

1.1 Senator ..... moves to amend S.F. No. 3945 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 JOBS AND ECONOMIC GROWTH

1.5 Section 1. APPROPRIATIONS.

1.6 The sums shown in the columns marked "Appropriations" are added to the appropriations  
1.7 in Laws 2017, chapter 94, or appropriated to the agencies and for the purposes specified in  
1.8 this article. The appropriations are from the general fund, or another named fund, and are  
1.9 available for the fiscal year indicated for each purpose. The figures "2018" and "2019" used  
1.10 in this article mean that the addition to the appropriations listed under them are available  
1.11 for the fiscal year ending June 30, 2018, or June 30, 2019, respectively. "The first year" is  
1.12 fiscal year 2018. "The second year" is fiscal year 2019. Appropriations for fiscal year 2018  
1.13 are effective the day following final enactment.

1.14 APPROPRIATIONS

1.15 Available for the Year

1.16 Ending June 30

1.17 2018

2019

1.18 Sec. 2. DEPARTMENT OF EMPLOYMENT  
1.19 AND ECONOMIC DEVELOPMENT

1.20 Subdivision 1. Total Appropriation \$ -0- \$ 17,025,000

1.21 The amounts that may be spent for each  
1.22 purpose are specified in the following  
1.23 subdivisions.

1.24 Appropriations by Fund

1.25 2018

2019

1.26 General -0- 17,000,000

1.27 Workforce  
1.28 Development -0- 25,000

1.29 Subd. 2. Business and Community Development -0- 2,000,000

1.30 \$2,000,000 in fiscal year 2019 is for the  
1.31 redevelopment grant and demolition loan  
1.32 programs under Minnesota Statutes, sections

2.1 116J.571 to 116J.5764. This is a onetime  
2.2 appropriation and is available until spent.

2.3 **Subd. 3. Broadband Development** -0- 15,000,000

2.4 \$15,000,000 in fiscal year 2019 is for deposit  
2.5 in the border-to-border broadband fund  
2.6 account in the special revenue fund established  
2.7 under Minnesota Statutes, section 116J.396.

2.8 This is a onetime appropriation and is  
2.9 available until spent.

2.10 **Subd. 4. Workforce Development** -0- 25,000

2.11 \$25,000 in fiscal year 2019 is from the  
2.12 workforce development fund for transfer to  
2.13 the Cook County Higher Education Board to  
2.14 provide educational programming and  
2.15 academic support services to remote regions  
2.16 in northeastern Minnesota. This is a onetime  
2.17 appropriation and is in addition to other funds  
2.18 previously appropriated for transfer to the  
2.19 board.

2.20 **Sec. 3. WORKERS' COMPENSATION COURT**  
2.21 **OF APPEALS** \$ 0 \$ 33,000

2.22 This appropriation is from the workers'  
2.23 compensation fund.

2.24 **ARTICLE 2**

2.25 **ECONOMIC DEVELOPMENT POLICY**

2.26 Section 1. Minnesota Statutes 2016, section 116J.8747, subdivision 2, is amended to read:

2.27 Subd. 2. **Qualified job training program.** To qualify for grants under this section, a  
2.28 job training program must satisfy the following requirements:

2.29 (1) the program must be operated by a nonprofit corporation that qualifies under section  
2.30 501(c)(3) of the Internal Revenue Code;

2.31 (2) the program must spend, on average, \$15,000 or more per graduate of the program;

2.32 (3) the program must provide education and training in:

- 3.1 (i) basic skills, such as reading, writing, mathematics, and communications;
- 3.2 (ii) thinking skills, such as reasoning, creative thinking, decision making, and problem  
3.3 solving; and
- 3.4 (iii) personal qualities, such as responsibility, self-esteem, self-management, honesty,  
3.5 and integrity;
- 3.6 (4) the program may provide income supplements, when needed, to participants for  
3.7 housing, counseling, tuition, and other basic needs;
- 3.8 ~~(5) the program's education and training course must last for an average of at least six~~  
3.9 ~~months;~~
- 3.10 ~~(6)~~ individuals served by the program must:
- 3.11 ~~(i)~~ be 18 years of age or older; as of the date of enrollment, and
- 3.12 ~~(ii)~~ have federal adjusted gross household income of no more than \$12,000 per year in  
3.13 the calendar year immediately before entering the program that is 100 percent or less of the  
3.14 federal poverty guideline for Minnesota, based on family size; and
- 3.15 ~~(iii)~~ have assets of no more than \$10,000, excluding the value of a homestead; and
- 3.16 ~~(iv)~~ not have been claimed as a dependent on the federal tax return of another person in  
3.17 the previous taxable year; and
- 3.18 ~~(7)~~ (6) the program must be certified by the commissioner of employment and economic  
3.19 development as meeting the requirements of this subdivision.

