is paid by hour, shift, day, week, salary, piece, commission, or other method;
3. allowances, if any, claimed pursuant to permitted meals and lodging;
4. the total number of hours worked by the employee unless exempt from chapter 177; the date on which the pay period ends;
5. the total amount of gross pay earned by the employee during that period;
6. a list of deductions made from the employee's pay;
7. any amount deducted by the employer under section 268B.14, subdivision 3, and the amount paid by the employer based on the employee's wages under section 268B.14, subdivision 1;
8. the net amount of pay after all deductions are made;
9. the date on which the pay period ends;
10. the legal name of the employer and the operating name of the employer if different from the legal name;
11. the physical address of the employer's main office or principal place of business, and a mailing address if different; and
12. the telephone number of the employer.

If, within 15 calendar days after being served with the order, the employer fails to file a written notice of objection with the commissioner, the order becomes a final order of the commissioner.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

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1. the name of the employee;
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3. allowances, if any, claimed pursuant to permitted meals and lodging;
4. the total number of hours worked by the employee unless exempt from chapter 177; the date on which the pay period ends;
5. the total amount of gross pay earned by the employee during that period;
6. a list of deductions made from the employee's pay;
7. any amount deducted by the employer under section 268B.14, subdivision 3, and the amount paid by the employer based on the employee's wages under section 268B.14, subdivision 1;
8. the net amount of pay after all deductions are made;
9. the date on which the pay period ends;
10. the legal name of the employer and the operating name of the employer if different from the legal name;
11. the physical address of the employer's main office or principal place of business, and a mailing address if different; and
12. the telephone number of the employer.

**EFFECTIVE DATE.** This section is effective July 1, 2023.

Sec. 4. Minnesota Statutes 2022, section 181.032, is amended to read:

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(a) At the end of each pay period, the employer shall provide each employee an earnings statement, either in writing or by electronic means, covering that pay period. An employer who chooses to provide an earnings statement by electronic means must provide employee access to an employer-owned computer during an employee's regular working hours to review and print earnings statements, and must make statements available for review or printing for a period of three years.

(b) The earnings statement may be in any form determined by the employer but must include:

1. the name of the employee;
2. the rate or rates of pay and basis thereof, including whether the employee is paid by hour, shift, day, week, salary, piece, commission, or other method;
3. allowances, if any, claimed pursuant to permitted meals and lodging;
4. the total number of hours worked by the employee unless exempt from chapter 177; the date on which the pay period ends;
5. the total amount of gross pay earned by the employee during that period;
6. a list of deductions made from the employee's pay;
7. any amount deducted by the employer under section 268B.14, subdivision 3, and the amount paid by the employer based on the employee's wages under section 268B.14, subdivision 1;
8. the net amount of pay after all deductions are made;
9. the date on which the pay period ends;
10. the legal name of the employer and the operating name of the employer if different from the legal name;
11. the physical address of the employer's main office or principal place of business, and a mailing address if different; and
12. the telephone number of the employer.
An employer must provide earnings statements to an employee in writing, rather than by electronic means, if the employer has received at least 24 hours notice from an employee that the employee would like to receive earnings statements in written form. Once an employer has received notice from an employee that the employee would like to receive earnings statements in written form, the employer must comply with that request on an ongoing basis.

At the start of employment, an employer shall provide each employee a written notice containing the following information:

1. The rate or rates of pay and basis thereof, including whether the employee is paid by the hour, shift, day, week, salary, piece, commission, or other method, and the specific application of any additional rates;
2. Allowances, if any, claimed pursuant to permitted meals and lodging;
3. Paid vacation, sick time, or other paid time-off accruals and terms of use;
4. The number of days in the pay period, the regularly scheduled pay day, and the pay day on which the employee will receive the first payment of wages earned;
5. The legal name of the employer and the operating name of the employer if different from the legal name;
6. The physical address of the employer's main office or principal place of business, and a mailing address if different; and
7. The telephone number of the employer.

The employer must keep a copy of the notice under paragraph (d) signed by each employee acknowledging receipt of the notice. The notice must be provided to each employee in English. The English version of the notice must include text provided by the commissioner that informs employees that they may request, by indicating on the form, the notice be provided in a particular language. If requested, the employer shall provide the notice in the language requested by the employee. The commissioner shall make available to employers the text to be included in the English version of the notice required by this section and assist employers with translation of the notice in the languages requested by their employees.

An employer must provide the employee any written changes to the information contained in the notice under paragraph (d) prior to the date the changes take effect.

This section is effective July 1, 2025.
Section 1. Minnesota Statutes 2022, section 256B.057, subdivision 9, is amended to read:

Subd. 9. Employed persons with disabilities. (a) Medical assistance may be paid for a person who is employed and who:

(1) but for excess earnings or assets, meets the definition of disabled under the Supplemental Security Income program;

(2) meets the asset limits in paragraph (d); and

(3) pays a premium and other obligations under paragraph (e).

(b) For purposes of eligibility, there is a $65 earned income disregard. To be eligible for medical assistance under this subdivision, a person must have more than $65 of earned income, be receiving an unemployment insurance benefit under chapter 268 that the person began receiving while eligible under this subdivision, or be receiving family and medical leave benefits under chapter 268B that the person began receiving while eligible under this subdivision. Earned income must have Medicare, Social Security, and applicable state and federal taxes withheld. The person must document earned income tax withholding. Any spousal income or assets shall be disregarded for purposes of eligibility and premium determinations.

(c) After the month of enrollment, a person enrolled in medical assistance under this subdivision who would otherwise be ineligible and be disenrolled due to one of the following circumstances may retain eligibility for up to four consecutive months after a month of job loss if the person:

(1) is temporarily unable to work and without receipt of earned income due to a medical condition, as verified by a physician, advanced practice registered nurse, or physician assistant; or

(2) loses employment for reasons not attributable to the enrollee, and is without receipt of earned income may retain eligibility for up to four consecutive months after the month of job loss.

To receive a four-month extension of continued eligibility under this paragraph, enrollees must verify the medical condition or provide notication of job loss, continue to meet all other eligibility requirements must be met, and the enrollee must continue to pay all calculated premium costs for continued eligibility.

(d) For purposes of determining eligibility under this subdivision, a person's assets must not exceed $20,000, excluding:

(1) all assets excluded under section 256B.056;

(2) retirement accounts, including individual accounts, 401(k) plans, 403(b) plans, Keogh plans, and pension plans;

(3) medical expense accounts set up through the person's employer; and
(4) Spousal assets, including spouse's share of jointly held assets.

(6) All enrollees must pay a premium to be eligible for medical assistance under this subdivision, except as provided under clause (5):

(1) An enrollee must pay the greater of a $35 premium or the premium calculated based on the person's gross earned and unearned income and the applicable family size using a sliding fee scale established by the commissioner, which begins at one percent of income at 100 percent of the federal poverty guidelines and increases to 7.5 percent of income for those with incomes at or above 300 percent of the federal poverty guidelines.

(2) Annual adjustments in the premium schedule based upon changes in the federal poverty guidelines shall be effective for premiums due in July of each year.

(3) All enrollees who receive unearned income must pay one-half of one percent of unearned income in addition to the premium amount, except as provided under clause (5).

(4) Increases in benefits under title II of the Social Security Act shall not be counted as income for purposes of this subdivision until July 1 of each year.

(5) Effective July 1, 2009, American Indians are exempt from paying premiums as required by section 5006 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5. For purposes of this clause, an American Indian is any person who meets the definition of Indian according to Code of Federal Regulations, title 42, section 447.50.

(6) A person's eligibility and premium shall be determined by the local county agency. Premiums must be paid to the commissioner.

(7) Any required premium shall be determined at application and redetermined at the enrollee's six-month income review or when a change in income or household size is reported.

(8) Premiums must be paid in installments at the discretion of the commissioner.

(9) Nonpayment of the premium shall result in denial or termination of medical assistance unless the person demonstrates good cause for nonpayment. "Good cause" means an excuse for the enrollee's failure to pay the required premium when due because the circumstances were beyond the enrollee's control or not reasonably foreseeable. The commissioner shall determine whether good cause exists based on the weight of the supporting evidence submitted by the enrollee to demonstrate good cause. Except when an installment agreement is accepted by the commissioner, all persons disenrolled for nonpayment of a premium must
pay any past due premiums as well as current premiums due prior to being reenrolled.

Nonpayment shall include payment with a returned, refused, or dishonored instrument. The
commissioner may require a guaranteed form of payment as the only means to replace a
returned, refused, or dishonored instrument.

(j) For enrollees whose income does not exceed 200 percent of the federal poverty
guidelines and who are also enrolled in Medicare, the commissioner shall reimburse the
enrollee for Medicare part B premiums under section 256B.0625, subdivision 15, paragraph
(a).

Sec. 5. Minnesota Statutes 2022, section 256B.0659, subdivision 18, is amended to read:

Subd. 18. Personal care assistance choice option; generally. (a) The commissioner
may allow a recipient of personal care assistance services to use a fiscal intermediary to
assist the recipient in paying and accounting for medically necessary covered personal care
services. Unless otherwise provided in this section, all other statutory and
regulatory provisions relating to personal care assistance services apply to a recipient using
the personal care assistance choice option.

(b) Personal care assistance choice is an option of the personal care assistance program
that allows the recipient who receives personal care assistance services to be responsible
for the hiring, training, scheduling, and firing of personal care assistants according to the
terms of the written agreement with the personal care assistance choice agency required
under subdivision 20, paragraph (a). This program offers greater control and choice for the
recipient in who provides the personal care assistance service and when the service is
scheduled. The recipient or the recipient's responsible party must choose a personal care
choice provider agency as a fiscal intermediary. This personal care assistance
choice provider agency manages payroll, invoices the state, is responsible for all
payroll-related taxes and insurance, including premiums for family and medical benefit
insurance, and is responsible for providing the consumer training and support in managing
the recipient's personal care assistance services.

Sec. 6. Minnesota Statutes 2022, section 256B.85, subdivision 13, is amended to read:

Subd. 13. Budget model. (a) Under the budget model participants exercise responsibility
and control over the services and supports described and budgeted within the CFSS service
delivery plan. Participants must use services specified in subdivision 13a provided by an
FMS provider. Under this model, participants may use their approved service budget
allocation to:

(1) directly employ support workers, and pay wages, federal and state payroll taxes, and
premiums for workers' compensation, liability, family and medical benefit insurance, and
health insurance coverage; and

(2) obtain supports and goods as defined in subdivision 7;
(b) Participants who are unable to fulfill any of the functions listed in paragraph (a) may authorize a legal representative or participant's representative to do so on their behalf.

(c) If two or more participants using the budget model live in the same household and have the same support worker, the participants must use the same FMS provider.

(d) If the FMS provider advises that there is a joint employer in the budget model, all participants associated with that joint employer must use the same FMS provider.

(e) The commissioner shall disenroll or exclude participants from the budget model and transfer them to the agency/provider model under, but not limited to, the following circumstances:

(1) when a participant has been restricted by the Minnesota restricted recipient program, in which case the participant may be excluded for a specified time period under Minnesota Rules, parts 9505.2160 to 9505.2245;

(2) when a participant exits the budget model during the participant's service plan year, Upon transfer, the participant shall not access the budget model for the remainder of that service plan year; or

(3) when the department determines that the participant or participant's representative or legal representative is unable to fulfill the responsibilities under the budget model, as specified in subdivision 14.

(f) A participant may appeal in writing to the department under section 256.045, subdivision 3, to contest the department's decision under paragraph (e), clause (3), to disenroll or exclude the participant from the budget model.

Subd. 13a. Financial management services. (a) Services provided by an FMS provider include but are not limited to: filing and payment of federal and state payroll taxes and premiums on behalf of the participant; initiating and complying with background study requirements under chapter 245C and maintaining documentation of background study results; billing for approved CFSS services with authorized funds; monitoring expenditures; accounting for and disbursing CFSS funds; providing assistance in obtaining and filing for liability, workers' compensation, family and medical benefit insurance, and unemployment coverage; and providing participant instruction and technical assistance to the participant in fulfilling employer-related requirements in accordance with section 3504 of the Internal Revenue Code and related regulations and interpretations, including Code of Federal Regulations, title 26, section 31.3504-1.

(b) Agency-provider services shall not be provided by the FMS provider.

(c) The FMS provider shall provide service functions as determined by the commissioner for budget model participants that include but are not limited to:
(1) assistance with the development of the detailed budget for expenditures portion of
the CFSS service delivery plan as requested by the consultation services provider or
participant;
(2) data recording and reporting of participant spending;
(3) other duties established by the department, including with respect to providing
assistance to the participant, participant's representative, or legal representative in performing
employer responsibilities regarding support workers. The support worker shall not be
considered the employee of the FMS provider; and
(4) billing, payment, and accounting of approved expenditures for goods.
(d) The FMS provider shall obtain an assurance statement from the participant employer
agreeing to follow state and federal regulations and CFSS policies regarding employment
of support workers.
(e) The FMS provider shall:
(1) not limit or restrict the participant's choice of service or support providers or service
delivery models consistent with any applicable state and federal requirements;
(2) provide the participant, consultation services provider, and case manager or care
coordinator, if applicable, with a monthly written summary of the spending for services and
supports that were billed against the spending budget;
(3) be knowledgeable of state and federal employment regulations; including those under
the Fair Labor Standards Act of 1938, and comply with the requirements under chapter
268B and section 3504 of the Internal Revenue Code and related regulations and
interpretations, including Code of Federal Regulations, title 26, section 31.3504-1; regarding
agency employer tax liability for vendor fiscal/employer agent, and any requirements
necessary to process employer and employee deductions, provide appropriate and timely
submission of employer tax liabilities, and maintain documentation to support medical
assistance claims;
(4) have current and adequate liability insurance and bonding and sufficient cash flow
as determined by the commissioner and have on staff or under contract a certified public
accountant or an individual with a baccalaureate degree in accounting;
(5) assume fiscal accountability for state funds designated for the program and be held
liable for any overpayments or violations of applicable statutes or rules, including but not
limited to the Minnesota False Claims Act, chapter 15C;
(6) maintain documentation of receipts, invoices, and bills to track all services and
supports expenditures for any goods purchased and maintain time records of support workers.
The documentation and time records must be maintained for a minimum of five years from
the claim date and be available for audit or review upon request by the commissioner. Claims
submitted by the FMS provider to the commissioner for payment must correspond with
services, amounts, and time periods as authorized in the participant's service budget and
service plan and must contain specific identifying information as determined by the
commissioner; and

(7) provide written notice to the participant or the participant's representative at least 30
calendar days before a proposed service termination becomes effective;

(1) establish rates and payment methodology for the FMS provider;

(2) identify a process to ensure quality and performance standards for the FMS provider
and ensure statewide access to FMS providers; and

(3) establish a uniform protocol for delivering and administering CFSS services to be
used by eligible FMS providers;

Sec. 8. Minnesota Statutes 2022, section 268.19, subdivision 1, is amended to read:

Subdivision 1. Use of data. (a) Except as provided by this section, data gathered from
any person under the administration of the Minnesota Unemployment Insurance Law are
private data on individuals or nonpublic data not on individuals as defined in section 13.02,
subdivisions 9 and 12, and may not be disclosed except according to a district court order
or section 13.05. A subpoena is not considered a district court order. These data may be
disseminated to and used by the following agencies without the consent of the subject of
the data:

(1) state and federal agencies specifically authorized access to the data by state or federal
law;

(2) any agency of any other state or any federal agency charged with the administration
of an unemployment insurance program;

(3) any agency responsible for the maintenance of a system of public employment offices
for the purpose of assisting individuals in obtaining employment;

(4) the public authority responsible for child support in Minnesota or any other state in
accordance with section 256.978;

(5) human rights agencies within Minnesota that have enforcement powers;

(6) the Department of Revenue to the extent necessary for its duties under Minnesota
laws;

(7) public and private agencies responsible for administering publicly financed assistance
programs for the purpose of monitoring the eligibility of the program's recipients;

(8) the Department of Labor and Industry and the Commerce Fraud Bureau in the
Department of Commerce for uses consistent with the administration of their duties under
Minnesota law;
9.6 (9) the Department of Human Services and the Office of Inspector General and its agents
within the Department of Human Services, including county fraud investigators, for
investigations related to recipient or provider fraud and employees of providers when the
provider is suspected of committing public assistance fraud;
9.10 (10) local and state welfare agencies for monitoring the eligibility of the data subject
for assistance programs, or for any employment or training program administered by those
agencies, whether alone, in combination with another welfare agency, or in conjunction
with the department or to monitor and evaluate the statewide Minnesota family investment
program and other cash assistance programs, the Supplemental Nutrition Assistance Program,
and the Supplemental Nutrition Assistance Program Employment and Training program by
providing data on recipients and former recipients of Supplemental Nutrition Assistance
Program (SNAP) benefits, cash assistance under chapter 256, 256D, 256J, or 256K, child
care assistance under chapter 119B, or medical programs under chapter 256B or 256L or
formerly codified under chapter 256D;
9.20 (11) local and state welfare agencies for the purpose of identifying employment, wages,
and other information to assist in the collection of an overpayment in an assistance
program;
9.22 (12) local, state, and federal law enforcement agencies for the purpose of ascertaining
the last known address and employment location of an individual who is the subject of a
criminal investigation;
9.25 (13) the United States Immigration and Customs Enforcement has access to data on
specific individuals and specific employers provided the specific individual or specific
employer is the subject of an investigation by that agency;
9.29 (14) the Department of Health for the purposes of epidemiologic investigations;
9.31 (15) the Department of Corrections for the purposes of case planning and internal research
for preprobation, probation, and postprobation employment tracking of offenders sentenced
to probation and preconfinement and postconfinement employment tracking of committed
offenders;
9.33 (16) the state auditor to the extent necessary to conduct audits of job opportunity building
zones as required under section 469.3201; and
9.35 (17) the Office of Higher Education for purposes of supporting program improvement,
system evaluation, and research initiatives including the Statewide Longitudinal Education
Data System and
9.37 (18) the Family and Medical Benefits Division of the Department of Employment and
Economic Development to be used as necessary to administer chapter 268D; and
9.40 (6) Data on individuals and employers that are collected, maintained, or used by the
department in an investigation under section 268.182 are confidential as to data on individuals
and protected nonpublic data not on individuals as defined in section 13.02, subdivisions 3
and
10.1  (9) the Department of Human Services and the Office of Inspector General and its agents
within the Department of Human Services, including county fraud investigators, for
investigations related to recipient or provider fraud and employees of providers when the
provider is suspected of committing public assistance fraud;
10.5 (10) local and state welfare agencies for monitoring the eligibility of the data subject
for assistance programs, or for any employment or training program administered by those
agencies, whether alone, in combination with another welfare agency, or in conjunction
with the department or to monitor and evaluate the statewide Minnesota family investment
program and other cash assistance programs, the Supplemental Nutrition Assistance Program,
and the Supplemental Nutrition Assistance Program Employment and Training program by
providing data on recipients and former recipients of Supplemental Nutrition Assistance
Program (SNAP) benefits, cash assistance under chapter 256, 256D, 256J, or 256K, child
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department in an investigation under section 268.182 are confidential as to data on individuals
and protected nonpublic data not on individuals as defined in section 13.02, subdivisions 3
and
and 13, and must not be disclosed except under statute or district court order or to a party named in a criminal proceeding, administrative or judicial, for preparation of a defense.

(c) Data gathered by the department in the administration of the Minnesota unemployment insurance program must not be made the subject or the basis for any suit in any civil proceedings, administrative or judicial, unless the action is initiated by the department.

EFFECTIVE DATE. This section is effective July 1, 2023.

Sec. 5. [268B.01] DEFINITIONS.

Subd. 1. Scope. For the purposes of this chapter, the terms defined in this section have the meanings given.

Subd. 2. Applicant. "Applicant" means an individual applying for leave with benefits under this chapter.

Subd. 3. Applicant's average weekly wage. "Applicant's average weekly wage" means an amount equal to the applicant's high quarter wage credits divided by 13.

Subd. 4. Base period. (a) "Base period," unless otherwise provided in this subdivision, means the most recent four completed calendar quarters before the effective date of an applicant's application for family or medical leave benefits if the application has an effective date occurring after the month following the most recent completed calendar quarter. The base period under this paragraph is as follows:

<table>
<thead>
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<th>Dates</th>
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(b) If an application for family or medical leave benefits has an effective date that is during the month following the most recent completed calendar quarter, then the base period is the first four of the most recent five completed calendar quarters before the effective date of an applicant's application for family or medical leave benefits. The base period under this paragraph is as follows:

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If the application for family or medical leave benefits is effective on or between these dates: the base period is the prior:

- January 1 to January 31: April 1 to April 30
- October 1 to September 30: January 1 to December 31
- April 1 to April 30: July 1 to July 31
- January 1 to December 31: April 1 to March 31
- July 1 to July 31: October 1 to October 31
- April 1 to March 31: July 1 to June 30

(c) Regardless of paragraph (a), a base period of the first four of the most recent five completed calendar quarters must be used if the applicant would have more wage credits under that base period than under a base period of the four most recent completed calendar quarters.

(d) If the applicant has insufficient wage credits to establish a benefit account under a base period of the four most recent completed calendar quarters, or a base period of the first four of the most recent five completed calendar quarters, but during either base period the applicant received workers' compensation for temporary disability under chapter 176 or a similar federal law or similar law of another state, or if the applicant whose own serious illness caused a loss of work for which the applicant received compensation for loss of wages from some other source, the applicant may request a base period as follows:

1. If the application for family or medical leave benefits is effective on or between these dates:
   - January 1 to January 31: April 1 to April 30
   - October 1 to September 30: January 1 to December 31
   - April 1 to April 30: July 1 to July 31
   - January 1 to December 31: April 1 to March 31
   - July 1 to July 31: October 1 to October 31
   - April 1 to March 31: July 1 to June 30

   (1) if an applicant was compensated for a loss of work of seven to 13 weeks during a base period referred to in paragraph (a) or (b), then the base period is the first four of the most recent six completed calendar quarters before the effective date of the application for family or medical leave benefits;

   (2) if an applicant was compensated for a loss of work of 14 to 26 weeks during a base period referred to in paragraph (a) or (b), then the base period is the first four of the most recent seven completed calendar quarters before the effective date of the application for family or medical leave benefits;

   (3) if an applicant was compensated for a loss of work of 27 to 39 weeks during a base period referred to in paragraph (a) or (b), then the base period is the first four of the most recent eight completed calendar quarters before the effective date of the application for family or medical leave benefits; and

   (4) if an applicant was compensated for a loss of work of 40 to 52 weeks during a base period referred to in paragraph (a) or (b), then the base period is the first four of the most recent nine completed calendar quarters before the effective date of the application for family or medical leave benefits.

(e) Regardless of paragraph (a), a base period of the first four of the most recent five completed calendar quarters must be used if the applicant would have more wage credits under that base period than under a base period of the four most recent completed calendar quarters.

(f) If the applicant has insufficient wage credits to establish a benefit account under a base period of the four most recent completed calendar quarters, or a base period of the first four of the most recent five completed calendar quarters, but during either base period the applicant received workers' compensation for temporary disability under chapter 176 or a similar federal law or similar law of another state, or if the applicant whose own serious illness caused a loss of work for which the applicant received compensation for loss of wages from some other source, the applicant may request a base period as follows:

1. If the application for family or medical leave benefits is effective on or between these dates:
   - January 1 to January 31: April 1 to April 30
   - October 1 to September 30: January 1 to December 31
   - April 1 to April 30: July 1 to July 31
   - January 1 to December 31: April 1 to March 31
   - July 1 to July 31: October 1 to October 31
   - April 1 to March 31: July 1 to June 30

   (1) if an applicant was compensated for a loss of work of seven to 13 weeks during a base period referred to in paragraph (a) or (b), then the base period is the first four of the most recent six completed calendar quarters before the effective date of the application for family or medical leave benefits;

   (2) if an applicant was compensated for a loss of work of 14 to 26 weeks during a base period referred to in paragraph (a) or (b), then the base period is the first four of the most recent seven completed calendar quarters before the effective date of the application for family or medical leave benefits;

   (3) if an applicant was compensated for a loss of work of 27 to 39 weeks during a base period referred to in paragraph (a) or (b), then the base period is the first four of the most recent eight completed calendar quarters before the effective date of the application for family or medical leave benefits; and

   (4) if an applicant was compensated for a loss of work of 40 to 52 weeks during a base period referred to in paragraph (a) or (b), then the base period is the first four of the most recent nine completed calendar quarters before the effective date of the application for family or medical leave benefits.
For an applicant under a private plan as provided in section 268B.10, the base period associated with qualifying bonding, family care, serious health condition, qualifying exigency, or safety leave events, unless otherwise indicated by context.

(Calendar quarter) means the period of three consecutive calendar months ending on March 31, June 30, September 30, or December 31. Calendar week has the same meaning as "week" under subdivision 5.

Subd. 1. Benefit account. ‘Benefit account’ means a benefit account established under section 268B.04.

Subd. 2. Benefit year. (a) Except as provided in paragraph (b), "benefit year" means the period of 52 calendar weeks beginning the date a benefit account under section 268B.04 is effective. For a benefit account established effective any January 1, April 1, July 1, or October 1, the benefit year will be a period of 53 calendar weeks.

(b) For a private plan under section 268B.10, "benefit year" means:

(1) a calendar year;

(2) any fixed 12-month period, such as a fiscal year or a 12-month period measured forward from an employee's first date of employment;

(3) a 12-month period measured forward from an employee's first day of leave taken; or

(4) a rolling 12-month period measured backward from an employee's first day of leave taken.

Employers are required to notify employees of their benefit year within 30 days of the private plan approval and first day of employment.

Subd. 3. Bonding. "Bonding" means time spent by an applicant who is a biological, adoptive, or foster parent with a biological, adopted, or foster child in conjunction with the child's birth, adoption, or placement.

Subd. 4. Calendar day. "Calendar day" or "day" means a fixed 24-hour period corresponding to a single calendar date.

Subd. 5. Calendar quarter. "Calendar quarter" means the period of three consecutive calendar months ending on March 31, June 30, September 30, or December 31.

Subd. 6. Calendar week. "Calendar week" has the same meaning as "week" under subdivision 5.

Employers are required to notify employees of their benefit year within 30 days of the private plan approval and first day of employment.

Subd. 7. Benefit account. ‘Benefit account’ means a benefit account established under section 268B.04.

Subd. 8. Benefit year. (a) Except as provided in paragraph (b), "benefit year" means the period of 52 calendar weeks beginning the date a benefit account under section 268B.04 is effective. For a benefit account established effective any January 1, April 1, July 1, or October 1, the benefit year will be a period of 53 calendar weeks.

(b) For a private plan under section 268B.10, "benefit year" means:

(1) a calendar year;

(2) any fixed 12-month period, such as a fiscal year or a 12-month period measured forward from an employee's first date of employment;

(3) a 12-month period measured forward from an employee's first day of leave taken; or

(4) a rolling 12-month period measured backward from an employee's first day of leave taken.

Employers are required to notify employees of their benefit year within 30 days of the private plan approval and first day of employment.

Subd. 9. Benefit year. (a) Except as provided in paragraph (b), "benefit year" means the period of 52 calendar weeks beginning the date a benefit account under section 268B.04 is effective. For a benefit account established effective any January 1, April 1, July 1, or October 1, the benefit year will be a period of 53 calendar weeks.

(b) For a private plan under section 268B.10, "benefit year" means:

(1) a calendar year;

(2) any fixed 12-month period, such as a fiscal year or a 12-month period measured forward from an employee's first date of employment;

(3) a 12-month period measured forward from an employee's first day of leave taken; or

(4) a rolling 12-month period measured backward from an employee's first day of leave taken.

Subd. 10. Calendar quarter. "Calendar quarter" means the period of three consecutive calendar months ending on March 31, June 30, September 30, or December 31.

Subd. 11. Calendar week. "Calendar week" has the same meaning as "week" under subdivision 5.
Subd. 12. Commissioner. "Commissioner" means the commissioner of employment and economic development, unless otherwise indicated by context.

Subd. 13. Construction industry. "Construction industry" means any construction, reconstruction, building erection, alteration, remodel, repair, renovation, rehabilitation, excavation, or demolition of any building, structure, facility utility, power plant, sewer, dam, highway, road, street, airport, bridge, or other improvement.


Subd. 15. Covered employment. (a) "Covered employment" means performing services of whatever nature, unlimited by the relationship of master and servant as known to the common law, or any other legal relationship performed for wages or under any contract calling for the performance of services, written or oral, express or implied.

(b) For the purposes of this chapter, covered employment means an employee's entire employment during a calendar quarter if:

1. 50 percent or more of the employment during the calendar quarter is performed in Minnesota;
2. 50 percent or more of the employment during the calendar quarter is not performed in Minnesota or any other state, and the place from where the employee's employment is controlled and directed is based in Minnesota.

(3) 50 percent or more of the employment during the calendar quarter is performed in Minnesota or any other state, or Canada, but the place from where the employee's employment is controlled and directed is based in Minnesota.

(b) "Covered employment" does not include:

1. a self-employed individual;
2. an independent contractor;
3. employment covered under the federal Railroad Unemployment Insurance Act.

Subd. 16. Department. "Department" means the Department of Employment and Economic Development, unless otherwise indicated by context.

Subd. 17. Employee. (a) "Employee" means an individual who performs services of whatever nature for an employer.

(b) Employee does not include employees of the United States of America, self-employed individuals, or independent contractors.
extends beyond 150 days during any consecutive 52-week period shall be considered an employee for the purposes of this chapter retroactively to the first day of employment. For purposes of this chapter, an employee who is working in the construction industry under a bona fide collective agreement that requires employer contribution to a multiemployer health plan pursuant to United States Code, title 29, section 186(c)(5), but only if the waiver is set forth in clear and unambiguous terms in such collective bargaining agreement, is not considered a seasonal employee.

Subd. 17. Employer. (a) "Employer" means:

(1) any person, type of organization, or entity, including any partnership, association, trust, estate, joint stock company, insurance company, limited liability company, or corporation, whether domestic or foreign, or the receiver in bankruptcy, trustee, or the legal representative of a deceased person, having any individual in covered employment;

(2) the state, state agencies, Minnesota State Colleges and Universities, University of Minnesota, and other statewide public systems; and

(3) any municipality or local government entity, including but not limited to a county, city, town, school district, Metropolitan Council, Metropolitan Airports Commission, housing and redevelopment authority, port authority, economic development authority, sports facilities authority, joint powers board or organization created under section 471.59, destination medical center corporation, municipal corporation, quasimunicipal corporation, or other political subdivision. An employer also includes charter schools.

(b) Employer does not include:

(1) the United States of America; or

(2) a self-employed individual who has elected and been approved for coverage under section 268B.11 with regard to the self-employed individual's own coverage and benefits.

Subd. 19. Estimated self-employment income. "Estimated self-employment income" means a self-employed individual's average net earnings from self-employment in the two most recent taxable years. For a self-employed individual who had net earnings from self-employment in only one of the years, the individual's estimated self-employment income equals the individual's net earnings from self-employment in the year in which the individual had net earnings from self-employment.

Subd. 20. Family and medical benefit insurance account. "Family and medical benefit insurance account" means the family and medical benefit insurance account in the special revenue fund in the state treasury under section 268B.02.
Subd. 21. Family and medical benefit insurance enforcement account. "Family and medical benefit insurance enforcement account" means the family and medical benefit insurance enforcement account in the state treasury under section 268B.185.

Subd. 22. Family benefit program. "Family benefit program" means the program administered under this chapter for the collection of premiums and payment of benefits related to family care, bonding, safety leave, and leave related to a qualifying exigency.

Subd. 23. Family care. "Family care" means an applicant caring for a family member with a serious health condition, caring for a family member who is a covered service member, or caring for a family member who is taking safety leave.

Subd. 24. Family member. (a) "Family member" means, with respect to an applicant:

1. A spouse or domestic partner;
2. A child, including a biological, adopted, or foster child, a stepchild, or a child to whom the applicant stands in loco parentis, is a legal guardian, or is a de facto parent;
3. A parent or legal guardian of the applicant;
4. A sibling;
5. A grandchild;
6. A grandparent or spouse's grandparent;
7. A son-in-law or daughter-in-law; and
8. An individual who has a relationship with the applicant that creates an expectation and reliance that the applicant care for the individual, whether or not the applicant and the individual reside together.

(b) For the purposes of this chapter, "grandchild" means a child of the applicant's child.

(c) For the purposes of this chapter, "grandparent" means a parent of the applicant's parent.

(d) For the purposes of this chapter, "grandchild" means a child of the applicant's child.

(e) For the purposes of this chapter, "grandparent" means a parent of the applicant's parent.

(f) For purposes of this chapter, a child includes a stepchild, biological, adopted, or foster child of the applicant; or a child for whom the applicant is standing or stood in loco parentis.

(g) For purposes of this chapter, a grandchild includes a stepgrandchild or biological, adopted, or foster grandchild of the applicant.

(h) For purposes of this chapter, a grandparent includes a stepgrandparent or biological, adoptive, or foster grandparent of the applicant.
(d) For purposes of this chapter, "parent" means the biological, adoptive, de facto, or foster parent; stepparent, or legal guardian of an applicant or the applicant's spouse; or an individual who stood in loco parentis to an applicant when the applicant was a child.

Subd. 25. Health care provider, "Health care provider" means:

1. An individual who is licensed, certified, or otherwise authorized under law to practice in the individual's scope of practice as a physician, physician assistant, osteopath, surgeon, podiatrist, advanced practice registered nurse, alcohol and drug counselor, as defined in section 148F.01, subdivision 5 or mental health professional, as defined in section 245.02, subdivision 27;
2. Any other individual determined by the commissioner by rule, in accordance with the rulemaking procedures in the Administrative Procedure Act, to be capable of providing health care services.

Subd. 26. High quarter, "High quarter" means the calendar quarter in an applicant's base period with the highest amount of wage credits.

Subd. 27. Incapacity, "Incapacity" means inability to perform regular work, attend school, or perform other regular daily activities due to a serious health condition, treatment therefore, or recovery therefrom.

Subd. 28. Independent contractor, If there is an existing specific test or definition for independent contractor in Minnesota statute or rule applicable to an occupation or sector as of the date of enactment of this chapter, that test or definition shall apply to that occupation or sector for purposes of this chapter. If there is not an existing test or definition as described, the definition for independent contractor shall be as provided in Minnesota Rules, part 5200.0221.

Subd. 29. Inpatient care, "Inpatient care" means an overnight stay in a hospital, hospice, or residential medical care facility, including any period of incapacity, or any subsequent treatment in connection with such inpatient care.

Subd. 30. Maximum weekly benefit amount, "Maximum weekly benefit amount", mean the state's average weekly wage as calculated under section 268.035, subdivision 23.

Subd. 31. Medical benefit program, "Medical benefit program" means the program administered under this chapter for the collection of premiums and payment of benefits related to an applicant's serious health condition or pregnancy.
Subd. 31. **Net earnings from self-employment.** "Net earnings from self-employment" has the meaning given in section 1402 of the Internal Revenue Code, as defined in section 290.01, subdivision 31.

Subd. 32. **Self-employment premium base.** "Self-employment premium base" means the lesser of:

1. At least 5.3 percent of the state's average annual wage in net earnings from self-employment, derived from an entity other than an S corporation for the performance of services in this state;

2. At least 5.3 percent of the state's average annual wage in net earnings from self-employment, derived from the domestic abuse, sexual assault, or stalking of the applicant or applicant's family member, provided the applicant is the family member of the applicant taking leave related to the qualifying exigency.

Subd. 33. **Qualifying exigency.** (a) "Qualifying exigency" means a need arising out of a military member's covered active duty service or notice of an impending call or order to active duty in the United States armed forces, including providing for the care or other needs of the family member's child or other dependent, making financial or legal arrangements for the family member, attending counseling, attending military events or ceremonies, spending time with the family member during a rest and recuperation leave or following return from deployment, or making arrangements following the death of the military member.

(b) For the purposes of this chapter, a "military member" means a current or former member of the United States armed forces, including a member of the National Guard or reserves, who, except for a deceased military member, is a resident of the state and is a family member of the applicant taking leave related to the qualifying exigency.

Subd. 34. **Safety leave.** "Safety leave" means leave from work because of domestic abuse, sexual assault, or stalking of the applicant or applicant's family member, provided the leave is to:

1. Seek medical attention related to the physical or psychological injury or disability caused by domestic abuse, sexual assault, or stalking;

2. Obtain services from a victim services organization;

3. Obtain psychological or other counseling;

4. Seek relocation due to the domestic abuse, sexual assault, or stalking; or

5. Seek legal advice or take legal action, including preparing for or participating in any civil or criminal legal proceeding related to, or resulting from, the domestic abuse, sexual assault, or stalking.

Subd. 35. **Self-employed individual.** "Self-employed individual" means a resident of the state who, in one taxable year preceding the current calendar year, derived at least 5.3 percent of the state's average annual wage in net earnings from self-employment, derived at least 5.3 percent of the state's average annual wage in net earnings from self-employment, derived at least 5.3 percent of the state's average annual wage in net earnings from self-employment.

Subd. 36. **Self-employment premium base.** "Self-employment premium base" means the lesser of:

1. At least 5.3 percent of the state's average annual wage in net earnings from self-employment, derived from an entity other than an S corporation for the performance of services in this state;

2. At least 5.3 percent of the state's average annual wage in net earnings from self-employment, derived from the domestic abuse, sexual assault, or stalking of the applicant or applicant's family member, provided the applicant is the family member of the applicant taking leave related to the qualifying exigency.
Subd. 38. Self-employment wages. "Self-employment wages" means the amount of wages that a self-employed individual earned in the calendar year from an entity from which the individual also received net earnings from self-employment.

Subd. 39. Serious health condition. (a) "Serious health condition" means a physical or mental illness, injury, impairment, condition, or substance use disorder that involves:

(A) treatment two or more times, within 30 days of the first day of incapacity, unless extenuating circumstances beyond the applicant's control prevent a follow-up visit from occurring as planned, by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider; or

(B) treatment by a health care provider on at least one occasion that results in a regimen of continuing treatment under the supervision of the health care provider;

(ii) a period of incapacity due to pregnancy;

(iii) a period of incapacity or treatment for a chronic health condition that:

(A) requires periodic visits, defined as at least twice a year, for treatment by a health care provider or under orders of, or on referral by, a health care provider;

(B) continues over an extended period of time, including recurring episodes of a single underlying condition; and

(C) may cause episodic rather than continuing periods of incapacity;

(iv) a period of incapacity which is permanent or long term due to a condition for which treatment may not be effective. The applicant or family member must be under the continuing supervision of, but need not be receiving active treatment by, a health care provider; or

(v) a period of absence to receive multiple treatments, including any period of recovery from the treatments, by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider, for:

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(A) restorative surgery after an accident or other injury; or

(B) a condition that would likely result in a period of incapacity of more than three consecutive, full calendar days in the absence of medical intervention or treatment.

(b) For the purposes of paragraph (a), clauses (1) and (2), treatment by a health care provider means an in-person visit or telemedicine visit with a health care provider, or by a provider of health care services under orders of, or on referral by, a health care provider.

(c) For the purposes of paragraph (a), treatment includes but is not limited to examinations to determine if a serious health condition exists and evaluations of the condition.

(d) Absences attributable to incapacity under paragraph (a), clause (2), item (ii) or (iii), qualify for leave under this chapter even if the applicant or the family member does not receive treatment from a health care provider during the absence, and even if the absence does not last more than three consecutive, full calendar days.

Subd. 40. State’s average weekly wage. “State’s average weekly wage” means the weekly wage calculated under section 268.035, subdivision 23.

Subd. 41. Supplemental benefit payment. (a) "Supplemental benefit payment" means:

(1) a payment made by an employer to an employee as salary continuation or as paid time off. Such a payment must be in addition to any family or medical leave benefits the employee is receiving under this chapter; and

(2) a payment offered by an employer to an employee who is taking leave under this chapter to supplement the family or medical leave benefits the employee is receiving.

(b) Employers may, but are not required to, designate certain benefits including but not limited to salary continuation, vacation leave, sick leave, or other paid time off as a supplemental benefit payment.

(c) Nothing in this chapter requires an employee to receive supplemental benefit payments.

Subd. 42. Taxable year. "Taxable year" has the meaning given in section 290.01, subdivision 9.

Subd. 43. Taxable wages. "Taxable wages" means those wages paid to an employee in covered employment each calendar year up to an amount equal to the maximum wages subject to premium in a calendar year, which is equal to the maximum earnings in that year subject to the FICA Old-Age, Survivors, and Disability Insurance tax rounded to the nearest $1,000.
Subd. 43. Typical workweek. "Typical workweek" means:

(1) for an hourly employee, the average number of hours worked per week by an employee within the high quarter during the base year; or

(2) 40 hours for a salaried employee, regardless of the number of hours the salaried employee typically works.

Subd. 44. Wage credits. "Wage credits" means the amount of wages paid within an applicant's base period for covered employment, as defined in subdivision 13.

Subd. 45. Wage detail report. "Wage detail report" means the report on each employee in covered employment required from an employer on a calendar quarter basis under section 268B.12.

Subd. 46. Wages. "Wages" has the meaning given in section 268.035, subdivision 29.