3.20 Sec. 2. Minnesota Statutes 2016, section 116J.8747, subdivision 4, is amended to read:

3.21 Subd. 4. **Duties of program.** (a) A program certified by the commissioner under  
3.22 subdivision 2 must comply with the requirements of this subdivision.

3.23 (b) A program must maintain records for each qualified graduate. The records must  
3.24 include information sufficient to verify the graduate's eligibility under this section, identify  
3.25 the employer, and describe the job including its compensation rate and benefits.

3.26 (c) A program ~~must report by January 1 of each year to the commissioner. The report~~  
3.27 ~~must include, at least, information on:~~ is subject to the reporting requirements under section  
3.28 116L.98.

3.29 ~~(1) the number of graduates placed;~~

3.30 ~~(2) demographic information on the graduates;~~

4.1 ~~(3) the type of position in which each graduate is placed, including compensation~~  
4.2 ~~information;~~

4.3 ~~(4) the tenure of each graduate at the placed position or in other jobs;~~

4.4 ~~(5) the amount of employer fees paid to the program;~~

4.5 ~~(6) the amount of money raised by the program from other sources; and~~

4.6 ~~(7) the types and sizes of employers with which graduates have been placed and retained.~~

4.7 Sec. 3. Minnesota Statutes 2017 Supplement, section 298.292, subdivision 2, is amended  
4.8 to read:

4.9 Subd. 2. **Use of money.** (a) Money in the Douglas J. Johnson economic protection trust  
4.10 fund may be used for the following purposes:

4.11 (1) to provide loans, loan guarantees, interest buy-downs and other forms of participation  
4.12 with private sources of financing, but a loan to a private enterprise shall be for a principal  
4.13 amount not to exceed one-half of the cost of the project for which financing is sought, and  
4.14 the rate of interest on a loan to a private enterprise shall be no less than the lesser of eight  
4.15 percent or an interest rate three percentage points less than a full faith and credit obligation  
4.16 of the United States government of comparable maturity, at the time that the loan is approved;

4.17 (2) to fund reserve accounts established to secure the payment when due of the principal  
4.18 of and interest on bonds issued pursuant to section 298.2211;

4.19 (3) to pay in periodic payments or in a lump-sum payment any or all of the interest on  
4.20 bonds issued pursuant to chapter 474 for the purpose of constructing, converting, or  
4.21 retrofitting heating facilities in connection with district heating systems or systems utilizing  
4.22 alternative energy sources;

4.23 (4) to invest in a venture capital fund or enterprise that will provide capital to other  
4.24 entities that are engaging in, or that will engage in, projects or programs that have the  
4.25 purposes set forth in subdivision 1. No investments may be made in a venture capital fund  
4.26 or enterprise unless at least two other unrelated investors make investments of at least  
4.27 \$500,000 in the venture capital fund or enterprise, and the investment by the Douglas J.  
4.28 Johnson economic protection trust fund may not exceed the amount of the largest investment  
4.29 by an unrelated investor in the venture capital fund or enterprise. For purposes of this  
4.30 subdivision, an "unrelated investor" is a person or entity that is not related to the entity in  
4.31 which the investment is made or to any individual who owns more than 40 percent of the  
4.32 value of the entity, in any of the following relationships: spouse, parent, child, sibling,

5.1 employee, or owner of an interest in the entity that exceeds ten percent of the value of all  
 5.2 interests in it. For purposes of determining the limitations under this clause, the amount of  
 5.3 investments made by an investor other than the Douglas J. Johnson economic protection  
 5.4 trust fund is the sum of all investments made in the venture capital fund or enterprise during  
 5.5 the period beginning one year before the date of the investment by the Douglas J. Johnson  
 5.6 economic protection trust fund; and

5.7 (5) to purchase forest land in the taconite assistance area defined in section 273.1341 to  
 5.8 be held and managed as a public trust for the benefit of the area for the purposes authorized  
 5.9 in section 298.22, subdivision 5a. Property purchased under this section may be sold by the  
 5.10 commissioner, after consultation with the advisory board. The net proceeds must be deposited  
 5.11 in the trust fund for the purposes and uses of this section.