(a) "Wages" means all compensation for employment, including commissions; bonuses; awards, and prizes; severance payments; standby pay; vacation and holiday pay; back pay as of the date of payment; tips and gratuities paid to an employee by a customer of an employer; and any other goods and services provided to compensate an employee, except:

(1) the amount of any payment made to, or on behalf of, an employee under a plan established by an employer that makes provision for employees generally or for a class or classes of employees, including any amount paid by an employer for insurance or annuities, or into a plan, to provide for a payment, on account of (i) retirement, (ii) medical and hospitalization expenses in connection with sickness or accident disability, or (iii) death;

(2) the payment by an employer of the tax imposed upon an employee under United States Code, title 26, section 101 of the Federal Insurance Contribution Act, with respect to compensation paid to an employee for domestic employment in a private household of the employer or for agricultural employment;

(3) any payment made to, or on behalf of, an employee or beneficiary (i) from or to a trust described in United States Code, title 26, section 401(a) of the federal Internal Revenue Code, that is exempt from tax under section 501(a) of the Code unless the payment is made to an employee of the trust as compensation for services as an employee and not as a beneficiary of the trust, or (ii) under an annuity plan that, at the time of the payment, is a plan described in section 403(a);

(4) the value of any special discount or markdown allowed to an employee on goods purchased from or services supplied by the employer where the purchases are optional and do not constitute regular or systematic payment for services;

(5) customary and reasonable directors' fees paid to individuals who are not otherwise employed by the corporation of which they are directors.
(6) the payment to employees for reimbursement of meal expenses when employees are required to perform work after their regular hours;

(7) the payment into a trust or plan for purposes of providing legal or dental services if provided for all employees generally or for a class or classes of employees;

(8) the value of parking facilities provided or paid for by an employer, in whole or in part, if provided for all employees generally or for a class or classes of employees;

(9) royalties to an owner of a franchise, license, copyright, patent, oil, mineral, or other right;

(10) advances or reimbursements for traveling or other ordinary and necessary expenses incurred or reasonably expected to be incurred in the business of the employer. Traveling and other reimbursed expenses must be identified either by making separate payments or by specifically indicating the separate amounts where both wages and expense allowances are combined in a single payment;

(11) residual payments to radio, television, and similar artists that accrue after the production of television commercials, musical jingles, spot announcements, radio transcriptions, film soundtracks, and similar activities;

(12) the income to a former employee resulting from the exercise of a nonqualified stock option;

(13) supplemental unemployment benefit payments under a plan established by an employer, if the payment is not wages under the Federal Unemployment Tax Act. The payments are wages unless made solely for the supplementing of weekly state or federal unemployment benefits. Supplemental unemployment benefit payments may not be assigned, nor may any consideration be required from the applicant, other than a release of claims in order to be excluded from wages;

(14) sickness or accident disability payments made by the employer after the expiration of six calendar months following the last calendar month that the individual worked for the employer;

(15) disability payments made under the provisions of any workers' compensation law;

(16) sickness or accident disability payments made by a third-party payer such as an insurance company; or

(17) payments made into a trust fund, or for the purchase of insurance or an annuity, to provide for sickness or accident disability payments to employees under a plan or system established by the employer that provides for the employer's employees generally or for a class or classes of employees;

(18) Nothing in this subdivision excludes from the term "wages" any payment made under any type of salary reduction agreement, including payments made under a cash or deferred agreement.
arrangement and cafeteria plan, as defined in United States Code, title 26, sections 401(k) and 125 of the federal Internal Revenue Code, to the extent that the employee has the option to receive the payment in cash:

(c) Wages includes the total payment to the operator and supplier of a vehicle or other equipment where the payment combines compensation for personal services as well as compensation for the cost of operating and hiring the equipment in a single payment. This paragraph does not apply if:

(1) there is a preexisting written agreement providing for allocation of specific amounts;

or

(2) at the time of each payment there is a written acknowledgment indicating the separate allocated amounts:

(d) Wages includes payments made for services as a caretaker. Unless there is a contract or other proof to the contrary, compensation is considered as being equally received by a married couple where the employer makes payment to only one spouse, or by all tenants of a household who perform services where two or more individuals share the same dwelling and the employer makes payment to only one individual;

(e) Wages includes payments made for services by a migrant family. Where services are performed by a married couple or a family and an employer makes payment to only one individual, each worker is considered as having received an equal share of the compensation unless there is a contract or other proof to the contrary;

(f) Wages includes advances or draws against future earnings, when paid, unless the payments are designated as a loan or return of capital on the books and records of the employer at the time of payment;

(g) Wages includes payments made by a subchapter "S" corporation, as organized under the Internal Revenue Code, to or on behalf of officers and shareholders that are reasonable compensation for services performed for the corporation:

For a subchapter "S" corporation, wages does not include:

(1) a loan for business purposes to an officer or shareholder evidenced by a promissory note signed by an officer before the payment of the loan proceeds and recorded on the books and records of the corporation as a loan to an officer or shareholder;

(2) a repayment of a loan or payment of interest on a loan made by an officer to the corporation and recorded on the books and records of the corporation as a liability;

(3) a reimbursement of reasonable corporation expenses incurred by an officer and documented by a written expense voucher and recorded on the books and records of the corporation as corporate expenses; and
(4) a reasonable lease or rental payment to an officer who owns property that is leased or rented to the corporation.

23.17

23.18 Subd. 48. Wages paid. (a) "Wages paid" means the amount of wages:

23.19 (1) that have been actually paid; or

23.20 (2) that have been credited to or set apart so that payment and disposition is under the control of the employee.

23.21 (b) Wage payments delayed beyond the regularly scheduled pay date are wages paid on the missed pay date. Back pay is wages paid on the date of actual payment. Any wages earned but not paid with no scheduled date of payment are wages paid on the last day of employment.

23.22 (c) Wages paid does not include wages earned but not paid except as provided for in this subdivision.

23.23 Subd. 49. Week. "Week" means calendar week ending at midnight Saturday.

23.24 Subd. 50. Weekly benefit amount. "Weekly benefit amount" means the amount of family and medical leave benefits computed under section 268B.04.

23.25 EFFECTIVE DATE. This section is effective July 1, 2023.

24.10 Sec. 10. [268B.02] FAMILY AND MEDICAL BENEFIT INSURANCE PROGRAM CREATION.

24.11 Subdivision 1. Creation. A family and medical benefit insurance program is created to be administered by the commissioner according to the terms of this chapter.

24.12 Subd. 2. Creation of division. A Family and Medical Benefit Insurance Division is created within the department under the authority of the commissioner. The commissioner shall appoint a director of the division. The division shall administer and operate the benefit program under this chapter.

24.13 Subd. 3. Rulemaking. The commissioner shall adopt rules to implement the provisions of this chapter. For the purposes of this chapter, the commissioner may use the expedited rulemaking process under section 14.389.

24.14 Subd. 4. Account creation; appropriation. The family and medical benefit insurance account is created in the special revenue fund in the state treasury. Money in this account is appropriated to the commissioner to pay benefits under and to administer this chapter, including outreach required under section 268B.18. Appropriations and transfers to the account are credited to the account. Earnings, such as interest, dividends, and any other earnings arising from assets of the account, are credited to the account. Money remaining

16.17 Subd. 47. Wages paid. (a) "Wages paid" means the amount of wages:

16.18 (1) that have been actually paid; or

16.19 (2) that have been credited to or set apart so that payment and disposition is under the control of the employee.

16.20 (b) Wage payments delayed beyond the regularly scheduled pay date are wages paid on the missed pay date. Back pay is wages paid on the date of actual payment. Any wages earned but not paid with no scheduled date of payment are wages paid on the last day of employment.

16.21 (c) Wages paid does not include wages earned but not paid except as provided for in this subdivision.

16.22 Subd. 48. Week. "Week" means calendar week ending at midnight Saturday.

16.23 Subd. 49. Weekly benefit amount. "Weekly benefit amount" means the amount of family and medical leave benefits computed under section 268B.04.

16.24 EFFECTIVE DATE. This section is effective July 1, 2023.

17.1 SUBD. 1. CREATION. A family and medical benefit insurance program is created to be administered by the commissioner according to the terms of this chapter.

17.3 Subd. 2. Creation of division. A Family and Medical Benefit Insurance Division is created within the department under the authority of the commissioner. The commissioner shall appoint a director of the division. Employees of the division shall serve in the classified civil service of the state. The division shall administer and operate the benefit program under this chapter.

17.9 Subd. 3. Rulemaking. The commissioner shall adopt rules to implement the provisions of this chapter. For the purposes of this chapter, the commissioner may use the expedited rulemaking process under section 14.389.

17.12 Subd. 4. Account creation; appropriation. The family and medical benefit insurance account is created in the special revenue fund in the state treasury. Unless otherwise appropriated, money in this account is appropriated to the commissioner to pay benefits under and to administer this chapter, including outreach required under section 268B.18. Appropriations and transfers to the account are credited to the account. Earnings, such as interest, dividends, and any other earnings arising from assets of the account, are credited

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24.18 in the account at the end of a fiscal year are not canceled to the general fund but remain in
the account until expended.
24.19
24.20 Subd. 5. Information technology services and equipment. The department is exempt
from the provisions of section 16E.016 for the purposes of this chapter.
24.21

EFFECTIVE DATE. This section is effective July 1, 2023.

Sec. 11. [268B.03] PAYMENT OF BENEFITS.

Subdivision 1. Requirements. The commissioner must pay benefits from the family
and medical benefit insurance account as provided under this chapter to an applicant who
has met each of the following requirements:

(1) the applicant has filed an application for benefits and established a benefit account
in accordance with section 268E.04;

(2) the applicant has met all of the ongoing eligibility requirements under section
268E.06;

(3) the applicant does not have an outstanding overpayment of family or medical leave
benefits, including any penalties or interest;

(4) the applicant has not been held ineligible for benefits under section 268.07, subdivision
2; and

(5) the applicant is not employed exclusively by a private plan employer and has wage
credits during the base year attributable to employers covered under the state family and
medical leave program.

Subd. 2. Benefits paid from state funds. Benefits are paid from state funds and are not
considered paid from any special insurance plan, nor as paid by an employer. An application
for family or medical leave benefits is not considered a claim against an employer but is
considered a request for benefits from the family and medical benefit insurance account.

The commissioner has the responsibility for the proper payment of benefits regardless of
the level of interest or participation by an applicant or an employer in any determination or
appeal. An applicant's entitlement to benefits must be determined based upon that information
available without regard to a burden of proof. Any agreement between an applicant and an
employer is not binding on the commissioner in determining an applicant's entitlement.

There is no presumption of entitlement or nonentitlement to benefits.

In the account at the end of a fiscal year are not canceled to the general fund but remain in
the account until expended.

Subd. 5. Information technology services and equipment. The department is exempt
from the provisions of section 16E.016 for the purposes of this chapter.

EFFECTIVE DATE. This section is effective July 1, 2023.

Sec. 7. [268B.03] PAYMENT OF BENEFITS.

The commissioner must pay benefits from the family and medical benefit insurance
account as provided under this chapter to an applicant who has met each of the following
requirements:

(1) the applicant has filed an application for benefits and established a benefit account
in accordance with section 268E.04;

(2) the applicant has met all of the ongoing eligibility requirements under section
268E.06;

(3) the applicant does not have an outstanding overpayment of family or medical leave
benefits, including any penalties or interest;

(4) the applicant has not been held ineligible for benefits under section 268.07, subdivision
2; and

(5) the applicant is not employed exclusively by a private plan employer and has wage
credits during the base year attributable to employers covered under the state family and
medical leave program.
EFFECTIVE DATE. Except as provided in section 4, this section is effective July 1, 2025.

Sec. 12. [268B.04] BENEFIT ACCOUNT; BENEFITS.

Subdivision 1. Application for benefits; determination of benefit account. (a) An application for benefits may be filed up to 60 days before leave taken under chapter 268B.

(b) The commissioner may examine each application for benefits to determine the base period and the benefit year, and based upon all the covered employment in the base period the commissioner must determine the weekly benefit amount available, if any, and the maximum amount of benefits available, if any. The determination, which is a document separate and distinct from a document titled a determination of eligibility or determination of ineligibility, must be titled determination of benefit account. A determination of benefit account must be sent to the applicant and all base period employers, by mail or electronic transmission, as required under section 268B.12, the commissioner may accept an applicant certification of wage credits, based upon the applicant's records, and issue a determination of benefit account.

(d) The commissioner may, at any time within 24 months from the establishment of a benefit account, reconsider any determination of benefit account and make an amended determination if the commissioner finds that the wage credits listed in the determination were incorrect for any reason. An amended determination of benefit account must be promptly sent to the applicant and all base period employers, by mail or electronic transmission. This paragraph does not apply to documents titled determinations of eligibility or determinations of ineligibility issued.

(e) If an amended determination of benefit account reduces the weekly benefit amount or maximum amount of benefits available, any benefits that have been paid greater than the amount of the overpayment or the requirement that the overpaid benefits must be repaid according to section 268B.185.

Subd. 2. Benefit account requirements. To establish a benefit account, an applicant must have wage credits of at least 5.3 percent of the state's average annual wage rounded down to the next lower $100.
Subd. 3. Weekly benefit amount; maximum amount of benefits available; prorated amount. (a) Subject to the maximum weekly benefit amount, an applicant's weekly benefit is calculated by adding the amounts obtained by applying the following percentage to an applicant's average typical workweek and weekly wage during the high quarter of the base period:

1. 90 percent of wages that do not exceed 50 percent of the state's average weekly wage; plus
2. 66 percent of wages that exceed 50 percent of the state's average weekly wage but not 100 percent; plus
3. 55 percent of wages that exceed 100 percent of the state's average weekly wage.

(b) The state's average weekly wage is the average wage as calculated under section 268.035, subdivision 23, at the time a benefit amount is first determined.

(c) The maximum weekly benefit amount is the state's average weekly wage as calculated under section 268.035, subdivision 23.

(d) The state's maximum weekly benefit amount, computed in accordance with section 268.035, subdivision 23, applies to a benefit account established effective on or after the last Sunday in October. Once established, an applicant's weekly benefit amount is not affected by the last Sunday in October change in the state's maximum weekly benefit amount.

(e) For an employee receiving family or medical leave, a weekly benefit amount is prorated when:

1. the employee works hours for wages; or
2. the employee uses paid sick leave, paid vacation leave, or other paid time off that is not considered a supplemental benefit payment as defined in section 268B.01, subdivision 41.

Subd. 4. Timing of payment. Except as otherwise provided for in this chapter, benefits must be paid weekly.

Subd. 5. Maximum length of benefits. (a) Except as provided in paragraph (b), in a single benefit year, an applicant may receive benefits under this chapter as follows:

(b) The total number of weeks that an applicant may take benefits in a single benefit year for a serious health condition is the lesser of 12 weeks, or 12 weeks minus the number of weeks within the same benefit year that the applicant received benefits for bonding, safety leave, or family care plus eight weeks.

(c) The total number of weeks that an applicant may take benefits in a single benefit year for bonding, safety leave, family care, or qualifying exigency is the lesser of 12 weeks, or 12 weeks minus the number of weeks within the same benefit year that the applicant received benefits for a serious health condition plus eight weeks.
(1) for an applicant's serious health condition or pregnancy, up to 12 weeks of benefits; or

(2) for bonding, safety leave, family care, or leave related to a qualifying exigency, up to 12 weeks of benefits; and

(3) if an applicant is eligible for benefits under clauses (1) and (2) in the same benefit year, up to an additional six weeks of benefits; provided that, the maximum length of benefits an applicant may receive in a single benefit year under this chapter shall not exceed 18 weeks total, unless paragraph (b) applies.

(b) In addition to the benefits received under paragraph (a), an applicant may receive up to an additional six weeks of benefits for leave related to pregnancy recovery or complications; provided that, the maximum length of benefits an applicant may receive in a single benefit year under this chapter shall not exceed 24 weeks total.

Subd. 6. Minimum period for which benefits payable. Except for a claim for benefits for bonding leave, any claim for benefits must be based on a single qualifying event of at least seven calendar days. Benefits may be paid for a minimum duration of eight consecutive hours in a week. If an applicant on leave claims eight hours at any point during a week, the minimum duration is satisfied.

Subd. 7. Right of appeal. (a) A determination or amended determination of benefit account is final unless an appeal is filed by the applicant within 60 calendar days after the sending of the determination or amended determination. (b) Any applicant may appeal from a determination or amended determination of benefit account on the issue of whether services performed constitute employment, whether the employment is covered employment, and whether money paid constitutes wages.

Subd. 8. Limitations on applications and benefit accounts. (a) An application for family or medical leave benefits is effective the Sunday of the calendar week that the application was filed. An application for benefits may be backdated one calendar week before the Sunday of the week the application was actually filed if the applicant requests the backdating within seven calendar days of the date the application is filed. An application may be backdated only if the applicant was eligible for the benefit during the period of the backdating. If an individual attempted to file an application for benefits, but was prevented from filing an application by the department, the application is effective the Sunday of the calendar week the individual first attempted to file an application.

(b) A benefit account established under subdivision 2 is effective the date the application for benefits was effective.

(c) A benefit account, once established, may later be withdrawn if:

(1) the applicant has not been paid any benefits on that benefit account; and
(2) a new application for benefits is filed and a new benefit account is established at the
time of the withdrawal.

(d) A benefit account may be withdrawn after the expiration of the benefit year if the
applicant was not paid any benefits on the benefit account that is being withdrawn;

(e) A determination or amended determination of eligibility or ineligibility issued under
section 268B.07 that was sent before the withdrawal of the benefit account, remains in effect
and is not voided by the withdrawal of the benefit account.

EFFECTIVE DATE. Except as provided in section 41, this section is effective July 1, 2025.

Sec. 9. [268B.05] NOTIFICATION OF CHANGED CIRCUMSTANCES.

An applicant shall promptly notify the department of changes that may affect eligibility
under section 268B.06.

EFFECTIVE DATE. Except as provided in section 41, this section is effective July 1, 2025.

Sec. 10. [268B.06] ELIGIBILITY REQUIREMENTS; PAYMENTS THAT AFFECT
BENEFITS.

Subd. 1. Eligibility conditions. (a) An applicant may be eligible to receive family
or medical leave benefits for any week if:

(1) the week for which benefits are requested is in the applicant's benefit year;

(2) the applicant was unable to perform regular work due to a serious health condition,
a qualifying exigency, safety leave, family care, or bonding. For bonding leave, eligibility
ends 12 months after birth or placement;

(3) the applicant has sufficient wage credits from an employer or employers as defined
in section 268B.01, subdivision 41, to establish a benefit account under section 268B.04;

(4) an applicant requesting benefits under this chapter must fulfill certification
requirements under subdivision 3;

(b) A self-employed individual or independent contractor who has elected and been
approved for coverage under section 268B.11 need not fulfill the requirement of paragraph
(a), clause (3) or (4).

Subd. 2. Seven-day qualifying event. (a) The period for which an applicant is seeking
benefits must be or have been based on a single event of at least seven calendar days' duration

Subd. 2. Seven-day qualifying event. (a) The period for which an applicant is seeking
benefits must be or have been based on a single event of at least seven calendar days' duration
related to pregnancy, recovery from pregnancy, family care, a qualifying exigency, safety leave, or the applicant's serious health condition. The days must be consecutive unless the leave is intermittent.

(b) Benefits related to bonding need not meet the seven-day qualifying event requirement.

The commissioner shall use the rulemaking authority under section 268B.02, subdivision 3, to adopt rules regarding what serious health conditions and other events are prospectively presumed to constitute seven-day qualifying events under this chapter.

Subd. 3. Certification. (a) Certification for an applicant taking leave related to the applicant's serious health condition shall be sufficient if the certification states the date on which the serious health condition began, the probable duration of the condition, and the appropriate medical facts within the knowledge of the health care provider as required by the commissioner.

(b) Certification for an applicant taking leave to care for a family member with a serious health condition shall be sufficient if the certification states the date on which the serious health condition commenced, the probable duration of the condition, the appropriate medical facts within the knowledge of the health care provider as required by the commissioner, a statement that the family member requires care, and an estimate of the amount of time that the family member will require care.

(c) Certification for an applicant taking leave related to pregnancy shall be sufficient if the certification states the applicant is experiencing a pregnancy and recovery period based on appropriate medical facts within the knowledge of the health care provider.

(d) Certification for an applicant taking bonding leave because of the birth of the applicant's child shall be sufficient if the certification includes either the child's birth certificate or a document issued by the health care provider of the child or the health care provider of the person who gave birth, stating the child's birth date or estimated due date.

(e) Certification for an applicant taking bonding leave because of the placement of a child with the applicant for adoption or foster care shall be sufficient if the applicant provides a document issued by the health care provider of the child, an adoption or foster care agency involved in the placement, or by other individuals as determined by the commissioner that confirms the placement and the date of placement. To the extent that the status of an applicant as an adoptive or foster parent changes while an application for benefits is pending, or while the covered individual is receiving benefits, the applicant must notify the department of such change in status in writing.

(f) Certification for an applicant taking bonding leave because of the birth of the applicant's child shall be sufficient if the certification includes either the child's birth certificate or a document issued by the health care provider of the child or the health care provider of the person who gave birth, stating the child's birth date or estimated due date.

(g) Certification for an applicant taking bonding leave because of the placement of a child with the applicant for adoption or foster care shall be sufficient if the applicant provides a document issued by the health care provider of the child, an adoption or foster care agency involved in the placement, or by other individuals as determined by the commissioner that confirms the placement and the date of placement. To the extent that the status of an applicant as an adoptive or foster parent changes while an application for benefits is pending, or while the covered individual is receiving benefits, the applicant must notify the department of such change in status in writing.
(f) Certification for an applicant taking leave because of a qualifying exigency shall be sufficient if the certification includes:

1. a copy of the family member's active-duty orders;
2. other documentation issued by the United States armed forces; or
3. other documentation permitted by the commissioner.

(g) Certification for an applicant taking safety leave is sufficient if the certification includes:

1. a copy of the family member's active-duty orders;
2. other documentation issued by the United States armed forces; or
3. other documentation permitted by the commissioner.

(h) Certifications under paragraphs (a) to (e) must be reviewed and signed by a health care provider with knowledge of the qualifying event associated with the leave.

(i) For a leave taken on an intermittent or reduced-schedule basis, based on a serious health condition of an applicant or applicant's family member, the certification under this subdivision must include an explanation of how such leave would be medically beneficial to the individual with the serious health condition.

Subd. 4. Not eligible. An applicant is ineligible for family or medical leave benefits for any portion of a typical workweek:

1. that occurs before the effective date of a benefit account;
2. that the applicant fails or refuses to provide information on an issue of ineligibility required under section 268B.07, subdivision 2; or
3. for which the applicant worked for pay from the employer from whom the applicant is taking leave under this chapter.

Subd. 5. Vacation, sick leave, paid time off, and disability insurance payments. (a) An employee may use vacation pay, sick pay, paid time off pay, or disability insurance payments, in lieu of family or medical leave program benefits under this chapter, provided the employee is concurrently eligible. Subject to the limitations of section 268B.09, subdivision 1, an employee is entitled to the employment protections under section 268B.09 for those workdays during which this option is exercised. This subdivision applies to private plans under section 268B.10.

(b) An employer may offer a supplemental benefit payment, as defined in section 268B.01, subdivision 4f, to an employee on family or medical leave in addition to any paid family or medical leave benefits the employee is receiving. The choice to receive a supplemental benefit payment lies with the employee. Nothing in this section shall be construed as requiring an employee to receive or an employer to provide supplemental benefits.
subsidy, or bonus payments. (a) An applicant is not eligible to receive benefits for any week the applicant is receiving, has received, or will receive separation pay, severance pay, bonus pay, or any other payments paid by an employer because of, upon, or after separation from employment. This subdivision applies if the payment is:

(1) considered wages under section 268B.01, subdivision 43, or

(2) subject to the Federal Insurance Contributions Act (FICA) tax imposed to fund Social Security and Medicare.

(b) Payments under this subdivision are applied to the period immediately following the later of the date of separation from employment or the date the applicant first becomes aware that the employer will be making a payment. The date the payment is actually made or received, or that an applicant must agree to a release of claims, does not affect the application of this paragraph.

(c) This subdivision does not apply to vacation pay, sick pay, personal time off pay, or supplemental benefit payment under subdivision 4.

(d) This subdivision applies to all the weeks of payment.

(e) Under this subdivision, if the payment with respect to a week is equal to or more than the applicant's weekly benefit amount, the applicant is ineligible for benefits for that week. If the payment with respect to a week is less than the applicant's weekly benefit amount, benefits are reduced by the amount of the payment.

The total amount of paid benefits under this chapter and the supplemental benefits paid must not exceed the employee's usual salary.

Subd. 6. Workers' compensation offset. (a) An applicant is not eligible to receive benefits for any portion of a week in which the applicant is receiving or has received compensation for loss of wages equal to or in excess of the applicant's weekly family or medical leave benefit amount under:

(1) the workers' compensation law of this state; or

(2) the workers' compensation law of any other state or similar federal law.

(b) This subdivision does not apply to an applicant who has a claim pending for loss of wages under paragraph (a). If the applicant later receives compensation as a result of the pending claim, the applicant is subject to paragraph (a) and the family or medical leave benefits paid are overpaid benefits under section 268B.185.

(c) If the amount of compensation described under paragraph (a) for any week is less than the applicant's weekly family or medical leave benefit amount, benefits requested for that week are reduced by the amount of that compensation payment.

Subd. 7. Separation, severance, or bonus payments. (a) An applicant is not eligible to receive benefits for any week the applicant is receiving, has received, or will receive separation pay, severance pay, bonus pay, or any other payments paid by an employer because of, upon, or after separation from employment. This subdivision applies if the payment is:

(1) considered wages under section 268B.01, subdivision 43, or

(2) subject to the Federal Insurance Contributions Act (FICA) tax imposed to fund Social Security and Medicare.

(b) Payments under this subdivision are applied to the period immediately following the later of the date of separation from employment or the date the applicant first becomes aware that the employer will be making a payment. The date the payment is actually made or received, or that an applicant must agree to a release of claims, does not affect the application of this paragraph.

(c) This subdivision does not apply to vacation pay, sick pay, personal time off pay, or supplemental benefit payment under subdivision 4.

(d) This subdivision applies to all the weeks of payment.

(e) Under this subdivision, if the payment with respect to a week is equal to or more than the applicant's weekly benefit amount, the applicant is ineligible for benefits for that week. If the payment with respect to a week is less than the applicant's weekly benefit amount, benefits are reduced by the amount of the payment.
Subd. 8. Social Security disability benefits. An applicant who is receiving, has received, or has filed for primary Social Security disability benefits for any week is ineligible for benefits for that week, unless:

(a) The Social Security Administration approved the collecting of primary Social Security disability benefits each month the applicant was employed during the base period; or

(b) The applicant provides a statement from an appropriate health care professional who is aware of the applicant’s Social Security disability claim and the basis for that claim, certifying that the applicant is able to perform the essential functions of their employment with or without a reasonable accommodation.

(b) If an applicant meets the requirements of paragraph (a), clause (1), there is no deduction from the applicant’s weekly benefit amount for any Social Security disability benefits.

(c) Information from the Social Security Administration is conclusive, absent specific evidence showing that the information was erroneous.

EFFECTIVE DATE. Except as provided in section 33.27, this section is effective July 1, 2025.

Subd. 2. DETERMINATION ON ISSUES OF ELIGIBILITY. (a) The commissioner must determine any issue of ineligibility raised by information required from an applicant and send to the applicant and any current base period employer, by mail or electronic transmission, a document titled a determination of eligibility or a determination of ineligibility, as is appropriate, within two weeks, unless the application is incomplete due to outstanding requests for information including clerical or other errors. Nothing prohibits the commissioner from requesting additional information or the applicant from supplementing their initial application before a determination of eligibility or a determination of ineligibility.
eligibility. The commissioner may extend the deadline for a determination under this subdivision due to extenuating circumstances.

(b) If an applicant obtained benefits through misrepresentation, the department is authorized to issue a determination of ineligibility within 12 months of the establishment of the benefit account.

c) If the department has filed an intervention in a worker's compensation matter under section 176.361, the department is authorized to issue a determination of ineligibility within 48 months of the establishment of the benefit account.

(d) A determination of eligibility or determination of ineligibility is final unless an appeal is filed by the applicant within 60 calendar days after sending. The determination must contain a prominent statement indicating the consequences of not appealing. Proceedings on the appeal are conducted in accordance with section 268B.08.

(g) An issue of ineligibility required to be determined under this section includes any question regarding the denial or allowing of benefits under this chapter.

Subd. 3. Amended determination. Unless an appeal has been filed, the commissioner, on the commissioner's own motion, may reconsider a determination of eligibility or determination of ineligibility that has not become final and issue an amended determination. Any amended determination must be sent to the applicant and any employer in the current base period by mail or electronic transmission. Any amended determination is final unless an appeal is filed by the applicant within 60 calendar days after sending.

Subd. 4. Benefit payment. If a determination or amended determination allows benefits to an applicant, the family or medical leave benefits must be paid regardless of any appeal period or any appeal having been filed.

Subd. 5. Overpayment. A determination or amended determination that holds an applicant ineligible for benefits for periods an applicant has been paid benefits is an overpayment of those family or medical leave benefits. A determination or amended determination issued under this section that results in an overpayment of benefits must set out the amount of the overpayment and the requirement that the overpaid benefits must be repaid according to section 268B.185.

EFFECTIVE DATE. Except as provided in section 41, this section is effective July 1, 2025.

determination of eligibility. The commissioner may extend the deadline for a determination under this subdivision due to extenuating circumstances.

(b) If an applicant obtained benefits through misrepresentation, the department is authorized to issue a determination of ineligibility within 12 months of the establishment of the benefit account.

c) If the department has filed an intervention in a worker's compensation matter under section 176.361, the department is authorized to issue a determination of ineligibility within 48 months of the establishment of the benefit account.

(d) The commissioner must provide an opportunity for the employer to submit relevant information.

(g) A determination of eligibility or determination of ineligibility is final unless an appeal is filed by the applicant or employer within 60 calendar days after sending. The determination must contain a prominent statement indicating the consequences of not appealing. Proceedings on the appeal are conducted in accordance with section 268B.08.

(f) An issue of ineligibility required to be determined under this section includes any question regarding the denial or allowing of benefits under this chapter.

(g) The commissioner must ensure a limit of one family member taking leave under this chapter for an incapacitated person at a time, except when family care is taken by parents for an incapacitated person under the age of 18.

Subd. 3. Amended determination. Unless an appeal has been filed, the commissioner, on the commissioner's own motion, may reconsider a determination of eligibility or determination of ineligibility that has not become final and issue an amended determination. Any amended determination must be sent to the applicant and any employer in the current base period by mail or electronic transmission. Any amended determination is final unless an appeal is filed by the applicant within 60 calendar days after sending.

Subd. 4. Benefit payment. If a determination or amended determination allows benefits to an applicant, the family or medical leave benefits must be paid regardless of any appeal period or any appeal having been filed.

Subd. 5. Overpayment. A determination or amended determination that holds an applicant ineligible for benefits for periods an applicant has been paid benefits is an overpayment of those family or medical leave benefits. A determination or amended determination issued under this section that results in an overpayment of benefits must set out the amount of the overpayment and the requirement that the overpaid benefits must be repaid according to section 268B.185.

EFFECTIVE DATE. Except as provided in section 41, this section is effective July 1, 2025.
Sec. 12. [268B.085] APPEAL PROCESS.

Subdivision 1. Hearing. (a) The commissioner shall designate a chief benefit judge.

(b) Upon a timely appeal to a determination having been filed or upon a referral for
direct hearing, the chief benefit judge must set a time and date for a de novo due-process
hearing and send notice to an applicant and an employer, by mail or electronic transmission,
not less than ten calendar days before the date of the hearing.

(c) The commissioner may adopt rules on procedures for hearings. The rules need not
conform to common law or statutory rules of evidence and other technical rules of procedure.

(d) The chief benefit judge has discretion regarding the method by which the hearing is
conducted.

Subd. 2. Decision. (a) After the conclusion of the hearing, upon the evidence obtained,
the benefit judge must serve by mail or electronic transmission to all parties the decision,
reasons for the decision, and written findings of fact.

(b) Decisions of a benefit judge are not precedential.

Subd. 3. Request for reconsideration. Any party, or the commissioner, may, within
30 calendar days after service of the benefit judge's decision, file a request for reconsideration
asking the judge to reconsider that decision.

Subd. 4. Appeal to court of appeals. Any final determination on a request for
reconsideration may be appealed by any party directly to the Minnesota Court of Appeals.

Subd. 5. Benefit judges. (a) Only employees of the department who are attorneys licensed
to practice law in Minnesota may serve as a chief benefit judge, senior benefit judges who
are supervisors, or benefit judges.

(b) The chief benefit judge must assign a benefit judge to conduct a hearing and may
transfer to another benefit judge any proceedings pending before another benefit judge.

EFFECTIVE DATE. Except as provided in section 41, this section is effective July 1,
2025.

Sec. 13. [268B.085] NOTICE TO EMPLOYER; SCHEDULES.
(b) Notwithstanding paragraph (a), an employee no longer has a right to leave following
a denial of benefits by a benefit judge. The employee's right to leave under this section is
not to exceed the maximum length of benefits under section 268B.04, subdivision 5.

Subd. 2. Notice to employer. (a) If the need for leave is foreseeable, an employee must
provide the employer at least 30 days' advance notice before leave under this chapter is to
begin. If 30 days' notice is not practicable because of a lack of knowledge of approximately
when leave will be required to begin, a change in circumstances, or a medical emergency,
notice must be given as soon as practicable. Whether leave is to be continuous or to be
taken intermittently or on a reduced-schedule basis, notice need only be given one time, but
the employee must advise the employer as soon as practicable if dates of scheduled leave
change or are extended, or were initially unknown. In those cases where the employee is
required to provide at least 30 days' notice of foreseeable leave and does not do so, the
employee must explain the reasons why notice was not practicable upon request from the
employer.

(b) "As soon as practicable" means as soon as both possible and practical, taking into
account all of the facts and circumstances in the individual case. When an employee becomes
aware of a need for leave under this chapter less than 30 days in advance, it should be
practicable for the employee to provide notice of the need for leave either the same day or
the next day, unless the need for leave is based on a medical emergency. In all cases,
however, the determination of when an employee could practicably provide notice must
take into account the individual facts and circumstances.

(c) An employee shall provide at least oral, telephone, or text message notice sufficient
to make the employer aware that the employee needs leave allowed under this chapter and
the anticipated timing and duration of the leave.

(d) An employer may require an employee to comply with the employer's usual and
customary notice and procedural requirements for requesting leave, absent unusual
circumstances or other circumstances caused by the reason for the employee's need for
leave. Leave under this chapter must not be delayed or denied where an employee's usual
and customary notice or procedural requirements require notice to be given sooner than set
forth in this subdivision.

(g) An employer may require that an employee taking leave under this chapter provide
a copy of the certification under section 268B.06, subdivision 3. Upon a written request
from the employer, the employee shall provide a copy of the certification as soon as

Subdivision 1. Notice to employer. (a) If the need for leave is foreseeable, an employee
must provide the employer at least 30 days' advance notice before leave under this chapter
is to begin. If 30 days' notice is not practicable because of a lack of knowledge of
approximately when leave will be required to begin, a change in circumstances, or a medical
emergency, notice must be given as soon as practicable. Whether leave is to be continuous
or to be taken intermittently or on a reduced-schedule basis, notice need only be given one time, but the employee must
advise the employer as soon as practicable if dates of scheduled leave change or are extended,
or were initially unknown. In those cases where the employee is required to provide at least
30 days' notice of foreseeable leave and does not do so, the employee must explain the
reasons why notice was not practicable upon request from the employer.

(b) "As soon as practicable" means as soon as both possible and practical, taking into
account all of the facts and circumstances in the individual case. When an employee becomes
aware of a need for leave under this chapter less than 30 days in advance, it should be
practicable for the employee to provide notice of the need for leave either the same day or
the next day, unless the need for leave is based on a medical emergency. In all cases,
however, the determination of when an employee could practicably provide notice must
take into account the individual facts and circumstances.

(d) In addition to any other prohibition imposed under this chapter, an employer must
not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise
terminate or discriminate against an employee for providing this certification.

(g) An employer may require an employee to comply with the employer's usual and
customary notice and procedural requirements for requesting leave, including the employer's
attendance or call-out policies and procedures, absent unusual circumstances or other
circumstances caused by the reason for the employee's need for leave. An employee may
be required by an employer's or covered business entity's policy to contact a specific
individual or designated phone number to report this information. Leave under this chapter
must not be delayed or denied where an employee's usual and customary notice or procedural
requirements require notice to be given sooner than set forth in this subdivision.

(g) An employer may require that an employee taking leave under this chapter provide
a copy of the certification under section 268B.06, subdivision 3. Upon written request from
the employer, the employee shall provide a copy of the certification as soon as practicable.
practicable given all of the facts and circumstances in the individual situation. Providing

an employer must not discharge, discipline, penalize, interfere with, threaten, restrain, coercer, or otherwise retaliate or discriminate against an employee for providing this certification.

(f) If an employer has failed to provide notice to the employee as required under section 268B.26, paragraph (a), (b), or (e), the employee is not required to comply with the notice requirements of this subdivision.

Subd. 3. Bonding leave. Bonding leave taken under this chapter begins at a time requested by the employee. Bonding leave must end within 12 months of the birth, adoption, or placement of a foster child, except that, in the case where the child must remain in the hospital longer than the mother, the leave must end within 12 months after the child leaves the hospital. Employees may also use bonding leave under this chapter before the actual placement or adoption of a child in situations that include but are not limited to:

(a) attend counseling sessions; appear in court; consult with any attorney or doctor representing the birth parent; submit to a physical examination; or travel to another country to complete an adoption.

Subd. 4. Intermittent or reduced-leave schedule. (a) Leave under this chapter, based on a serious health condition, may be taken intermittently or on a reduced-leave schedule if such leave is reasonable and appropriate to the needs of the individual with the serious health condition. For all other leaves under this chapter, leave may be taken intermittently or on a reduced-leave schedule. Intermittent leave is leave taken in separate blocks of time due to a single, seven-day qualifying event. A reduced-leave schedule is a leave schedule that reduces an employee's usual number of working hours per workweek or hours per workday.

(b) Leave taken intermittently or on a reduced-schedule basis counts toward the maximums described in section 268B.04, subdivision 5.

and possible given all of the facts and circumstances in the individual case. Providing certification at or around the time the employee provides a certification to the department shall be considered practicable.

(f) If an employer has failed to provide notice to the employee as required under section 268B.26, paragraph (a), (b), or (e), the employee is not required to comply with the notice requirements of this subdivision.

(g) An employer may not require, as a condition of an employee taking leave under this chapter, that the employee seek or find a replacement worker to cover the hours the employee uses under this chapter.

Subd. 2. Bonding leave. Bonding leave taken under this chapter begins at a time requested by the employee. Bonding leave must end within 12 months of the birth, adoption, or placement of a foster child, except that, in the case where the child must remain in the hospital longer than the mother, the leave must end within 12 months after the child leaves the hospital. Employees may also use bonding leave before the actual placement or adoption of a child in situations that include but are not limited to:

1. attend counseling sessions;
2. appear in court;
3. consult with the attorney or doctors representing the birth parent;
4. submit to a physical examination; or
5. travel to another country to complete an adoption.

Subd. 3. Intermittent schedule. (a) Leave under this chapter, based on a serious health condition, may be taken intermittently if such leave is reasonable and appropriate to the needs of the individual with the serious health condition. For all other leaves under this chapter, leave may be taken intermittently. Intermittent leave is leave taken in separate blocks of time due to a single, seven-day qualifying event.
Subd. 3.
under this subdivision, the appropriateness of addition to the remedies provided in subdivision 8, the commissioner of labor and industry cannot require the employee to change their leave schedule in order to accommodate the employee.

Subd. 2.
EFFECTIVE DATE. Except as provided in section 8, this section is effective July 1, 2025.

Sec. 18. [268B.09] EMPLOYMENT PROTECTIONS.

Subdivision 1. Retaliation prohibited. An employer must not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee for requesting or obtaining benefits or leave, or for exercising any other right under this chapter. In addition to the remedies provided in subdivision 8, the commissioner of labor and industry may also issue a penalty to the employer of not less than $1,000 and not more than $10,000 per violation, payable to the employee aggrieved. In determining the amount of the penalty under this subdivision, the appropriateness of the penalty to the size of the employer's business and the gravity of the violation shall be considered.

Subd. 2. Interference prohibited. An employer must not obstruct or impede an application for leave or benefits or the exercise of any other right under this chapter. In addition to the remedies provided in subdivision 8, the commissioner of labor and industry may also issue a penalty to the employer of not less than $1,000 and not more than $10,000 per violation, payable to the employee aggrieved. In determining the amount of the penalty under this subdivision, the appropriateness of the penalty to the size of the employer's business and the gravity of the violation shall be considered.

Subd. 3. Waiver of rights void. (a) Any agreement to waive, release, or commute rights to benefits or any other right under this chapter is void, except for a voluntary settlement agreement resolving disputed claims or a valid separation agreement releasing putative claims.

(b) Any provision, whether oral or written, of a lease, contract, or other agreement or instrument that purports to be a waiver by an individual of any right or remedy provided in title 29, sections 2601 to 2654, as amended, concurrent with an employee's entitlement to intermittent leave under this chapter.

Subdivision 1. Retaliation prohibited. An employer must not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee for requesting or obtaining benefits or leave, or for exercising any other right under this chapter. In addition to the remedies provided in subdivision 8, the commissioner of labor and industry may also issue a penalty to the employer of not less than $1,000 nor more than $10,000 per violation, payable to the employee aggrieved. In determining the amount of the penalty under this subdivision, the appropriateness of the penalty to the size of the employer's business and the gravity of the violation shall be considered.

Subd. 2. Interference prohibited. An employer must not obstruct or impede an application for leave or benefits or the exercise of any other right under this chapter. In addition to the remedies provided in subdivision 8, the commissioner of labor and industry may also issue a penalty to the employer of not less than $1,000 nor more than $10,000 per violation, payable to the employee aggrieved. In determining the amount of the penalty under this subdivision, the appropriateness of the penalty to the size of the employer's business and the gravity of the violation shall be considered.

Subd. 3. Waiver of rights as condition of employment prohibited. No employer may require any employee or applicant to waive or limit any right or benefit under this chapter as a condition of employment.

EFFECTIVE DATE. Except as provided in section 8, this section is effective July 1, 2025.
this chapter is contrary to public policy and void if the waiver or release purports to waive
classes arising out of acts or practices that occur after the execution of the waiver or release.

Subd. 4. No assignment of benefits. Any assignment, pledge, or encumbrance of benefits
is void, except as provided under section 268B.10, subdivision 7. Benefits are exempt from
levy, execution, attachment, or any other remedy provided for the collection of debt. Any
waiver of this subdivision is void.

Subd. 5. Continued insurance. (a) During any leave for which an employee is entitled
to benefits or leave under this chapter, the employer must maintain coverage under any
group insurance policy, group subscriber contract, or health care plan for the employee and
any dependents as if the employee was not on leave, provided, however, that the employee
must continue to pay any employee share of the cost of such benefits.

(b) This subdivision may be waived for employees who are working in the construction
industry under a bona fide collective bargaining agreement that requires employer
contributions to a multiemployer health plan pursuant to United States Code, title 29, section
186C(5), but only if the waiver is set forth in clear and unambiguous terms in the collective
bargaining agreement and explicitly cites this subdivision.

Subd. 6. Employee right to reinstatement. (a) On return from leave under this chapter,
an employee is entitled to be returned to the same position the employee held when leave
was commenced or to an equivalent position with equivalent benefits, pay, and other terms and
conditions of employment. An employee is entitled to reinstatement even if the employee
has been replaced or the employee's position has been restructured to accommodate the
employee's absence.

(b) An equivalent position is one that is virtually identical to the employee's former
position in terms of pay, benefits, and working conditions, including privileges, prerequisites,
and status. It must involve the same or substantially similar duties and responsibilities,
which must entail substantially equivalent skill, effort, responsibility, and authority.

(2) An employee may, but is not entitled to, accrue any additional benefits or seniority to an employee enjoyed before leave began, including family or dependent coverages.

to be restored to a position with the same or equivalent pay premiums, such as a shift differential. If an employee departed from a position averaging ten hours of overtime, and corresponding overtime pay, each week an employee is ordinarily entitled to such a position on return from leave under this chapter.

(2) Equivalent pay includes any bonus or payment, whether it is discretionary or nondiscretionary, made to employees consistent with clause (1). If a bonus or other payment is based on the achievement of a specified goal such as hours worked, products sold, or perfect attendance, and the employee has not met the goal due to leave under this chapter, the payment may be denied, unless otherwise paid to employees on an equivalent leave status for a reason that does not qualify for leave under this chapter.

(1) At the end of an employee's leave under this chapter, benefits must be resumed in the same manner and at the same levels as provided when the leave began, and subject to any changes in benefit levels that may have taken place during the period of leave affecting the entire workforce, unless otherwise elected by the employee. Upon return from a leave under this chapter, an employee must not be required to requalify for any benefits the employee enjoyed before leave began, including family or dependent coverages.

(2) An employee may, but is not entitled to, accrue any additional benefits or seniority during a leave under this chapter. Benefits accrued at the time leave began must be available to an employee upon return from leave.

(3) With respect to pension and other retirement plans, leave under this chapter must not be treated as or counted toward a break in service for purposes of vesting and eligibility to participate. If the plan requires an employee to be employed on a specific date in order to be credited with a year of service for vesting, contributions, or participation purposes,

and status. It must involve the same or substantially similar duties and responsibilities,
which must entail substantially equivalent skill, effort, responsibility, and authority.