5.12 (b) Money from the trust fund shall be expended only in or for the benefit of the taconite  
 5.13 assistance area defined in section 273.1341.

5.14 (c) Money devoted to the trust fund under this section shall not be expended, appropriated,  
 5.15 or transferred from the trust fund for any purpose except as provided in this section.

5.16 Sec. 4. Laws 2017, chapter 94, article 1, section 2, subdivision 2, is amended to read:

5.17 Subd. 2. **Business and Community Development** \$ 46,074,000 \$ 40,935,000

5.18 Appropriations by Fund

5.19 General	\$43,363,000	\$38,424,000
5.20 Remediation	\$700,000	\$700,000
5.21 Workforce		
5.22 Development	\$1,861,000	\$1,811,000
5.23 Special Revenue	\$150,000	-0-

5.24 (a) \$4,195,000 each year is for the Minnesota  
 5.25 job skills partnership program under  
 5.26 Minnesota Statutes, sections 116L.01 to  
 5.27 116L.17. If the appropriation for either year  
 5.28 is insufficient, the appropriation for the other  
 5.29 year is available. This appropriation is  
 5.30 available until spent.

5.31 (b) \$750,000 each year is for grants to the  
 5.32 Neighborhood Development Center for small  
 5.33 business programs:

- 6.1 (1) training, lending, and business services;
- 6.2 (2) model outreach and training in greater
- 6.3 Minnesota; and
- 6.4 (3) development of new business incubators.

6.5 This is a onetime appropriation.

- 6.6 (c) \$1,175,000 each year is for a grant to the
- 6.7 Metropolitan Economic Development
- 6.8 Association (MEDA) for statewide business
- 6.9 development and assistance services, including
- 6.10 services to entrepreneurs with businesses that
- 6.11 have the potential to create job opportunities
- 6.12 for unemployed and underemployed people,
- 6.13 with an emphasis on minority-owned
- 6.14 businesses. This is a onetime appropriation.

- 6.15 (d) \$125,000 each year is for a grant to the
- 6.16 White Earth Nation for the White Earth Nation
- 6.17 Integrated Business Development System to
- 6.18 provide business assistance with workforce
- 6.19 development, outreach, technical assistance,
- 6.20 infrastructure and operational support,
- 6.21 financing, and other business development
- 6.22 activities. This is a onetime appropriation.

- 6.23 (e)(1) ~~\$12,500,000 each~~ the first year is and
- 6.24 \$10,500,000 the second year are for the
- 6.25 Minnesota investment fund under Minnesota
- 6.26 Statutes, section 116J.8731. Of this amount,
- 6.27 the commissioner of employment and
- 6.28 economic development may use up to three
- 6.29 percent for administration and monitoring of
- 6.30 the program. This appropriation is available
- 6.31 until spent. In fiscal year 2020 and beyond,
- 6.32 the base amount is \$12,500,000.

- 6.33 (2) Of the amount appropriated in fiscal year
- 6.34 2018, \$4,000,000 is for a loan to construct and

7.1 equip a wholesale electronic component  
7.2 distribution center investing a minimum of  
7.3 \$200,000,000 and constructing a facility at  
7.4 least 700,000 square feet in size. Loan funds  
7.5 may be used for purchases of materials,  
7.6 supplies, and equipment for the construction  
7.7 of the facility and are available from July 1,  
7.8 2017, to June 30, 2021. The commissioner of  
7.9 employment and economic development shall  
7.10 forgive the loan after verification that the  
7.11 project has satisfied performance goals and  
7.12 contractual obligations as required under  
7.13 Minnesota Statutes, section 116J.8731.

7.14 (3) Of the amount appropriated in fiscal year  
7.15 2018, \$700,000 is for a loan to extend an  
7.16 effluent pipe that will deliver reclaimed water  
7.17 to an innovative waste-to-biofuel project  
7.18 investing a minimum of \$150,000,000 and  
7.19 constructing a facility that is designed to  
7.20 process approximately 400,000 tons of waste  
7.21 annually. Loan funds are available until June  
7.22 30, 2021.

7.23 (4) Of the amount appropriated in fiscal year  
7.24 2019, \$1,000,000 is for a grant to the city of  
7.25 Minnetonka for a forgivable loan to a  
7.26 high-risk, high-return jobs retention and  
7.27 creation initiative to be conducted by a local  
7.28 business that produces lactic acid/lactate, to  
7.29 help grow and expand the bioeconomy in  
7.30 Minnesota. The grant under this section is not  
7.31 subject to the limitations under Minnesota  
7.32 Statutes, section 116J.8731, subdivision 5, or  
7.33 the performance goals, contractual obligations,  
7.34 and other requirements under sections  
7.35 116J.8731, subdivision 7, 116J.993, and

8.1 116J.994. Grant funds are available until June  
8.2 30, 2021.

8.3 (f) \$8,500,000 each year is for the Minnesota  
8.4 job creation fund under Minnesota Statutes,  
8.5 section 116J.8748. Of this amount, the  
8.6 commissioner of employment and economic  
8.7 development may use up to three percent for  
8.8 administrative expenses. This appropriation  
8.9 is available until expended. In fiscal year 2020  
8.10 and beyond, the base amount is \$8,000,000.

8.11 (g) \$1,647,000 each year is for contaminated  
8.12 site cleanup and development grants under  
8.13 Minnesota Statutes, sections 116J.551 to  
8.14 116J.558. This appropriation is available until  
8.15 spent. In fiscal year 2020 and beyond, the base  
8.16 amount is \$1,772,000.

8.17 (h) \$12,000 each year is for a grant to the  
8.18 Upper Minnesota Film Office.

8.19 (i) \$163,000 each year is for the Minnesota  
8.20 Film and TV Board. The appropriation in each  
8.21 year is available only upon receipt by the  
8.22 board of \$1 in matching contributions of  
8.23 money or in-kind contributions from nonstate  
8.24 sources for every \$3 provided by this  
8.25 appropriation, except that each year up to  
8.26 \$50,000 is available on July 1 even if the  
8.27 required matching contribution has not been  
8.28 received by that date.

8.29 (j) \$500,000 each year is from the general fund  
8.30 for a grant to the Minnesota Film and TV  
8.31 Board for the film production jobs program  
8.32 under Minnesota Statutes, section 116U.26.  
8.33 This appropriation is available until June 30,  
8.34 2021.



9.1 (k) \$139,000 each year is for a grant to the  
9.2 Rural Policy and Development Center under  
9.3 Minnesota Statutes, section 116J.421.

9.4 (l)(1) \$1,300,000 each year is for the greater  
9.5 Minnesota business development public  
9.6 infrastructure grant program under Minnesota  
9.7 Statutes, section 116J.431. This appropriation  
9.8 is available until spent. If the appropriation  
9.9 for either year is insufficient, the appropriation  
9.10 for the other year is available. In fiscal year  
9.11 2020 and beyond, the base amount is  
9.12 \$1,787,000. Funds available under this  
9.13 paragraph may be used for site preparation of  
9.14 property owned and to be used by private  
9.15 entities.

9.16 (2) Of the amounts appropriated, \$1,600,000  
9.17 in fiscal year 2018 is for a grant to the city of  
9.18 Thief River Falls to support utility extensions,  
9.19 roads, and other public improvements related  
9.20 to the construction of a wholesale electronic  
9.21 component distribution center at least 700,000  
9.22 square feet in size and investing a minimum  
9.23 of \$200,000,000. Notwithstanding Minnesota  
9.24 Statutes, section 116J.431, a local match is  
9.25 not required. Grant funds are available from  
9.26 July 1, 2017, to June 30, 2021.