(2) If an employee is no longer qualified for the position because of the employee's inability to attend a necessary course, renew a license, fly a minimum number of hours, or similar condition, as a result of the leave, the employee must be given a reasonable opportunity to fulfill those conditions upon return from leave.

(1) An employee is entitled to any unconditional pay increases which may have occurred during the leave period, such as cost of living increases. Pay increases conditioned upon seniority, length of service, or work performed must be granted in accordance with the employer's policy or practice with respect to other employees on an equivalent leave status for a reason that does not qualify for leave under this chapter. An employee is entitled to be restored to a position with the same or equivalent pay premiums, such as a shift differential. If an employee departed from a position averaging ten hours of overtime, and corresponding overtime pay, each week an employee is ordinarily entitled to such a position on return from leave under this chapter.

(2) Equivalent pay includes any bonus or payment, whether it is discretionary or nondiscretionary, made to employees consistent with clause (1). If a bonus or other payment is based on the achievement of a specified goal such as hours worked, products sold, or perfect attendance, and the employee has not met the goal due to leave under this chapter, the payment may be denied, unless otherwise paid to employees on an equivalent leave status for a reason that does not qualify for leave under this chapter.

(1) At the end of an employee's leave under this chapter, benefits must be resumed in the same manner and at the same levels as provided when the leave began, and subject to any changes in benefit levels that may have taken place during the period of leave affecting the entire workforce, unless otherwise elected by the employee. Upon return from a leave under this chapter, an employee must not be required to requalify for any benefits the employee enjoyed before leave began, including family or dependent coverages.

(2) An employee may, but is not entitled to, accrue any additional benefits or seniority during a leave under this chapter. Benefits accrued at the time leave began must be available to an employee upon return from leave.

(3) With respect to pension and other retirement plans, leave under this chapter must not be treated as or counted toward a break in service for purposes of vesting and eligibility to participate. If the plan requires an employee to be employed on a specific date in order to be credited with a year of service for vesting, contributions, or participation purposes,
an employee on leave under this chapter must be treated as employed on that date. Periods
of leave under this chapter need not be treated as credited service for purposes of benefit
accrual, vesting, and eligibility to participate.
(4) Employees on leave under this chapter must be treated as if they continued to work
for purposes of changes to benefit plans. Employees on leave under this chapter are entitled
to changes in benefit plans, except those which may be dependent upon seniority or accrual
during the leave period, immediately upon return from leave or to the same extent they
would have qualified if no leave had been taken.
(e) An equivalent position must have substantially similar duties, conditions,
responsibilities, privileges, and status as the employee's original position.
(1) The employee must be reinstated to the same or a geographically proximate worksite
from where the employee had previously been employed. If the employee's original worksite
has been closed, the employee is entitled to the same rights as if the employee had not been
on leave when the worksite closed.
(2) The employee is ordinarily entitled to return to the same shift or the same or an
equivalent work schedule.
(3) The employee must have the same or an equivalent opportunity for bonuses,
profit-sharing, and other similar discretionary and nondiscretionary payments.
(d) This chapter does not prohibit an employer from accommodating an employee's
request to be restored to a different shift, schedule, or position which better suits the
employee's personal needs on return from leave, or to offer a promotion to a better position.
However, an employee must not be induced by the employer to accept a different position
against the employee's wishes.
(f) The requirement that an employee be restored to the same or equivalent job with the
same or equivalent pay, benefits, and terms and conditions of employment does not extend
to de minimis, intangible, or unmeasurable aspects of the job.
(h) This subdivision and subdivision 7 may be waived for employees who are working
in the construction industry under a bona fide collective bargaining agreement with a
construction trade union that maintains a referral-to-work procedure for employees to obtain
employment with multiple signatory employers, but only if the waiver is set forth in clear
in the United States Code, title 42, chapter 126.

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and unambiguous terms in the collective bargaining agreement and explicitly cites this subdivision and subdivision 7.

Subd. 7. Limitations on an employee's right to reinstatement. An employee has no greater right to reinstatement or to other benefits and conditions of employment than if the employee had been continuously employed during the period of leave under this chapter.

An employer must be able to show that an employee would not otherwise have been employed at the time reinstatement is requested in order to deny restoration to employment.

(1) If an employee is laid off during the course of taking a leave under this chapter and employment is terminated, the employer's responsibility to continue the leave, maintain
group health plan benefits, and restore the employee cease at the time the employee is laid off, provided the employer has no continuing obligations under a collective bargaining
agreement or otherwise. An employer has the burden of proving that an employee would have been laid off during the period of leave under this chapter and, therefore, would not
be entitled to restoration to a job slated for layoff when the employee's original position
would not meet the requirements of an equivalent position.

(2) If a shift has been eliminated or overtime has been decreased, an employee would not be entitled to return to work that shift or the original overtime hours upon restoration. However, if a position on, for example, a night shift has been filled by another employee, the employee is entitled to return to the same shift on which employed before taking leave under this chapter.

(3) If an employee was hired for a specific term or only to perform work on a discrete project, the employer has no obligation to restore the employee if the employment term or project is over and the employer would not otherwise have continued to employ the employee.

Subd. 8. Remedies. (a) In addition to any other remedies available to an employee in law or equity, an employee injured by a violation of this section may bring a civil action to recover:

   (1) damages equal to the amount of:

      (i) any and all damages recoverable by law;

      (ii) reasonable interest on the amount of damages awarded; and

      (iii) an additional amount as liquidated damages equal to the sum of the amount described in item (i) and the interest described in item (ii), except that if an employer who has violated the provisions of this section proves by a preponderance of the evidence that the act or omission which violated the provisions of this section was in good faith and that the employer had
reasonable grounds for believing that the act or omission was not a violation of the provisions of this section, the court may, in the discretion of the court, reduce the amount of the liability determined under clause (1), and

(b) An action to recover damages or equitable relief prescribed in paragraph (a) may be maintained against any employer in any federal or state court of competent jurisdiction by any one or more employees or on behalf of:

(1) the employees; or

(2) the employees and other employees similarly situated.

Rule 23 of the Rules of Civil Procedure applies to this section.

(c) The court in an action under this section must, in addition to any judgment awarded to the plaintiff or plaintiffs, allow reasonable attorney fees, reasonable expert witness fees, and other costs of the action to be paid by the defendant.

(d) Nothing in this section shall be construed to allow an employee to recover damages from an employer for the denial of benefits under this chapter by the department, unless the employer unlawfully interfered with the application for benefits under subdivision 2.

EFFECTIVE DATE. Except as provided in section 41, this section is effective July 1, 2023.

Sec. 19. [268B.10] SUBSTITUTION OF A PRIVATE PLAN.

Subdivision 1. Application for substitution. Employers may apply to the commissioner for approval to meet their obligations under this chapter through the substitution of a private plan that provides paid family, paid medical, or paid family and medical benefits. In order to be approved as meeting an employer's obligations under this chapter, a private plan must confer all of the same rights, protections, and benefits provided to employees under this chapter, including but not limited to benefits under section 268B.04 and employment protections under section 268B.09. Employers may apply for approval of private plans that exceed the benefits provided to employees under this chapter. An employee covered by a private plan under this section retains all applicable rights and remedies under section 268B.09.

for believing that the act or omission was not a violation of the provisions of this section, the court may, in the discretion of the court, reduce the amount of the liability to the amount determined under clause (1), and

(b) An action to recover damages or equitable relief prescribed in paragraph (a) may be maintained against any employer in any federal or state court of competent jurisdiction by any one or more employees. Rule 23 of the Rules of Civil Procedure applies to this section.

(c) The court in an action under this section may, in addition to any judgment awarded to the plaintiff or plaintiffs, allow a prevailing plaintiff reasonable attorney fees, reasonable expert witness fees, and other costs of the action incurred by the plaintiff to be paid by the defendant.

(d) Nothing in this section shall be construed to allow an employee to recover damages from an employer for the denial of benefits under this chapter by the department, unless the employer unlawfully interfered with the application for benefits under subdivision 2.

(e) An employee bringing a civil action under this section is entitled to a jury trial. An employee cannot waive their right to a jury trial under this section including, but not limited to, by signing an agreement to submit claims to arbitration.

EFFECTIVE DATE. Except as provided in section 40, this section is effective July 1, 2023.

Sec. 15. [268B.10] SUBSTITUTION OF A PRIVATE PLAN.

Subdivision 1. Application for substitution. Employers may apply to the commissioner for approval to meet their obligations under this chapter through the substitution of a private plan that provides paid family, paid medical, or paid family and medical benefits. In order to be approved as meeting an employer's obligations under this chapter, a private plan must confer all of the same rights, protections, and benefits provided to employees under this chapter, including but not limited to benefits under section 268B.04 and employment protections under section 268B.09. Employers may apply for approval of private plans that exceed the benefits provided to employees under this chapter. An employee covered by a private plan under this section retains all applicable rights and remedies under section 268B.09.
Subd. 5. Private plan requirements: medical benefit program. The commissioner, in consultation with the commissioner of commerce, must approve an application for private provision of the medical benefit program if the commissioner determines:

1. all of the employees of the employer are to be covered under the provisions of the employer plan;

2. eligibility requirements for benefits and leave are no more restrictive than as provided under this chapter;

3. the weekly benefits payable under the private plan for any week are at least equal to the weekly benefit amount payable under this chapter, taking into consideration any coverage with respect to concurrent employment by another employer;

4. the total number of weeks for which benefits are payable under the private plan is at least equal to the total number of weeks for which benefits would have been payable under this chapter;

5. no greater amount is required to be paid by employees toward the cost of benefits under the employer plan than by this chapter;

6. wage replacement benefits are stated in the plan separately and distinctly from other benefits;

7. the private plan will provide benefits and leave for any serious health condition or pregnancy for which benefits are payable, and leave provided, under this chapter;

8. the private plan will impose no additional condition or restriction on the use of medical benefits beyond those explicitly authorized by this chapter or regulations promulgated pursuant to this chapter;

9. the private plan will allow any employee covered under the private plan who is eligible to receive medical benefits under this chapter to receive medical benefits under the employer plan; and

10. coverage will continue under the private plan while an employee remains employed by the employer.

Subd. 6. Private plan requirements: family benefit program. The commissioner, in consultation with the commissioner of commerce, must approve an application for private provision of the family benefit program if the commissioner determines:

1. all of the employees of the employer are to be covered under the provisions of the employer plan;

2. eligibility requirements for benefits and leave are no more restrictive than as provided under this chapter;

3. the private plan will provide benefits and leave for any serious health condition for which benefits are payable, and leave provided, under this chapter;

4. the total number of weeks for which benefits are payable under the private plan is at least equal to the total number of weeks for which benefits would have been payable under this chapter;

5. no greater amount is required to be paid by employees toward the cost of benefits under the employer plan than by this chapter;

6. wage replacement benefits are stated in the plan separately and distinctly from other benefits;

7. the private plan will provide benefits and leave for any serious health condition for which benefits are payable, and leave provided, under this chapter;

8. the private plan will impose no additional condition or restriction on the use of medical benefits beyond those explicitly authorized by this chapter or regulations promulgated pursuant to this chapter;

9. the private plan will allow any employee covered under the private plan who is eligible to receive medical benefits under this chapter to receive medical benefits under the employer plan; and

10. coverage will continue under the private plan while an employee remains employed by the employer.

Subd. 3. Private plan requirements: family benefit program. The commissioner, in consultation with the commissioner of commerce, must approve an application for private provision of the family benefit program if the commissioner determines:

1. all of the employees of the employer are to be covered under the provisions of the employer plan;

2. eligibility requirements for benefits and leave are no more restrictive than as provided under this chapter.
(3) the weekly benefits payable under the private plan for any week are at least equal to
the weekly benefit amount payable under this chapter, taking into consideration any coverage
with respect to concurrent employment by another employer;

(4) the total number of weeks for which benefits are payable under the private plan is
at least equal to the total number of weeks for which benefits would have been payable
under this chapter;

(5) no greater amount is required to be paid by employees toward the cost of benefits
under the employer plan than by this chapter;

(6) wage replacement benefits are stated in the plan separately and distinctly from other
benefits;

(7) the private plan will provide benefits and leave for any care for a family member
with a serious health condition, bonding with a child, qualifying exigency, or safety leave
event for which benefits are payable, and leave provided, under this chapter;

(8) the private plan will impose no additional condition or restriction on the use of family
benefits beyond those explicitly authorized by this chapter or regulations promulgated
pursuant to this chapter;

(9) the private plan will allow any employee covered under the private plan who is
eligible to receive family benefits under this chapter to receive family benefits under the
employer plan; and

(10) coverage will continue under the private plan while an employee remains employed
by the employer.

Subd. 4. Surety bond requirement. If the private plan is in the form of self-insurance,
the employer shall file with its application for private provision of the medical benefit or
family benefit program a surety bond in an amount equal to the employer's annual premium
that it would otherwise be required to pay to the family and medical benefit insurance
account. The surety bond must be in a form approved by the commissioner and issued by
a surety company authorized to transact business in Minnesota.

Subd. 5. Private plan requirements; timing of payments; intermittent leave
increments; and weekly benefit determination. (g) Private plan benefits under this section
may be paid to align with the employer's payroll cycle or according to the terms of the approved
private plan.

(6) Intermittent leave under a private plan may be taken in the minimum increment the
employer offers to employees for other types of leave, not to exceed the eight-hour minimum
increment under section 268B.04, subdivision 6:

(g) For purposes of determining the family and medical benefit amount and duration
under a private plan, the weekly benefit amount and duration must be based on the employee's
typical workweek and wages earned with the employer at the time of an application for

Subd. 2. Private plan requirements; weekly benefit determination. For purposes of
determining the family and medical benefit amount and duration under a private plan, the
weekly benefit amount and duration shall be based on the employee's typical work week.
benefits or over the past 52-week calendar year, whichever calculation results in the highest
benefit amount for the employee. If an employer does not have complete wage information
for the full calendar year, the employer must accept an employee's certification of wage
credits, based upon the employee's records.

Subd. 6. Use of private insurance products. Nothing in this section prohibits an
employer from meeting the requirements of a private plan through a private insurance
product. If the employer involves a private insurance product, that insurance product's
policy form must be approved by the commissioner of commerce and issued by an insurance
company authorized to transact insurance in this state.

Subd. 7. Private plan approval and oversight fee. An employer with an approved
private plan is not required to pay premiums established under section 268B.14. An employer
with an approved private plan is responsible for a private plan approval and oversight fee
equal to $250 for employers with fewer than 50 employees, $500 for employers with 50 to
499 employees, and $1,000 for employers with 500 or more employees. The employer must
pay this fee (1) upon initial application for private plan approval, and (2) any time the
employer applies to amend the private plan. The commissioner must review and report on
the adequacy of this fee to cover private plan administrative costs annually beginning July
1, 2025, as part of the annual report established in section 268B.24.

Subd. 8. Plan duration. A private plan under this section must be in effect for a period
of at least one year and, thereafter, continuously unless the commissioner finds that the
employer has given notice of withdrawal from the plan in a manner specified by the
commissioner in this section or rule. The plan may be withdrawn by the employer within
30 days of the effective date of any law increasing the benefit amounts or within 30 days
of the date of any change in the rate of premiums. If the plan is not withdrawn, it must be
administered to provide the increased benefit amount or change in the rate of the employee's
premium on the date of the increase or change.

Subd. 9. Employer reimbursement. If an employer meeting the requirements of a
private plan through an insurance product under subdivision 6 has made advance payments
of benefits due under this chapter or has made payments to an employee in like manner as
wages during any period of family or medical leave for which the employee is entitled to
the benefits provided by this chapter, the employer shall be reimbursed by the carrier or
third party administrator or, if any benefits due or to become due for the family or
medical leave, if the claim for reimbursement is filed with the carrier prior to payment of the
benefits by the carrier.

Subd. 10. Appeals. (a) An employer may appeal any adverse action regarding
an employer's application for private provision of the medical benefit or family benefit program,
in a manner specified by the commissioner.

(b) An employee covered under a private plan has the same right to appeal to the state
under section 268B.04, subdivision 7, as any other employee. An employee covered under
and wages earned with the employer at the time of an application for benefits. If an employer
does not have complete base period wage detail information, the employer may accept an
employee's certification of wage credits, based on the employee's records.

Subd. 8. Use of private insurance products. Nothing in this section prohibits an
employer from meeting the requirements of a private plan through a private insurance
product. If the employer involves a private insurance product, that insurance product
must be approved by the commissioner of commerce and issued by an insurance company
authorized to transact insurance in this state.

Subd. 9. Private plan approval and oversight fee. An employer with an approved
private plan is not required to pay premiums established under section 268B.14. An employer
with an approved private plan is responsible for a private plan approval and oversight fee
equal to $250 for employers with fewer than 50 employees, $500 for employers with 50 to
499 employees, and $1,000 for employers with 500 or more employees. The employer must
pay this fee (1) upon initial application for private plan approval, and (2) any time the
employer applies to amend the private plan. The commissioner must review and report on
the adequacy of this fee to cover private plan administrative costs annually beginning July
1, 2025, as part of the annual report established in section 268B.25.
a private plan has the right to request reconsideration of a decision under a private plan
made by an insurer, private plan administrator, or employer prior to exercising appeal rights
under section 268B.04.

Subd. 11. Employees no longer covered. (a) An employee is no longer covered by an
approved private plan if a leave under this chapter occurs after the employment relationship
with the private plan employer ends, or if the commissioner revokes the approval of the private
plan.
(b) An employee no longer covered by an approved private plan is, if otherwise eligible,
immediately entitled to benefits under this chapter to the same extent as though there had
been no approval of the private plan.

Subd. 12. Posting of notice regarding private plan. An employer with a private plan
must provide a notice prepared by or approved by the commissioner regarding the private
plan consistent with section 268B.26.

Subd. 13. Amendment. (a) The commissioner must approve any amendment to a private
plan adjusting the provisions thereof, if the commissioner determines:
(1) that the plan, as amended, will conform to the standards set forth in this chapter; and
(2) that notice of the amendment has been delivered to all affected employees at least
days before the submission of the amendment.
(b) Any amendments approved under this subdivision are effective on the date of the
commissioner's approval, unless the commissioner and the employer agree on a later date.

Subd. 14. Successor employer. A private plan in effect at the time a successor acquires
the employer organization, trade, or business, or substantially all the assets thereof, or a
distinct and severable portion of the organization, trade, or business, and continues its
operation without substantial reduction of personnel resulting from the acquisition, must
continue the approved private plan and must not withdraw the plan without a specific request
for withdrawal in a manner and at a time specified by the commissioner. A successor may
terminate a private plan with notice to the commissioner and within 90 days from the date
of the acquisition.

Subd. 15. Revocation of approval by commissioner. (a) The commissioner may
terminate any private plan if the commissioner determines the employer:
(1) failed to pay benefits;
(2) failed to pay benefits in a timely manner, consistent with the requirements of this
chapter;

decision under a private plan made by an insurer, private plan administrator, or employer
prior to exercising the appeal rights in section 268B.04.

Subd. 12. Employees no longer covered. (a) An employee is no longer covered by an
approved private plan if a leave under this chapter occurs after the employment relationship
with the private plan employer ends, or if the commissioner revokes the approval of the private
plan.
(b) An employee no longer covered by an approved private plan is, if otherwise eligible,
immediately entitled to benefits under this chapter to the same extent as though there had
been no approval of the private plan.

Subd. 13. Posting of notice regarding private plan. An employer with a private plan
must provide a notice prepared by or approved by the commissioner regarding the private
plan consistent with section 268B.26.

Subd. 14. Amendment. (a) The commissioner must approve any amendment to a private
plan adjusting the provisions thereof, if the commissioner determines:
(1) that the plan, as amended, will conform to the standards set forth in this chapter; and
(2) that notice of the amendment has been delivered to all affected employees at least
days before the submission of the amendment.
(b) Any amendments approved under this subdivision are effective on the date of the
commissioner's approval, unless the commissioner and the employer agree on a later date.

Subd. 15. Successor employer. A private plan in effect at the time a successor acquires
the employer organization, trade, or business, or substantially all the assets thereof, or a
distinct and severable portion of the organization, trade, or business, and continues its
operation without substantial reduction of personnel resulting from the acquisition, must
continue the approved private plan and must not withdraw the plan without a specific request
for withdrawal in a manner and at a time specified by the commissioner. A successor may
terminate a private plan with notice to the commissioner and within 90 days from the date
of the acquisition.

Subd. 16. Revocation of approval by commissioner. (a) The commissioner may
terminate any private plan if the commissioner determines the employer:
(1) failed to pay benefits;
(2) failed to pay benefits in a timely manner, consistent with the requirements of this
chapter;
(d) otherwise failed to comply with this chapter or rule adopted under this chapter.

(b) The commissioner must give notice of the intention to terminate a plan to the employer at least ten days before taking any final action. The notice must state the effective date and the reason for the termination.

(c) The employer may, within ten days from mailing or personal service of the notice, file an appeal to the commissioner in the time, manner, method, and procedure provided by the commissioner under subdivision 7.

(d) The payment of benefits must not be delayed during an employer's appeal of the revocation of approval of a private plan.

(e) If the commissioner revokes approval of an employer's private plan, that employer is ineligible to apply for approval of another private plan for a period of three years, beginning on the date of revocation.

Subd. 16. Employer penalties. (a) The commissioner may assess the following monetary penalties against an employer with an approved private plan found to have violated this chapter:

(1) $1,000 for the first violation; and

(2) $2,000 for the second, and each successive violation.

(b) The commissioner must waive collection of any penalty if the employer corrects the violation within 30 days of receiving a notice of the violation and the notice is for a first violation.

(c) The commissioner may waive collection of any penalty if the commissioner determines the violation to be an inadvertent error by the employer.

(d) Monetary penalties collected under this section shall be deposited in the family and medical benefit insurance account.

(e) Assessment of penalties under this subdivision may be appealed as provided by the commissioner under subdivision 7.