9.27 (m) \$876,000 the first year and \$500,000 the  
9.28 second year are for the Minnesota emerging  
9.29 entrepreneur loan program under Minnesota  
9.30 Statutes, section 116M.18. Funds available  
9.31 under this paragraph are for transfer into the  
9.32 emerging entrepreneur program special  
9.33 revenue fund account created under Minnesota  
9.34 Statutes, chapter 116M, and are available until  
9.35 spent. Of this amount, up to four percent is for

- 10.1 administration and monitoring of the program.
- 10.2 In fiscal year 2020 and beyond, the base
- 10.3 amount is \$1,000,000.
- 10.4 (n) \$875,000 each year is for a grant to
- 10.5 Enterprise Minnesota, Inc. for the small
- 10.6 business growth acceleration program under
- 10.7 Minnesota Statutes, section 116O.115. This
- 10.8 is a onetime appropriation.
- 10.9 (o) \$250,000 in fiscal year 2018 is for a grant
- 10.10 to the Minnesota Design Center at the
- 10.11 University of Minnesota for the greater
- 10.12 Minnesota community design pilot project.
- 10.13 (p) \$275,000 in fiscal year 2018 is from the
- 10.14 general fund to the commissioner of
- 10.15 employment and economic development for
- 10.16 a grant to Community and Economic
- 10.17 Development Associates (CEDA) for an
- 10.18 economic development study and analysis of
- 10.19 the effects of current and projected economic
- 10.20 growth in southeast Minnesota. CEDA shall
- 10.21 report on the findings and recommendations
- 10.22 of the study to the committees of the house of
- 10.23 representatives and senate with jurisdiction
- 10.24 over economic development and workforce
- 10.25 issues by February 15, 2019. All results and
- 10.26 information gathered from the study shall be
- 10.27 made available for use by cities in southeast
- 10.28 Minnesota by March 15, 2019. This
- 10.29 appropriation is available until June 30, 2020.
- 10.30 (q) \$2,000,000 in fiscal year 2018 is for a
- 10.31 grant to Pillsbury United Communities for
- 10.32 construction and renovation of a building in
- 10.33 north Minneapolis for use as the "North
- 10.34 Market" grocery store and wellness center,
- 10.35 focused on offering healthy food, increasing

11.1 health care access, and providing job creation  
11.2 and economic opportunities in one place for  
11.3 children and families living in the area. To the  
11.4 extent possible, Pillsbury United Communities  
11.5 shall employ individuals who reside within a  
11.6 five mile radius of the grocery store and  
11.7 wellness center. This appropriation is not  
11.8 available until at least an equal amount of  
11.9 money is committed from nonstate sources.  
11.10 This appropriation is available until the project  
11.11 is completed or abandoned, subject to  
11.12 Minnesota Statutes, section 16A.642.

11.13 (r) \$1,425,000 each year is for the business  
11.14 development competitive grant program. Of  
11.15 this amount, up to five percent is for  
11.16 administration and monitoring of the business  
11.17 development competitive grant program. All  
11.18 grant awards shall be for two consecutive  
11.19 years. Grants shall be awarded in the first year.

11.20 (s) \$875,000 each year is for the host  
11.21 community economic development grant  
11.22 program established in Minnesota Statutes,  
11.23 section 116J.548.

11.24 (t) \$700,000 each year is from the remediation  
11.25 fund for contaminated site cleanup and  
11.26 development grants under Minnesota Statutes,  
11.27 sections 116J.551 to 116J.558. This  
11.28 appropriation is available until spent.

11.29 (u) \$161,000 each year is from the workforce  
11.30 development fund for a grant to the Rural  
11.31 Policy and Development Center. This is a  
11.32 onetime appropriation.

11.33 (v) \$300,000 each year is from the workforce  
11.34 development fund for a grant to Enterprise

12.1 Minnesota, Inc. This is a onetime  
12.2 appropriation.

12.3 (w) \$50,000 in fiscal year 2018 is from the  
12.4 workforce development fund for a grant to  
12.5 Fighting Chance for behavioral intervention  
12.6 programs for at-risk youth.

12.7 (x) \$1,350,000 each year is from the  
12.8 workforce development fund for job training  
12.9 grants under Minnesota Statutes, section  
12.10 116L.42.

12.11 (y)(1) \$519,000 in fiscal year 2018 is for  
12.12 grants to local communities to increase the  
12.13 supply of quality child care providers in order  
12.14 to support economic development. At least 60  
12.15 percent of grant funds must go to communities  
12.16 located outside of the seven-county  
12.17 metropolitan area, as defined under Minnesota  
12.18 Statutes, section 473.121, subdivision 2. Grant  
12.19 recipients must obtain a 50 percent nonstate  
12.20 match to grant funds in either cash or in-kind  
12.21 contributions. Grant funds available under this  
12.22 paragraph must be used to implement solutions  
12.23 to reduce the child care shortage in the state  
12.24 including but not limited to funding for child  
12.25 care business start-ups or expansions, training,  
12.26 facility modifications or improvements  
12.27 required for licensing, and assistance with  
12.28 licensing and other regulatory requirements.

12.29 In awarding grants, the commissioner must  
12.30 give priority to communities that have  
12.31 documented a shortage of child care providers  
12.32 in the area.

12.33 (2) Within one year of receiving grant funds,  
12.34 grant recipients must report to the  
12.35 commissioner on the outcomes of the grant

13.1 program including but not limited to the  
13.2 number of new providers, the number of  
13.3 additional child care provider jobs created, the  
13.4 number of additional child care slots, and the  
13.5 amount of local funds invested.

13.6 (3) By January 1 of each year, starting in 2019,  
13.7 the commissioner must report to the standing  
13.8 committees of the legislature having  
13.9 jurisdiction over child care and economic  
13.10 development on the outcomes of the program  
13.11 to date.

13.12 (z) \$319,000 in fiscal year 2018 is from the  
13.13 general fund for a grant to the East Phillips  
13.14 Improvement Coalition to create the East  
13.15 Phillips Neighborhood Institute (EPNI) to  
13.16 expand culturally tailored resources that  
13.17 address small business growth and create  
13.18 green jobs. The grant shall fund the  
13.19 collaborative work of Tamales y Bicicletas,  
13.20 Little Earth of the United Tribes, a nonprofit  
13.21 serving East Africans, and other coalition  
13.22 members towards developing EPNI as a  
13.23 community space to host activities including,  
13.24 but not limited to, creation and expansion of  
13.25 small businesses, culturally specific  
13.26 entrepreneurial activities, indoor urban  
13.27 farming, job training, education, and skills  
13.28 development for residents of this low-income,  
13.29 environmental justice designated  
13.30 neighborhood. Eligible uses for grant funds  
13.31 include, but are not limited to, planning and  
13.32 start-up costs, staff and consultant costs,  
13.33 building improvements, rent, supplies, utilities,  
13.34 vehicles, marketing, and program activities.  
13.35 The commissioner shall submit a report on

14.1 grant activities and quantifiable outcomes to  
14.2 the committees of the house of representatives  
14.3 and the senate with jurisdiction over economic  
14.4 development by December 15, 2020. This  
14.5 appropriation is available until June 30, 2020.

14.6 (aa) \$150,000 the first year is from the  
14.7 renewable development account in the special  
14.8 revenue fund established in Minnesota  
14.9 Statutes, section 116C.779, subdivision 1, to  
14.10 conduct the biomass facility closure economic  
14.11 impact study.

14.12 (bb)(1)\$300,000 in fiscal year 2018 is for a  
14.13 grant to East Side Enterprise Center (ESEC)  
14.14 to expand culturally tailored resources that  
14.15 address small business growth and job  
14.16 creation. This appropriation is available until  
14.17 June 30, 2020. The appropriation shall fund  
14.18 the work of African Economic Development  
14.19 Solutions, the Asian Economic Development  
14.20 Association, the Dayton's Bluff Community  
14.21 Council, and the Latino Economic  
14.22 Development Center in a collaborative  
14.23 approach to economic development that is  
14.24 effective with smaller, culturally diverse  
14.25 communities that seek to increase the  
14.26 productivity and success of new immigrant  
14.27 and minority populations living and working  
14.28 in the community. Programs shall provide  
14.29 minority business growth and capacity  
14.30 building that generate wealth and jobs creation  
14.31 for local residents and business owners on the  
14.32 East Side of St. Paul.