Subd. 17. Employer penalties. (a) The commissioner may assess the following monetary penalties against an employer with an approved private plan found to have violated this chapter:

(1) $1,000 for the first violation; and

(2) $2,000 for the second, and each successive violation.

(b) The commissioner must waive collection of any penalty if the employer corrects the violation within 30 days of receiving a notice of the violation and the notice is for a first violation.

(c) The commissioner may waive collection of any penalty if the commissioner determines the violation to be an inadvertent error by the employer.

(d) Monetary penalties collected under this section shall be deposited in the family and medical benefit insurance account.

(e) Assessment of penalties under this subdivision may be appealed as provided by the commissioner under subdivision 7.

Subd. 18. Audit and investigation. The commissioner may investigate and audit plans approved under this section both before and after the plans are approved.

**EFFECTIVE DATE.** This section is effective January 1, 2024.

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Effective Date. This section is effective January 1, 2024.
SEC. 16. [268B.11] SELF-EMPLOYED AND INDEPENDENT CONTRACTOR

SECTION 16. ELECTION OF COVERAGE.

Subdivision 1. Election of coverage. (a) A self-employed individual or independent contractor may file with the commissioner by electronic transmission in a format prescribed by the commissioner an application to be entitled to benefits under this chapter for a period not less than 104 consecutive calendar weeks. Upon the approval of the commissioner, sent by United States mail or electronic transmission, the individual is entitled to receive benefits under this chapter beginning the calendar quarter after the date of approval or beginning in a later calendar quarter if requested by the self-employed individual or independent contractor.

The individual ceases to be entitled to benefits as of the first day of January of any calendar year only if, at least 30 calendar days before the first day of January, the individual has filed with the commissioner by electronic transmission in a format prescribed by the commissioner a notice to that effect.

(b) The commissioner may terminate any application approved under this section with 30 calendar days' notice sent by United States mail or electronic transmission if the approved application is terminated in this manner during the first 104 consecutive calendar weeks of election, the self-employed individual remains obligated to pay the premium under subdivision 3 for the remainder of that 104-week period.

Subdivision 2. Application. A self-employed individual who applies for coverage under this chapter must provide the commissioner with (1) the amount of the individual's net earnings from self-employment, if any, from the two most recent taxable years and all tax documents necessary to prove the accuracy of the amounts reported, and (2) any other documentation the commissioner requires. A self-employed individual who is covered under this chapter must annually provide the commissioner with the amount of the individual's net earnings from self-employment within 30 days of filing a federal income tax return.

Subdivision 3. Premium. A self-employed individual who elects to receive coverage under this chapter must annually pay a premium equal to one-half the percentage in section 268B.14, subdivision 6, clause (1), times the lesser of:

(1) the individual's self-employment premium base; or

(2) the maximum earnings subject to the FICA Old-Age, Survivors, and Disability Insurance tax.

Subdivision 4. Benefits. Notwithstanding anything to the contrary, a self-employed individual who has applied to and been approved for coverage by the commissioner under this section is entitled to benefits on the same basis as an employee under this chapter, except that a self-employed individual's weekly benefit amount under section 268B.04, subdivision 1, must be calculated as a percentage of the self-employed individual's self-employment premium base, rather than wages.
EFFECTIVE DATE. Except as provided in section 48, this section is effective July 1, 2025.

Sec. 21. [268B.12] WAGE REPORTING.

Subdivision 1. Wage detail report. (a) Each employer must submit, under the employer premium account described in section 268B.13, a quarterly wage detail report by electronic transmission, in a format prescribed by the commissioner. The report must include for each employee in covered employment during the calendar quarter, the employee’s name, the total wages paid to the employee, and total number of paid hours worked. For employees exempt from the definition of employee in section 177.23, subdivision 7, clause (6), the employer must report 40 hours worked for each week any duties were performed by a full-time employee and must report a reasonable estimate of the hours worked for each week duties were performed by a part-time employee. In addition, the wage detail report must include the number of employees employed during the payroll period that includes the 12th day of each calendar month and, if required by the commissioner, the report must be broken down by business location and separate business unit. The report is due and must be received by the commissioner on or before the last day of the month following the end of the calendar quarter. The commissioner may delay the due date on a specific calendar quarter in the event the department is unable to accept wage detail reports electronically.

(b) The employer may report the wages paid to the next lower whole dollar amount.

(c) An employer need not include the name of the employee or other required information on the wage detail report if disclosure is specifically exempted from being reported by federal law.

(d) A wage detail report must be submitted for each calendar quarter even though no wages were paid, unless the business has been terminated.

Subd. 2. Electronic transmission of report required. Each employer must submit the quarterly wage detail report by electronic transmission in a format prescribed by the commissioner. The commissioner has the discretion to accept wage detail reports that are submitted by any other means or the commissioner may return the report submitted by other than electronic transmission to the employer, and reports returned are considered as not submitted and the late fees under subdivision 3 may be imposed.

Subd. 3. Failure to timely file report; late fees. (a) Any employer that fails to submit the quarterly wage detail report when due must pay a late fee of $10 per employee, computed based upon the highest of:

1. the number of employees reported on the last wage detail report submitted;
2. the number of employees reported in the corresponding quarter of the prior calendar year, or
3. the number of employees reported on the last wage detail report submitted;
4. the number of employees reported in the corresponding quarter of the prior calendar year, or
5. the number of employees employed during the calendar quarter for which the report is due.

(b) The employer may report the wages paid to the next lower whole dollar amount.

(c) An employer need not include the name of the employee or other required information on the wage detail report if disclosure is specifically exempted from being reported by federal law.

(d) A wage detail report must be submitted for each calendar quarter even though no wages were paid, unless the business has been terminated.

Subd. 4. Electronic transmission of report required. Each employer must submit the quarterly wage detail report by electronic transmission in a format prescribed by the commissioner. The commissioner has the discretion to accept wage detail reports that are submitted by any other means or the commissioner may return the report submitted by other than electronic transmission to the employer, and reports returned are considered as not submitted and the late fees under subdivision 3 may be imposed.
(3) if no wage detail report has ever been submitted, the number of employees listed at
the time of employer registration.

The late fee is canceled if the wage detail report is received within 30 calendar days after
a demand for the report is sent to the employer by mail or electronic transmission. A late
fee assessed an employer may not be canceled more than twice each 12 months. The amount
of the late fee assessed may not be less than $250.

(b) If the wage detail report is not received in a manner and format prescribed by the
commissioner within 30 calendar days after demand is sent under paragraph (a), the late
fee assessed under paragraph (a) doubles and a renewed demand notice and notice of the
increased late fee will be sent to the employer by mail or electronic transmission.

(c) Late fees due under this subdivision may be canceled, in whole or in part, under
section 268B.16.

Subd. 4. Missing or erroneous information. (a) Any employer that submits the wage
detail report, but fails to include all required employee information or enters erroneous
information, may be subject to an administrative service fee of $25 for each employee for
whom the information is partially missing or erroneous.

(b) Any employer that submits the wage detail report, but fails to include an employee,
may be subject to an administrative service fee equal to two percent of the total wages for
each employee for whom the information is completely missing.

(c) An employer shall not be subject to any penalty under this section upon a reasonable
showing that the employer's act or omission that violated this section was in good faith or
that the employer had reasonable grounds for believing that the act was not a violation of
this section.

Subd. 5. Fees. The fees provided for in subdivisions 3 and 4 are in addition to interest
and other penalties imposed by this chapter and are collected in the same manner as
delinquent taxes and credited to the family and medical benefit insurance account.

**EFFECTIVE DATE.** Except as provided in section 41, this section is effective July 1, 2025.

Sec. 22. [268B.13] EMPLOYER PREMIUM ACCOUNTS.

The commissioner must maintain a premium account for each employer, except for an
employer with an approved private plan under section 268B.10. The commissioner must
assess the premium account for all the premiums due under section 268B.14, and credit the
family and medical benefit insurance account with all premiums paid.

**EFFECTIVE DATE.** Except as provided in section 41, this section is effective July 1, 2025.
Sec. 19. [268B.14] PREMIUMS.

Subdivision 1. Payments. (a) Family and medical leave premiums accrue and become payable by each employer, except for an employer with an approved private plan under section 268B.10, for each calendar year on the taxable wages that the employer paid to employees in covered employment.

(1) $12,500 multiplied by the number of employees; or
(2) The lesser of:
  1. $12,500 multiplied by the number of employees; or
  2. The maximum earnings in that year subject to the minimum employer premium is required.

(b) If for any reason the wages on the wage detail report under section 268B.12 are adjusted for any quarter, the commissioner must recompute the premiums due for that quarter and assess the employer for any amount due or credit the employer as appropriate. The maximum wages subject to insurance under this section, on the taxable wages paid to each employee. The commissioner must compute the premium due from the wage detail report required under section 268B.12 and notify the employer of the premium due. The premiums must be paid to the family and medical benefit insurance account and must be received by the department on or before the last day of the month following the end of the calendar quarter.

Subd. 3. Employee charge back. Notwithstanding section 177.24, subdivision 4, or 181.06, subdivision 1, employers must pay a minimum of 50 percent of the annual premiums paid under this section. Employees, through a deduction in their wages to the employer, must pay the remaining portion, if any, of the premium not paid by the employer. Such deductions for any given employee must be in equal proportion to the premiums paid based on the wages of that employee, and all employees of an employer must be subject to the same percentage deduction. Deductions under this section must not cause an employee's wage, after the deduction, to fall below the rate required to be paid to the worker by law, including any applicable statute, regulation, rule, ordinance, government resolution or policy, contract, or other legal authority, whichever rate of pay is greater.

Subd. 4. Wages and payments subject to premium. The maximum wages subject to premium in a calendar year is equal to the maximum earnings in that year subject to the FICA Old-Age, Survivors, and Disability Insurance tax.

Subd. 5. Small business wage exclusion. (a) For employers with fewer than 30 employees, the amount of wages on which the employer's premium is required is reduced by the lesser of:

(1) $12,500 multiplied by the number of employees; or
(2) The maximum earnings in that year subject to the minimum employer premium is required.

Each employer must pay premiums quarterly, at the premium rate defined under this section, on the taxable wages paid to each employee. The commissioner must compute the premium due from the wage detail report required under section 268B.12 and notify the employer of the premium due. The premiums must be paid to the family and medical benefit insurance account and must be received by the department on or before the last day of the month following the end of the calendar quarter.

(c) Regardless of paragraph (a) or (b), the commissioner has the discretion to accept payment by other means.

Subd. 3. Employee charge back. Notwithstanding section 177.24, subdivision 4, or 181.06, subdivision 1, employers must pay 50 percent of the annual premiums paid under this section. An employer may elect to pay more than 50 percent of the annual premium under this section. Employees, through a deduction in their wages to the employer, must pay the remaining portion, if any, of the premium not paid by the employer. Such deductions for any given employee must be in equal proportion to the premiums paid based on the wages of that employee. Deductions under this section must not cause an employee's wage, after the deduction, to fall below the rate required to be paid to the worker by law, including any applicable statute, regulation, rule, ordinance, government resolution or policy, or other legal authority, whichever rate of pay is greater.

Subd. 4. Wages and payments subject to premium. The maximum wages subject to premium in a calendar year is equal to the maximum earnings in that year subject to the FICA Old-Age, Survivors, and Disability Insurance tax.

Subd. 5. Small business wage exclusion. (a) For employers with fewer than 30 employees, the amount of wages upon which quarterly employer premium is required is reduced by the lesser of:

(1) $12,500 multiplied by the number of employees; or
(2) The maximum earnings in that year subject to the minimum employer premium is required.

Each employer must pay premiums quarterly, at the premium rate defined under this section, on the taxable wages paid to each employee. The commissioner must compute the premium due from the wage detail report required under section 268B.12 and notify the employer of the premium due. The premiums must be paid to the family and medical benefit insurance account and must be received by the department on or before the last day of the month following the end of the calendar quarter.

(c) Regardless of paragraph (a) or (b), the commissioner has the discretion to accept payment by other means.

Subd. 3. Employee charge back. Notwithstanding section 177.24, subdivision 4, or 181.06, subdivision 1, employers must pay 50 percent of the annual premiums paid under this section. An employer may elect to pay more than 50 percent of the annual premium under this section. Employees, through a deduction in their wages to the employer, must pay the remaining portion, if any, of the premium not paid by the employer. Such deductions for any given employee must be in equal proportion to the premiums paid based on the wages of that employee. Deductions under this section must not cause an employee's wage, after the deduction, to fall below the rate required to be paid to the worker by law, including any applicable statute, regulation, rule, ordinance, government resolution or policy, or other legal authority, whichever rate of pay is greater.
(2) $120,000.
(b) For each employee over 20 employees, the exclusion is reduced by $12,000.
(c) The premium paid by the employer as a result of the reduction allowed under this subdivision must not be less than zero.
(d) The reduction in premiums paid by the employer is for the sole benefit of the employer and does not relieve the employer from deducting the employee portion of the premium.

Subd. 6. Annual premium rates. The premium rates beginning July 1, 2025, shall be as follows:

(1) for both family and medical benefit programs, 0.7 percent;
(2) for only the medical benefit program and with an approved private plan for the family benefit program, 0.57 percent; and
(3) for only the family benefit program and with an approved private plan for the medical benefit program, 0.13 percent.

Subd. 7. Premium rate adjustments. (a) Beginning July 1, 2026, and by July 31 of each year thereafter, the commissioner must adjust the annual premium rates using the formula in paragraph (b).

(b) To calculate the employer rates for a calendar year, the commissioner must:

(1) multiply 1.45 times the amount disbursed from the family and medical benefit insurance account for the 52-week period ending September 30 of the prior year;
(2) subtract the amount in the family and medical benefit insurance account on that September 30 from the resulting figure;
(3) divide the resulting figure by the total wages in covered employment of employees of employers without approved private plans under section 268B.10 for either the family benefit program or the medical benefit program, but not both, count only the proportion of wages in covered employment associated with the program for which the employer does not have an approved private plan; and
(4) round the resulting figure down to the nearest one-hundredth of one percent.

(c) The commissioner must apportion the premium rate between the family and medical benefit programs based on the relative proportion of expenditures for each program during the preceding year.

Subd. 8. Deposit of premiums. All premiums collected under this section must be deposited into the family and medical benefit insurance account.
Subd. 9. Nonpayment of premiums by employer. The failure of an employer to pay premiums does not impact the right of an employee to benefits, or any other right, under this chapter.

EFFECTIVE DATE. Except as provided in section 40, this section is effective July 1, 2025.

Sec. 20. [268B.145] INCOME TAX WITHHOLDING. If the Internal Revenue Service determines that benefits are subject to federal income tax, and an applicant elects to have federal income tax deducted and withheld from the applicant’s benefits, the commissioner must deduct and withhold the amount specified in the Internal Revenue Code in a manner consistent with state law.

EFFECTIVE DATE. Except as provided in section 41, this section is effective July 1, 2025.

Subd. 1. Amount computed presumed correct. Any amount due from an employer, as computed by the commissioner, is presumed to be correctly determined and assessed, and the burden is upon the employer to show its incorrectness. A statement by the commissioner of the amount due is admissible in evidence in any court or administrative proceeding and is prima facie evidence of the facts in the statement.

Subd. 2. Priority of payments. (a) Any payment received from an employer must be applied in the following order:

1. family and medical leave premiums under this chapter; then
2. interest on past due premiums; then
3. penalties, late fees, administrative service fees, and costs;
4.Paragraph (a) is the priority used for all payments received from an employer, regardless of how the employer may designate the payment to be applied, except when:

1. there is an outstanding lien and the employer designates that the payment made should be applied to satisfy the lien;
2. the payment is specifically designated by the employer to be applied to an outstanding overpayment of benefits of an applicant;
3. a court or administrative order directs that the payment be applied to a specific obligation;
4. a preexisting payment plan provides for the application of payment, or

(b) Paragraph (a) is the priority used for all payments received from an employer, regardless of how the employer may designate the payment to be applied, except when:

1. there is an outstanding lien and the employer designates that the payment made should be applied to satisfy the lien;
2. the payment is specifically designated by the employer to be applied to an outstanding overpayment of benefits of an applicant;
3. a court or administrative order directs that the payment be applied to a specific obligation;
4. a preexisting payment plan provides for the application of payment, or
the commissioner, under the compromise authority of section 268B.16, agrees to apply the payment to a different priority.

Subd. 3. Estimating the premium due. Only if an employer fails to make all necessary records available for an audit under section 268B.21 and the commissioner has reason to believe the employer has not reported all the required wages on the quarterly wage detail reports, may the commissioner then estimate the amount of premium due and assess the employer the estimated amount due.

Subd. 4. Costs. (a) Any employer and any applicant subject to section 268B.185, subdivision 2, that fails to pay any amount when due under this chapter is liable for any filing fees, recording fees, sheriff fees, costs incurred by referral to any public or private collection agency, or litigation costs, including attorney fees, incurred in the collection of the amounts due.

(b) If any tendered payment of any amount due is not honored when presented to a financial institution for payment, any costs assessed the department by the financial institution and a fee of $25 must be assessed to the person.

(c) Costs and fees collected under this subdivision are credited to the enforcement account under section 268B.185, subdivision 3.

Subd. 5. Interest on amounts past due. If any amounts due from an employer under this chapter are not received on the date due, the commissioner must assess interest on any amount that remains unpaid. Interest is assessed at the rate of one percent per month or any part of a month. Interest is not assessed on unpaid interest collected under this subdivision.

Subd. 6. Interest on judgments. Regardless of section 549.09, if a judgment is entered upon any past due amounts from an employer under this chapter, the unpaid judgment bears interest at the rate specified in subdivision 5 until the date of payment.

Subd. 7. Credit adjustments; refunds. (a) If an employer makes an application for a credit adjustment of any amount paid under this chapter within four years of the date that the payment was due, in a manner and format prescribed by the commissioner, and the commissioner determines that the payment or any portion thereof was erroneous, the commissioner must make an adjustment and issue a credit without interest. If a credit cannot be used, the commissioner must refund, without interest, the amount erroneously paid. The commissioner, on the commissioner’s own motion, may make a credit adjustment or refund under this subdivision.

(b) Any refund returned to the commissioner is considered unclaimed property under chapter 345.

(c) If a credit adjustment or refund is denied in whole or in part, a determination of denial must be sent to the employer by mail or electronic transmission. The determination of denial
is final unless an employer files an appeal within 20 calendar days after sending. Proceedings on the appeal are conducted in accordance with section 268B.08.

(d) If an employer receives a credit adjustment or refund under this section, the employer must determine the amount of any overpayment attributable to a deduction from employee wages under section 268B.14, subdivision 3, and return any amount erroneously deducted to each affected employee.

Subd. 8. Priorities under legal dissolutions or distributions. In the event of any distribution of an employer’s assets according to an order of any court, including any receivership, assignment for benefit of creditors, adjudicated insolvency, or similar proceeding, premiums then or thereafter due must be paid in full before all other claims except claims for wages of not more than $1,000 per former employee, earned within six months of the commencement of the proceedings. In the event of an employer’s adjudication in bankruptcy under federal law, premiums then or thereafter due are entitled to the priority provided in that law for taxes due in any state.

EFFECTIVE DATE. Except as provided in section 41, this section is effective July 1, 2025.

Sec. 26. [268B.155] CHILD SUPPORT DEDUCTION FROM BENEFITS.

Subdivision 1. Definitions. As used in this section:

(1) "child support agency" means the public agency responsible for child support enforcement, including federally approved comprehensive Tribal IV-D programs; and

(2) "child support obligations" means obligations that are being enforced by a child support agency in accordance with a plan described in United States Code, title 42, sections 454 and 455 of the Social Security Act that has been approved by the secretary of health and human services under part D of title IV of the Social Security Act. This does not include any type of spousal maintenance or foster care payments.

Subd. 2. Notice upon application. In an application for family or medical leave benefits, the applicant must disclose if child support obligations are owed and, if so, in what state and county. If child support obligations are owed, the commissioner must, if the applicant establishes a benefit account, notify the child support agency.

Subd. 3. Withholding of benefit. The commissioner must deduct and withhold from any family or medical leave benefits payable to an applicant who owes child support obligations:

(1) the amount required under a proper order of a court or administrative agency; or

(2) if clause (1) is not applicable, the amount determined under an agreement under United States Code, title 42, section 454 (20)(B)(i), of the Social Security Act; or
(3) if clause (1) or (2) is not applicable, the amount specified by the applicant.

58.17   Subd. 4. Payment. Any amount deducted and withheld must be paid to the child support agency, must for all purposes be treated as if it were paid to the applicant as family medical leave benefits and paid by the applicant to the child support agency in satisfaction of the applicant's child support obligations.

58.21   Subd. 5. Payment of costs. The child support agency must pay the costs incurred by the commissioner in the implementation and administration of this section and sections 51A.50 and 51A.53.

58.24   Sec. 27. [268B.16] COMPROMISE.

58.26   (a) The commissioner may compromise in whole or in part any action, determination, or decision that affects only an employer and not an applicant. This paragraph applies if it is determined by a court of law, or a confession of judgment, that an applicant, while employed, wrongfully took from the employer $500 or more in money or property.

58.31   (b) The commissioner may at any time compromise any premium or reimbursement due from an employer under this chapter.

58.33   (c) Any compromise involving an amount over $10,000 must be authorized by an attorney licensed to practice law in Minnesota who is an employee of the department designated by the commissioner for that purpose.

58.36   (d) Any compromise must be in the best interest of the state of Minnesota.

58.43   Sec. 28. [268B.17] ADMINISTRATIVE COSTS.

58.46   From July 1, 2025, through December 31, 2025, the commissioner may spend up to seven percent of projected benefit payments for the administration of this chapter. The department may enter into interagency agreements with the Department of Labor and Industry, including agreements to transfer funds, subject to the limit in this section, for the Department of Labor and Industry to fulfill its enforcement authority of this chapter.

58.53   Sec. 29. [268B.17] ADMINISTRATIVE COSTS.

58.56   From July 1, 2025, through December 31, 2025, the commissioner may spend up to seven percent of projected benefit payments for the administration of this chapter. The department may enter into interagency agreements with the Department of Labor and Industry, including agreements to transfer funds, subject to the limit in this section, for the Department of Labor and Industry to fulfill its enforcement authority of this chapter and for the Department of Commerce to fulfill the requirements of this chapter.
Sec. 25. [268B.18] PUBLIC OUTREACH.

Beginning in fiscal year 2025, the commissioner must use at least 0.5 percent of projected benefit payments under section 268B.17 for the purpose of outreach, education, and technical assistance for employees, employers, and self-employed individuals eligible to elect coverage under section 268B.11. The department may enter into interagency agreements with the Department of Labor and Industry, including agreements to transfer funds, subject to the limit in section 268B.17, to accomplish the requirements of this section. At least one-half of the amount spent under this section must be used for grants to community-based groups.

EFFECTIVE DATE. Except as provided in section 41, this section is effective July 1, 2025.

Sec. 26. [268B.18] BENEFIT OVERPAYMENTS.

Subd. 1. Repaying an overpayment. (a) Any applicant who (1) because of a determination or amended determination issued under this chapter, or (2) because of a benefit law judge's decision under section 268B.08, has received any family or medical leave benefits that the applicant was held not entitled to, is overpaid the benefits and must promptly repay the benefits to the family and medical benefit insurance account.

(b) If the applicant fails to repay the benefits overpaid, including any penalty and interest assessed under subdivisions 2 and 4, the total due may be collected by the methods allowed under state and federal law.

Subd. 2. Overpayment because of misrepresentation. (a) An applicant has committed misrepresentation if the applicant is overpaid benefits by making an intentional false statement or representation in an effort to fraudulently collect benefits. Overpayment because of misrepresentation does not occur where there is an unintentional mistake with a good faith belief as to the eligibility or correctness of the statement or representation.

(b) A determination of overpayment penalty must state the methods of collection the commissioner may use to recover the overpayment, penalty, and interest assessed. Money received in repayment of overpaid benefits, penalties, and interest is first applied to the benefits overpaid, second to the penalty amount due, and third to any interest due.

(c) The department is authorized to issue a determination of overpayment penalty under this subdivision within 12 months of the establishment of the benefit account upon which the benefits were obtained through misrepresentation.

Subd. 3. Family and medical benefit insurance enforcement account created. The family and medical benefit insurance enforcement account created in the state treasury.

Any penalties and interest collected under this section shall be deposited into the account under this subdivision and shall be used only for the purposes of administering and enforcing

EFFECTIVE DATE. Except as provided in section 40, this section is effective July 1, 2025.
this chapter. Only the commissioner may authorize expenditures from the account under this subdivision.

Subd. 4. Interest. For any family and medical leave benefits obtained by misrepresentation, and any penalty amounts assessed under subdivision 2, the commissioner must assess interest on any amount that remains unpaid beginning 30 calendar days after the date of a determination of overpayment penalty. Interest is assessed at the rate of six percent per year. A determination of overpayment penalty must state that interest will be assessed. Interest is not assessed on unpaid interest. Interest collected under this subdivision is credited to the family and medical benefit insurance enforcement account.

Subd. 5. Offset of benefits. An employee may offset from any future family and medical leave benefits otherwise payable the amount of an overpayment. No single offset may exceed 20 percent of the amount of the payment from which the offset is made.

Subd. 6. Cancellation of overpayments. (a) If family and medical leave benefits overpayments are not repaid or offset from subsequent benefits within three years after the date of the determination or decision holding the applicant overpaid, the commissioner must cancel the overpayment balance, and no administrative or legal proceedings may be used to enforce collection of those amounts.

(b) The commissioner may cancel at any time any overpayment, including penalties and interest that the commissioner determines is uncollectible because of death or bankruptcy.

Subd. 7. Collection of overpayments. (a) The commissioner has discretion regarding the recovery of any overpayment for reasons other than misrepresentation. Regardless of any law to the contrary, the commissioner is not required to refer any overpayment for reasons other than misrepresentation to a public or private collection agency, including agencies of this state.

(b) Amounts overpaid for reasons other than misrepresentation are not considered a "debt" to the state of Minnesota for purposes of any reporting requirements to the commissioner of management and budget.

(c) A pending appeal under section 268B.08 does not suspend the assessment of interest, penalties, or collection of an overpayment.

(d) Section 16A.626 applies to the repayment by an applicant of any overpayment, penalty, or interest.

(e) In any case where the commissioner or the department has probable cause that any applicant, employer, or other person has fraudulently obtained benefits, the commissioner or the department must report the matter to the county attorney of jurisdiction for prosecution.

Subd. 3. Interest. For any family and medical leave benefits obtained by misrepresentation, and any penalty amounts assessed under subdivision 2, the commissioner must assess interest on any amount that remains unpaid beginning 30 calendar days after the date of a determination of overpayment penalty. Interest is assessed at the rate of six percent per year. A determination of overpayment penalty must state that interest will be assessed. Interest is not assessed on unpaid interest. Interest collected under this subdivision is credited to the family and medical benefit insurance account.

Subd. 4. Offset of benefits. An employee may offset from any future family and medical leave benefits otherwise payable the amount of an overpayment. No single offset may exceed 20 percent of the amount of the payment from which the offset is made.

Subd. 5. Cancellation of overpayments. (a) If family and medical leave benefits overpayments are not repaid or offset from subsequent benefits within three years after the date of the determination or decision holding the applicant overpaid, the commissioner must cancel the overpayment balance, and no administrative or legal proceedings may be used to enforce collection of those amounts.

(b) The commissioner may cancel at any time any overpayment, including penalties and interest that the commissioner determines is uncollectible because of death or bankruptcy.

Subd. 6. Collection of overpayments. (a) The commissioner has discretion regarding the recovery of any overpayment for reasons other than misrepresentation. Regardless of any law to the contrary, the commissioner is not required to refer any overpayment for reasons other than misrepresentation to a public or private collection agency, including agencies of this state.

(b) Amounts overpaid for reasons other than misrepresentation are not considered a "debt" to the state of Minnesota for purposes of any reporting requirements to the commissioner of management and budget.

(c) A pending appeal under section 268B.08 does not suspend the assessment of interest, penalties, or collection of an overpayment.

(d) Section 16A.626 applies to the repayment by an applicant of any overpayment, penalty, or interest.

(e) In any case where the commissioner or the department has probable cause that any applicant, employer, or other person has fraudulently obtained benefits, the commissioner or the department must report the matter to the county attorney of jurisdiction for prosecution.

Subd. 7. Termination for misrepresentation. It is not a violation of this section to terminate an employee for obtaining benefits through intentional misrepresentation.
(a) The commissioner must penalize an employer if that employer or any employee, officer, or agent of that employer is in collusion with any applicant for the purpose of assisting the applicant in receiving benefits fraudulently. The penalty is $500 or the amount of benefits determined to be overpaid, whichever is greater.

(b) The commissioner must penalize an employer if that employer or any employee, or agent of that employer:

1. made a false statement or representation knowing it to be false;
2. made a false statement or representation without a good-faith belief as to the correctness of the statement or representation; or
3. knowingly failed to disclose a material fact.

(c) The penalty is the greater of $500 or 50 percent of the following resulting from the employer's action:

1. the amount of any overpaid benefits to an applicant;
2. the amount of benefits not paid to an applicant that would otherwise have been paid; or
3. the amount of any payment required from the employer under this chapter that was not paid.

(d) Penalties must be paid within 30 calendar days of issuance of the determination of penalty and credited to the family and medical benefit insurance account.

(e) The determination of penalty is final unless the employer files an appeal within 30 calendar days after the sending of the determination of penalty to the employer by United States mail or electronic transmission.

(3) knowingly failed to disclose a material fact.

Subdivision 1. Employer records; audits. (a) Each employer must keep true and accurate records on individuals performing services for the employer, containing the information the commissioner may require under this chapter. The records must be kept for a period of not less than four years in addition to the current calendar year.

(b) For the purpose of administering this chapter, the commissioner has the power to audit, examine, or cause to be supplied or copied, any books, correspondence, papers, records on individuals performing services for the employer, containing the information the commissioner may require under this chapter. The records must be kept for a period of not less than four years in addition to the current calendar year.

Subdivision 1. Employer records; audits. (a) Each employer must keep true and accurate records on individuals performing services for the employer, containing the information the commissioner may require under this chapter. The records must be kept for a period of not less than four years in addition to the current calendar year.

(b) For the purpose of administering this chapter, the commissioner has the power to audit, examine, or cause to be supplied or copied, any books, correspondence, papers, records on individuals performing services for the employer, containing the information the commissioner may require under this chapter. The records must be kept for a period of not less than four years in addition to the current calendar year.
62.25 records, or memoranda that are the property of, or in the possession of, an employer or any
62.26 other person at any reasonable time and as often as may be necessary. Subpoenas may be
62.27 issued under section 268B.22 as necessary, for an audit.
62.28 (c) An employer or other person that refuses to allow an audit of its records by the
62.29 department or that fails to make all necessary records available for audit in the state upon
62.30 request of the commissioner may be assessed an administrative penalty of $500. The penalty
62.31 collected is credited to the family and medical benefit insurance account.
62.32 (d) An employer, or other person, that fails to provide a weekly breakdown of money
62.33 earned by an applicant upon request of the commissioner, information necessary for the
62.34 detection of applicant misrepresentation under section 268B.185, subdivision 2, may be
62.35 assessed an administrative penalty of $100. Any notice requesting a weekly breakdown
62.36 must clearly state that a $100 penalty may be assessed for failure to provide the information.
62.37 The penalty collected is credited to the family and medical benefit insurance account.
62.38 Subd. 2. Department records; destruction. (a) The commissioner may make summaries,
62.39 compilations, duplications, or reproductions of any records pertaining to this chapter that
62.40 the commissioner considers advisable for the preservation of the information.
62.41 (b) Regardless of any law to the contrary, the commissioner may destroy any records
62.42 that are no longer necessary for the administration of this chapter. In addition, the
62.43 commissioner may destroy any record from which the information has been electronically
62.44 captured and stored.
62.45 EFFECTIVE DATE. Except as provided in section 40, this section is effective July 1, 2025.
62.46 Sec. 33. [268B.22] SUBPOENAS; OATHS.
62.47 (a) The commissioner or benefit judge has authority to administer oaths and affirmations,
62.48 take depositions, certify to official acts, and issue subpoenas to compel the attendance
62.49 of individuals and the production of documents and other personal property necessary in
62.50 connection with the administration of this chapter.
62.51 (b) Individuals subpoenaed, other than applicants or officers and employees of an
62.52 employer that is the subject of the inquiry, are paid witness fees the same as witness fees
62.53 in civil actions in district court. The fees need not be paid in advance.
62.54 (c) The subpoena is enforceable through the district court in Ramsey County.
62.55 EFFECTIVE DATE. Except as provided in section 40, this section is effective July 1, 2025.
62.56 Sec. 34. [268B.23] LIEN; LEVY; SETOFF; AND CIVIL ACTION.
62.57 Subdivision 1. Lien. (a) Any amount due under this chapter, from an applicant or an
62.58 employer, becomes a lien upon all the property, within this state, both real and personal, of
62.59 records, or memoranda that are the property of, or in the possession of, an employer or any
62.60 other person at any reasonable time and as often as may be necessary. Subpoenas may be
62.61 issued under section 268B.22 as necessary, for an audit.
62.62 (c) An employer or other person that refuses to allow an audit of its records by the
62.63 department or that fails to make all necessary records available for audit in the state upon
62.64 request of the commissioner may be assessed an administrative penalty of $500. The penalty
62.65 collected is credited to the family and medical benefit insurance account.
62.66 (d) An employer, or other person, that fails to provide a weekly breakdown of money
62.67 earned by an applicant upon request of the commissioner, information necessary for the
62.68 detection of applicant misrepresentation under section 268B.185, subdivision 2, may be
62.69 assessed an administrative penalty of $100. Any notice requesting a weekly breakdown
62.70 must clearly state that a $100 penalty may be assessed for failure to provide the information.
62.71 The penalty collected is credited to the family and medical benefit insurance account.
62.72 Subd. 2. Department records; destruction. (a) The commissioner may make summaries,
62.73 compilations, duplications, or reproductions of any records pertaining to this chapter that
62.74 the commissioner considers advisable for the preservation of the information.
62.75 (b) Regardless of any law to the contrary, the commissioner may destroy any records
62.76 that are no longer necessary for the administration of this chapter. In addition, the
62.77 commissioner may destroy any record from which the information has been electronically
62.78 captured and stored.
62.79 EFFECTIVE DATE. Except as provided in section 40, this section is effective July 1, 2025.
62.80 Sec. 29. [268B.22] SUBPOENAS; OATHS.
62.81 (a) The commissioner or benefit judge has authority to administer oaths and affirmations,
62.82 take depositions, certify to official acts, and issue subpoenas to compel the attendance
62.83 of individuals and the production of documents and other personal property necessary in
62.84 connection with the administration of this chapter.
62.85 (b) Individuals subpoenaed, other than applicants or officers and employees of an
62.86 employer that is the subject of the inquiry, are paid witness fees the same as witness fees
62.87 in civil actions in district court. The fees need not be paid in advance.
62.88 (c) The subpoena is enforceable through the district court in Ramsey County.
62.89 EFFECTIVE DATE. Except as provided in section 40, this section is effective July 1, 2025.
62.90 Sec. 30. [268B.23] LIEN; LEVY; SETOFF; AND CIVIL ACTION.
62.91 Subdivision 1. Lien. (a) Any amount due under this chapter, from an applicant or an
62.92 employer, becomes a lien upon all the property, within this state, both real and personal, of
the person liable, from the date of assessment. For the purposes of this section, "date of
assessment" means the date the obligation was due.

(b) The lien is not enforceable against any purchaser, mortgagee, pledgee, holder of a
Uniform Commercial Code security interest, mechanic's lien, or judgment lien creditor,
until a notice of lien has been filed with the county recorder of the county where the property
is situated, or in the case of personal property belonging to a nonresident person in the Office
of the Secretary of State. When the notice of lien is filed with the county recorder, the fee
for filing and indexing is as provided in sections 272.483 and 272.484.

(c) Notices of liens, lien renewals, and lien releases, in a form prescribed by the
commissioner, may be filed with the county recorder or the secretary of state by mail,
personal delivery, or electronic transmission into the computerized filing system of the
secretary of state. The secretary of state must, on any notice filed with that office, transmit
the notice electronically to the appropriate county recorder. The filing officer, whether the
county recorder or the secretary of state, must endorse and index a printout of the notice as
if the notice had been mailed or delivered.

(d) County recorders and the secretary of state must enter information on lien notices,
renewals, and releases into the central database of the secretary of state. For notices filed
electronically with the county recorders, the date and time of receipt of the notice and county
recorder's file number, and for notices filed electronically with the secretary of state, the
secretary of state's recording information, must be entered into the central database before
the close of the working day following the day of the original data entry by the commissioner.

(e) The lien imposed on personal property, even though properly filed, is not enforceable
against a purchaser of tangible personal property purchased at retail or personal property
listed as exempt in sections 550.37, 550.38, and 550.39. A notice of lien filed has priority over any security interest arising under chapter 336, article 9, that is perfected prior in time to the lien imposed by this subdivision, but only if:

(1) A notice of lien filed has priority over any security interest arising under chapter 336, article 9, that is perfected prior in time to the lien imposed by this subdivision, but only if:

(1) the perfected security interest secures property not in existence at the time the notice
of lien is filed; and

(2) the property comes into existence after the 45th calendar day following the day the
notice of lien is filed, or after the secured party has actual notice or knowledge of the lien
filing, whichever is earlier.

(g) The lien is enforceable from the time the lien arises and for ten years from the date
of filing the notice of lien. A notice of lien may be renewed before expiration for an additional
ten years.

(h) The lien is enforceable by levy under subdivision 2 or by judgment lien foreclosure
under chapter 550.
The lien may be imposed upon property defined as homestead property in chapter 550 but may be enforced only upon the sale, transfer, or conveyance of the homestead property.

The commissioner may sell and assign to a third party the commissioner's right of redemption in specific real property for liens filed under this subdivision. The assignee is limited to the same rights of redemption as the commissioner, except that in a bankruptcy proceeding, the assignee does not obtain the commissioner's priority. Any proceeds from the sale of the right of redemption are credited to the family and medical benefit insurance account.

If any amount due under this chapter, from an applicant or an employer, is not paid when due, the amount may be collected by the commissioner by direct levy upon all property and rights of the person liable for the amount due except property exempt from execution under section 550.37. For the purposes of this section, "levy" includes the power of distraint and seizure by any means.

In addition to a direct levy, the commissioner may issue a warrant to the sheriff of any county who must proceed within 60 calendar days to levy upon the property or rights to property of the delinquent person within the county, except property exempt under section 550.37. The sheriff must sell that property necessary to satisfy the total amount due, together with the commissioner's and sheriff's costs. The sales are governed by the law applicable to sales of like property on execution of a judgment.

Notice and demand for payment of the total amount due must be mailed to the delinquent person at least ten calendar days before action being taken under paragraphs (a) and (b).

If the commissioner has reason to believe that collection of the amount due is in jeopardy, notice and demand for immediate payment may be made. If the total amount due is not paid, the commissioner may proceed to collect by direct levy or issue a warrant without regard to the ten calendar day period.

In executing the levy, the commissioner must have all of the powers provided in chapter 550 or any other law that provides for execution against property in this state. The sale of property levied upon and the time and manner of redemption is as provided in chapter 550. The seal of the court is not required. The levy may be made whether or not the commissioner has commenced a legal action for collection.

Where any assessment has been made by the commissioner, the property seized for collection of the total amount due must not be sold until any determination of liability has become final. No sale may be made unless a portion of the amount due remains unpaid for a period of more than 30 calendar days after the determination of liability becomes final.

Seized property may be sold at any time if:

1. The delinquent person consents in writing to the sale; or

Levy.

Subd. 2. Levy. (a) If any amount due under this chapter, from an applicant or an employer, is not paid when due, the amount may be collected by the commissioner by direct levy upon all property and rights of the person liable for the amount due except property exempt from execution under section 550.37. For the purposes of this section, "levy" includes the power of distraint and seizure by any means.

(b) In addition to a direct levy, the commissioner may issue a warrant to the sheriff of any county who must proceed within 60 calendar days to levy upon the property or rights to property of the delinquent person within the county, except property exempt under section 550.37. The sheriff must sell that property necessary to satisfy the total amount due, together with the commissioner's and sheriff's costs. The sales are governed by the law applicable to sales of like property on execution of a judgment.

(c) Notice and demand for payment of the total amount due must be mailed to the delinquent person at least ten calendar days before action being taken under paragraphs (a) and (b).

(d) If the commissioner has reason to believe that collection of the amount due is in jeopardy, notice and demand for immediate payment may be made. If the total amount due is not paid, the commissioner may proceed to collect by direct levy or issue a warrant without regard to the ten calendar day period.

(e) In executing the levy, the commissioner must have all of the powers provided in chapter 550 or any other law that provides for execution against property in this state. The sale of property levied upon and the time and manner of redemption is as provided in chapter 550. The seal of the court is not required. The levy may be made whether or not the commissioner has commenced a legal action for collection.

(f) Where any assessment has been made by the commissioner, the property seized for collection of the total amount due must not be sold until any determination of liability has become final. No sale may be made unless a portion of the amount due remains unpaid for a period of more than 30 calendar days after the determination of liability becomes final.

Seized property may be sold at any time if:

1. The delinquent person consents in writing to the sale; or
(2) the commissioner determines that the property is perishable or may become greatly reduced in price or value by keeping, or that the property cannot be kept without great expense.

(9) Where a levy has been made to collect the amount due and the property seized is properly included in a formal proceeding commenced under sections 524.3-401 to 524.3-505 and maintained under full supervision of the court, the property may not be sold until the probate proceedings are completed or until the court orders.

(h) The property seized must be returned if the owner:

(1) gives a surety bond equal to the appraised value of the owner's interest in the property, as determined by the commissioner; or

(2) deposits with the commissioner security in a form and amount the commissioner considers necessary to insure payment of the liability.

(i) If a levy or sale would irreparably injure rights in property that the court determines superior to rights of the state, the court may grant an injunction to prohibit the enforcement of the levy or to prohibit the sale;

(1) Any person who fails or refuses to surrender without reasonable cause any property or rights to property subject to levy is personally liable in an amount equal to the value of the property or rights not so surrendered, but not exceeding the amount due.

(k) If the commissioner has seized the property of any individual, that individual may, upon giving 48 hours notice to the commissioner and to the court, bring a claim for equitable relief before the district court for the release of the property upon terms and conditions the court considers equitable.

(l) Any person in control or possession of property or rights to property upon which a levy has been made who surrenders the property or rights to property, or who pays the amount due is discharged from any obligation or liability to the person liable for the amount due with respect to the property or rights to property.

(m) The notice of any levy may be served personally or by mail.

(n) The commissioner may release the levy upon all or part of the property or rights to property levied upon if the commissioner determines that the release will facilitate the collection of the liability, but the release does not prevent any subsequent levy. If the commissioner determines that property has been wrongfully levied upon, the commissioner must return:

(1) the specific property levied upon, at any time; or

(2) an amount of money equal to the amount of money levied upon, at any time before the expiration of nine months from the date of levy.
Regardless of section 52.12, a levy upon a person's funds on deposit in a financial institution located in this state, has priority over any unexercised right of setoff of the financial institution to apply the levied funds toward the balance of an outstanding loan or loans owed by the person to the financial institution. A claim by the financial institution that it exercised its right to setoff before the levy must be substantiated by evidence of the date of the setoff, and verified by an affidavit from a corporate officer of the financial institution. For purposes of determining the priority of any levy under this subdivision, the levy is treated as if it were an election under chapter 550.

Subd. 4. Right of setoff. (a) Upon certification by the commissioner to the commissioner of management and budget, or to any state agency that disburses its own funds, that a person, applicant, or employer has a liability under this chapter, and that the state has purchased personal services, supplies, contract services, or property from that person, the commissioner of management and budget or the state agency must set off and pay to the commissioner an amount sufficient to satisfy the unpaid liability from funds appropriated for payment of the obligation of the state otherwise due the person. No amount may be set off from any funds exempt under section 550.37 or funds due an individual who receives assistance under chapter 256.

(b) All funds, whether general or dedicated, are subject to setoff.

(c) Regardless of any law to the contrary, the commissioner has first priority to setoff from any funds otherwise due from the department to a delinquent person.

Subd. 4. Collection by civil action. (a) Any amount due under this chapter, from an applicant or employer, may be collected by civil action in the name of the state of Minnesota.

(b) Any person that is not a resident of this state and any resident person removed from this state, is considered to appoint the secretary of state as its agent for the acceptance of process in any civil action. The commissioner must file process with the secretary of state, together with a payment of a fee of $15 and that service is considered sufficient service and has the same force and validity as if served personally within this state. Notice of the service of process, together with a copy of the process, must be sent by certified mail to the person's last known address. An affidavit of compliance with this subdivision, and a copy of the notice of service must be appended to the original of the process and filed in the court.

(c) No court filing fees, docketing fees, or release of judgment fees may be assessed against the state for actions under this subdivision.
Subd. 5. Injunction forbidden. No injunction or other legal action to prevent the determination, assessment, or collection of any amounts due under this chapter, from an applicant or employer, are allowed.

EFFECTIVE DATE. Except as provided in section 41, this section is effective July 1, 2025.

Sec. 31. [268B.24] CONCILIATION SERVICES.

The Department of Labor and Industry may offer conciliation services to employers and employees to resolve disputes concerning alleged violations of employment protections identified in section 268B.09.

EFFECTIVE DATE. Except as provided in section 41, this section is effective July 1, 2025.

Sec. 36. [268B.25] ANNUAL REPORTS.

(a) Beginning on or before July 1, 2026, the commissioner must annually report to the Department of Management and Budget and the house of representatives and senate committee chairs with jurisdiction over this chapter on program administrative expenditures and revenue collection for the prior fiscal year, including but not limited to:

(1) total revenue raised through premium collection;

(2) the number of self-employed individuals or independent contractors electing coverage under section 268B.11 and amount of associated revenue;

(3) the number of covered business entities paying premiums under this chapter and associated revenue;

(4) administrative expenditures including transfers to other state agencies expended in the administration of the chapter;

(5) summary of contracted services expended in the administration of this chapter;

(6) grant amounts and recipients under sections 268B.18 and 268B.29;

(7) an accounting of required outreach expenditures;

(8) summary of private plan approvals including the number of employers and employees covered under private plans; and

(9) adequacy and use of the private plan approval and oversight fee.

(b) Beginning on or before July 1, 2026, the commissioner must annually publish a freely available report providing the following information for the previous fiscal year:

(1) total eligible claims;
(2) the number and percentage of claims attributable to each category of benefit.

(3) claimant demographics by age, gender, average weekly wage, occupation, and the type of leave taken;

(4) the percentage of claims denied and the reasons therefor, including but not limited to insufficient information and ineligibility and the reason therefor;

(5) average weekly benefit amount paid for all claims and by category of benefit;

(6) changes in the benefits paid compared to previous fiscal years;

(7) processing times for initial claims processing, initial determinations, and final decisions;

(8) average duration for cases completed; and

(9) the number of cases remaining open at the close of such year.

EFFECTIVE DATE. Except as provided in section 40, this section is effective July 1, 2025.

Sec. 33. [268B.26] NOTICE REQUIREMENTS.

(a) Each employer must post in a conspicuous place on each of its premises a workplace notice prepared by the commissioner providing notice of benefits available under this chapter. The required workplace notice must be in English and each language other than English which is the primary language of five or more employees or independent contractors of that workplace, if such notice is available from the department.

(b) Each employer must issue to each employee not more than 30 days from the beginning date of the employee's employment, or 30 days before premium collection begins, whichever is later, the following written information provided by the department in the primary language of the employee:

(1) an explanation of the availability of family and medical leave benefits provided under this chapter, including rights to reinstatement and continuation of health insurance;

(2) the amount of premium deductions made by the employer under this chapter;

(3) the employer's premium amount and obligations under this chapter;

(4) the name and mailing address of the employer;

(5) the identification number assigned to the employer by the department;

(6) instructions on how to file a claim for family and medical leave benefits;

(7) the mailing address, e-mail address, and telephone number of the department; and

(8) average duration for cases completed; and

(9) the number of cases remaining open at the close of such year.

EFFECTIVE DATE. Except as provided in section 40, this section is effective July 1, 2025.

Sec. 37. [268B.26] NOTICE REQUIREMENTS.

(a) Each employer must post in a conspicuous place on each of its premises a workplace notice prepared or approved by the commissioner providing notice of benefits available under this chapter. The required workplace notice must be in English and each language other than English which is the primary language of five or more employees or independent contractors of that workplace, if such notice is available from the department.

(b) Each employer must issue to each employee not more than 30 days from the beginning date of the employee's employment, or 30 days before premium collection begins, whichever is later, the following written information provided or approved by the department in the primary language of the employer:

(1) an explanation of the availability of family and medical leave benefits provided under this chapter, including rights to reinstatement and continuation of health insurance;

(2) the amount of premium deductions made by the employer under this chapter;

(3) the employer's premium amount and obligations under this chapter;

(4) the name and mailing address of the employer;

(5) the identification number assigned to the employer by the department;

(6) instructions on how to file a claim for family and medical leave benefits; and

(7) the mailing address, e-mail address, and telephone number of the department; and
(8) any other information required by the department.

Delivery is made when an employee provides written acknowledgment of receipt of the information, or signs a statement indicating the employee's refusal to sign such acknowledgment.

(c) Each employer shall provide to each independent contractor with whom it contracts, at the time such contract is made or, for existing contracts, within 30 days of the effective date of this section, the following written information provided by the department in the self-employed individual's primary language:

(1) the address and telephone number of the department;

(2) an explanation of the availability of family and medical leave benefits provided under this chapter for independent contractors; and

(3) any other information required by the department.

(d) An employer that fails to comply with this subdivision may be issued, for a first violation, a civil penalty of $50 per employee, and for each subsequent violation, a civil penalty of $300 per employee or self-employed individual with whom it has contracted. The employer shall have the burden of demonstrating compliance with this section.

(g) Employer notice to an employee under this section may be provided in paper or electronic format. For notice provided in electronic format only, the employer must provide employee access to an employer-owned computer during an employee's regular working hours to review and print required notices.

(f) The department shall prepare a uniform employee notice form for employers to use that provides the notice information required under this section. The commissioner shall prepare the uniform employee notice in the five most common languages spoken in Minnesota. Upon the written request of an employer who is subject to this section, the commissioner shall provide a copy of the uniform employee notice in any primary language spoken by an employee in the employer's place of business. If the commissioner does not provide the copy of the uniform employee notice in response to a request under this paragraph, the employer who makes the request is not subject to a penalty for failing to provide the required notice under this section for violations that arise after the date of the request. The commissioner shall pay for any costs associated with preparing the uniform employee notice form or providing additional copies under this paragraph.

EFFECTIVE DATE. Except as provided in section 41, this section is effective July 1, 2025.
or the Family and Medical Leave Act, United States Code, title 29, sections 2601 to 2654, as amended.

Subd. 2. Construction. Nothing in this chapter shall be construed to:

(1) allow an employer to compel an employee to exhaust accumulated sick, vacation, or personal time before or while taking leave under this chapter;

(2) prohibit an employer from providing additional benefits, including but not limited to covering the portion of earnings not provided during periods of leave covered under this chapter including through a supplemental benefit payment, as defined under section 268B.01, subdivision 4;

(3) limit the parties to a collective bargaining agreement from bargaining and agreeing with respect to leave benefits and related procedures and employee protections that meet, or exceed, and do not otherwise conflict with, the minimum standards and requirements in this chapter;

(d) alter or amend the duty of parties to a collective bargaining agreement to meet and negotiate or bargain collectively about the terms and conditions of employment, including the amount or percentage of an employee charge back, pursuant to chapter 179A, and United States Code, title 29, section 158(a)(5) and (b)(3). Nothing in this chapter requires parties to a collective bargaining agreement to:

(i) renegotiate an existing collective bargaining agreement;

(ii) delay collective bargaining or negotiation about the amount or percentage of an employee charge back until an existing collective bargaining agreement expires; or

(iii) bargain collectively or negotiate for a new employee charge back provision each time annual premium rates are changed under this chapter; or

(4) applied so as to create any power or duty in conflict with federal law.

EFFECTIVE DATE. Except as provided in section 41, this section is effective July 1, 2025.

Sec. 39. [268B.28] SEVERABLE.

If the United States Department of Labor or a court of competent jurisdiction determines that any provision of the family and medical benefit insurance program under this chapter is not in conformity with, or is inconsistent with, the requirements of federal law, the provision has no force or effect. If only a portion of the provision, or the application to any person or circumstances, is determined not in conformity, or determined inconsistent, the remainder of the provision and the application of the provision to other persons or circumstances are not affected.

EFFECTIVE DATE. Except as provided in section 40, this section is effective July 1, 2025.

Sec. 35. [268B.28] SEVERABLE.
EFFECTIVE DATE. Except as provided in section 40, this section is effective July 1, 2025.

Sec. 36. [268B.29] SMALL BUSINESS ASSISTANCE GRANTS.

(a) Employers with 50 or fewer employees may apply to the department for grants under this section.

(b) The commissioner may approve a grant of up to $3,000 if the employer hires a temporary worker to replace an employee on family or medical leave for a period of seven days or more.

(c) For an employee's family or medical leave, the commissioner may approve a grant of up to $1,000 as reimbursement for significant additional wage-related costs due to the employee's leave.

(d) To be eligible for consideration for a grant under this section, the employer must provide the department written documentation showing the temporary worker hired or significant wage-related costs incurred are due to an employee's use of leave under this chapter.

(1) 25 percent of the wages earned by the employees on leave in the most recent completed quarter divided by 13; or

(2) $300 per week per employee on leave.

(b) Grants must be used to hire temporary workers or to increase wages for current employees. The grant shall be paid weekly until the percentage of employees using benefits under this chapter is 15 percent or less for the applicable employer.

(g) The grants under this section may be funded from the family and medical benefit insurance account.

(f) For the purposes of this section, the commissioner shall average the number of employees reported by an employer over the last four completed calendar quarters to determine the size of the employer.

(i) An employer who has an approved private plan is not eligible to receive a grant under this section.

(j) The commissioner may award grants under this section only up to a maximum of $5,000,000 per calendar year.

EFFECTIVE DATE. Except as provided in section 44, this section is effective July 1, 2025.
Sec. 37. [268B.30] DIRECT CARE PROVIDER ACCOUNT.

The direct care provider account is created in the special revenue fund in the state treasury.

Money in this account is appropriated to the commissioner for that portion of a direct care worker's premium, not to exceed 50 percent of the annual premium, that would otherwise be required by a direct care worker for the paid family and medical leave program under this chapter. Money remaining in the account at the end of the fiscal year is not canceled to the general fund but remains until June 30, 2027.

Sec. 38. STAKEHOLDER GROUP.

(a) The commissioner of human services, in collaboration with the commissioner of employment and economic development, must convene a group of stakeholders including representatives of direct care workers, employers of direct care workers, and other interested parties, to examine and identify solutions to issues surrounding the impact of premium collection on direct care workers and employers of direct care workers required by the paid family and medical leave program created in this act.

(b) By January 1, 2025, the commissioner of human services must provide a report on the activities of the stakeholder group, including recommendations and draft legislation, to the chairs and ranking members of the house of representatives and senate committees with jurisdiction over human services and economic development.

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

Sec. 40. APPLICATION.

Family and medical benefits under Minnesota Statutes, chapter 268B, may be applied for and paid starting July 1, 2025.

ARTICLE 3

FAMILY AND MEDICAL LEAVE BENEFIT AS EARNINGS

Sec. 2. Minnesota Statutes 2022, section 256J.561, subdivision 4, is amended to read:

Parents receiving family and medical leave benefits. A parent who meets the criteria under subdivision 2 and who receives benefits under chapter 268B is not required to participate in employment services.

Sec. 3. Minnesota Statutes 2022, section 256J.95, subdivision 3, is amended to read:

Eligibility for diversionary work program. (a) Except for the categories of family units listed in clauses (1) to (8), all family units who apply for cash benefits and who meet MFIP eligibility as required in sections 256J.11 to 256J.15 are eligible and must participate in the diversionary work program. Family units or individuals that are not eligible for the diversionary work program include:

ARTICLE 4

FAMILY AND MEDICAL LEAVE BENEFIT AS EARNINGS
Sec. 3. Minnesota Statutes 2022, section 256J.95, subdivision 11, is amended to read:

Subd. 11. Universal participation required. (a) All DWP caregivers, except caregivers who meet the criteria in paragraph (d), are required to participate in DWP employment services. Except as specified in paragraphs (b) and (c), employment plans under DWP must, at a minimum, meet the requirements in section 256J.55, subdivision 1.

(b) A caregiver who is a member of a two-parent family that is required to participate in DWP who would otherwise be ineligible for DWP under subdivision 3 may be allowed to develop an employment plan under section 256J.521, subdivision 2, that may contain alternate activities and reduced hours.

(c) A participant who is a victim of family violence shall be allowed to develop an employment plan under section 256J.521, subdivision 3. A claim of family violence must be documented by the applicant or participant by providing a sworn statement which is supported by collateral documentation in section 256J.545, paragraph (b).

Sec. 4. Minnesota Statutes 2022, section 256J.95, subdivision 11, is amended to read:

Subd. 11. Universal participation required. (a) All DWP caregivers, except caregivers who meet the criteria in paragraph (d), are required to participate in DWP employment services. Except as specified in paragraphs (b) and (c), employment plans under DWP must, at a minimum, meet the requirements in section 256J.55, subdivision 1.

(b) A caregiver who is a member of a two-parent family that is required to participate in DWP who would otherwise be ineligible for DWP under subdivision 3 may be allowed to develop an employment plan under section 256J.521, subdivision 2, that may contain alternate activities and reduced hours.

(c) A participant who is a victim of family violence shall be allowed to develop an employment plan under section 256J.521, subdivision 3. A claim of family violence must be documented by the applicant or participant by providing a sworn statement which is supported by collateral documentation in section 256J.545, paragraph (b).
(d) One parent in a two-parent family unit that has a natural born child under 12 months of age is not required to have an employment plan until the child reaches 12 months of age unless the family unit has already used the exclusion under section 256J.561, subdivision 3, or the previously allowed child under age one exemption under section 256J.56, paragraph (e), clause (5), if that parent:

1. receives family and medical leave benefits under chapter 268B; or

2. has a natural born child under 12 months of age until the child reaches 12 months of age unless the family unit has already used the exclusion under section 256J.561, subdivision 3, or the previously allowed child under age one exemption under section 256J.56, paragraph (a), clause (5).

(e) The provision in paragraph (d) ends the first full month after the child reaches 12 months of age. This provision is allowable only once in a caregiver's lifetime. In a two-parent household, only one parent shall be allowed to use this category.

(f) The participant and job counselor must meet in the month after the month the child reaches 12 months of age to revise the participant's employment plan. The employment plan for a family unit that has a child under 12 months of age that has already used the exclusion in section 256J.561 must be tailored to recognize the caregiving needs of the parent.

Sec. 4. Minnesota Statutes 2022, section 256P.01, subdivision 3, is amended to read:

Subd. 3. Earned income. "Earned income" means income earned through the receipt of wages, salary, commissions, bonuses, tips, gratuities, profit from employment activities, net profit from self-employment activities, payments made by an employer for regularly accrued vacation or sick leave, severance pay based on accrued leave time, benefits paid under chapter 268B, royalties, honoraria, or other profit from activity that results from the client's work, effort, or labor for purposes other than student financial assistance, rehabilitation programs, student training programs, or service programs such as AmeriCorps.

The income must be in return for, or as a result of, legal activity.

Sec. 5. Effective dates. Sections 1 to 4 are effective July 1, 2025.

ARTICLE 3

FAMILY AND MEDICAL LEAVE ACTUARIAL STUDY

Section 1. Actuarial study requirement. (a) The commissioner of employment and economic development must contract with a qualified independent actuarial consultant to conduct an actuarial study of the family and medical leave premium rate, premium structure, weekly benefit formula, duration of benefits, fund reserve, and other components as necessary to determine the financial soundness of the family and medical benefit insurance program created in this act. A qualified actuarial study:

1. is to be conducted every 3 years;

2. is to be submitted to the legislature no later than January 1, 2024.

Sec. 39. Actuarial study.

(a) The commissioner of employment and economic development must contract with a qualified independent actuarial consultant to conduct an actuarial study of the family and medical leave premium rate, premium structure, weekly benefit formula, duration of benefits, fund reserve, and other components as necessary to determine an actuarially sound rate and future rate-setting mechanism of the family and medical benefit insurance program created in this act.
independent actuarial consultant is one who is a Fellow of the Society of Actuaries, Member
of the American Academy of Actuaries (FSA MAAA), and who has experience directly
relevant to the analysis required under this paragraph. The commissioner must issue a request
for proposal to satisfy the requirements of this section no later than 30 days following
enactment.

(b) A copy of the actuarial study must be provided to the majority and minority leaders
in the senate and house of representatives no later than October 31, 2023.

ARTICLE 4
APPROPRIATIONS

Section 1. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies
and for the purposes specified in this article. The appropriations are from the family and
medical benefit insurance account under Minnesota Statutes, section 268B.02, subdivision
4, and are available for the fiscal years indicated for each purpose. The figures "2024" and
"2025" used in this article mean that the appropriations listed under them are available for
the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first year" is fiscal
year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and
2025.

APPROPRIATIONS

Available for the Year

Ending June 30

2024 2025

50,938,000 $ 71,385,000 $

This amount is for the purposes of Minnesota
Statutes, chapter 268B, including start-up and

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

ARTICLE 2
APPROPRIATIONS

Section 1. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies
and for the purposes specified in this article. The appropriations are from the family and
medical benefit insurance account under Minnesota Statutes, section 268B.02, subdivision
4, and are available for the fiscal years indicated for each purpose. The figures "2024" and
"2025" used in this article mean that the appropriations listed under them are available for
the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first year" is fiscal
year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and
2025.

APPROPRIATIONS

Available for the Year

Ending June 30

2024 2025

50,939,000 $ 71,388,000 $

This amount is for the purposes of Minnesota
Statutes, chapter 268B, including start-up and

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information technology costs, administration, and outreach.

The base from the family and medical benefit insurance account for fiscal year 2026 is $76,088,000 and for fiscal year 2027 is $73,641,000.

Sec. 3. DEPARTMENT OF LABOR AND INDUSTRY

This amount is for the purposes of Minnesota Statutes, chapter 268B.

The base from the family and medical benefit insurance account for fiscal year 2026 and beyond is $731,000.

Sec. 4. DEPARTMENT OF COMMERCE

This amount is for the purposes of Minnesota Statutes, chapter 268B.

The base from the family and medical benefit insurance account for fiscal year 2026 and beyond is $128,000.

Sec. 5. MINNESOTA MANAGEMENT AND BUDGET

This amount is for the purposes of Minnesota Statutes, chapter 268B.

The base from the family and medical benefit insurance account for fiscal year 2026 and beyond is $31,000.

Sec. 6. DEPARTMENT OF HUMAN SERVICES

This amount is for the purposes of Minnesota Statutes, chapter 268B.

The base from the family and medical benefit insurance account for fiscal year 2026 and beyond is $79,000.

Sec. 7. MINNESOTA MANAGEMENT AND BUDGET

This amount is for the purposes of Minnesota Statutes, chapter 268B.

The base from the family and medical benefit insurance account for fiscal year 2026 and beyond is $331,000.

The base from the family and medical benefit insurance account for fiscal year 2026 is $76,089,000 and for fiscal year 2027 is $73,642,000.
The base from the family and medical benefit insurance account for fiscal year 2026 and beyond is $530,000.

This amount is for the purposes of Minnesota Statutes, chapter 268B. This is a onetime appropriation.

The base from the family and medical benefit insurance account for fiscal year 2026 and beyond is $77,000.

$15,000 in fiscal year 2024 and $15,000 in fiscal year 2025 are appropriated from the family and medical benefit insurance account to the supreme court for the purposes of Minnesota Statutes, chapter 268B. This is a onetime appropriation.

$18,000 in fiscal year 2024 is appropriated from the family and medical benefit insurance account to the house of representatives for the purposes of Minnesota Statutes, chapter 268B. This is a onetime appropriation.

The commissioner of management and budget shall transfer $648,321,000 in fiscal year 2024 from the general fund to the family and medical benefit insurance account for the purposes of Minnesota Statutes, chapter 268B.

The commissioner of management and budget shall transfer $648,321,000 in fiscal year 2024 from the general fund to the family and medical benefit insurance account for the purposes of Minnesota Statutes, chapter 268B.
Sec. 12. ENTERPRISE COSTS BASE ESTABLISHMENT.

A general fund base of $3,049,000 in fiscal year 2026 and $3,049,000 in fiscal year 2027 are established to fund enterprise requirements under Minnesota Statutes, chapter 268B, employee notification, and the costs incurred by state agencies due to employer-paid premiums established under Minnesota Statutes, chapter 268B. The commissioner of management and budget shall allocate these amounts to agency base budgets based on the expected costs incurred by those agencies.

Sec. 12. TRANSFER; DIRECT CARE PROVIDER ACCOUNT.

The commissioner of management and budget shall transfer $20,000,000 in fiscal year 2024 from the general fund to the direct care provider account under Minnesota Statutes, section 268B.30.