14.33 (2) In fiscal year 2019 ESEC shall use funds  
14.34 to share its integrated service model and  
14.35 evolving collaboration principles with civic

15.1 and economic development leaders in greater  
15.2 Minnesota communities which have diverse  
15.3 populations similar to the East Side of St. Paul.  
15.4 ESEC shall submit a report of activities and  
15.5 program outcomes, including quantifiable  
15.6 measures of success annually to the house of  
15.7 representatives and senate committees with  
15.8 jurisdiction over economic development.

15.9 (cc) \$150,000 in fiscal year 2018 is for a grant  
15.10 to Mille Lacs County for the purpose of  
15.11 reimbursement grants to small resort  
15.12 businesses located in the city of Isle with less  
15.13 than \$350,000 in annual revenue, at least four  
15.14 rental units, which are open during both  
15.15 summer and winter months, and whose  
15.16 business was adversely impacted by a decline  
15.17 in walleye fishing on Lake Mille Lacs.

15.18 (dd)(1) \$250,000 in fiscal year 2018 is for a  
15.19 grant to the Small Business Development  
15.20 Center hosted at Minnesota State University,  
15.21 Mankato, for a collaborative initiative with  
15.22 the Regional Center for Entrepreneurial  
15.23 Facilitation. Funds available under this section  
15.24 must be used to provide entrepreneur and  
15.25 small business development direct professional  
15.26 business assistance services in the following  
15.27 counties in Minnesota: Blue Earth, Brown,  
15.28 Faribault, Le Sueur, Martin, Nicollet, Sibley,  
15.29 Watonwan, and Waseca. For the purposes of  
15.30 this section, "direct professional business  
15.31 assistance services" must include, but is not  
15.32 limited to, pre-venture assistance for  
15.33 individuals considering starting a business.  
15.34 This appropriation is not available until the  
15.35 commissioner determines that an equal amount

16.1 is committed from nonstate sources. Any  
 16.2 balance in the first year does not cancel and  
 16.3 is available for expenditure in the second year.

16.4 (2) Grant recipients shall report to the  
 16.5 commissioner by February 1 of each year and  
 16.6 include information on the number of  
 16.7 customers served in each county; the number  
 16.8 of businesses started, stabilized, or expanded;  
 16.9 the number of jobs created and retained; and  
 16.10 business success rates in each county. By April  
 16.11 1 of each year, the commissioner shall report  
 16.12 the information submitted by grant recipients  
 16.13 to the chairs of the standing committees of the  
 16.14 house of representatives and the senate having  
 16.15 jurisdiction over economic development  
 16.16 issues.

16.17 (ee) \$500,000 in fiscal year 2018 is for the  
 16.18 central Minnesota opportunity grant program  
 16.19 established under Minnesota Statutes, section  
 16.20 116J.9922. This appropriation is available until  
 16.21 June 30, 2022.

16.22 Sec. 5. Laws 2017, chapter 94, article 1, section 2, subdivision 3, is amended to read:

16.23 Subd. 3. **Workforce Development** \$ 31,498,000 \$ 30,231,000

16.24	Appropriations by Fund		
16.25	General	\$6,239,000	\$5,889,000
16.26	Workforce		
16.27	Development	\$25,259,000	\$24,342,000

16.28 (a) \$500,000 each year is for the  
 16.29 youth-at-work competitive grant program  
 16.30 under Minnesota Statutes, section 116L.562.  
 16.31 Of this amount, up to five percent is for  
 16.32 administration and monitoring of the youth  
 16.33 workforce development competitive grant  
 16.34 program. All grant awards shall be for two



17.1 consecutive years. Grants shall be awarded in  
17.2 the first year. In fiscal year 2020 and beyond,  
17.3 the base amount is \$750,000.

17.4 (b) \$250,000 each year is for pilot programs  
17.5 in the workforce service areas to combine  
17.6 career and higher education advising.

17.7 (c) \$500,000 each year is for rural career  
17.8 counseling coordinator positions in the  
17.9 workforce service areas and for the purposes  
17.10 specified in Minnesota Statutes, section  
17.11 116L.667. The commissioner of employment  
17.12 and economic development, in consultation  
17.13 with local workforce investment boards and  
17.14 local elected officials in each of the service  
17.15 areas receiving funds, shall develop a method  
17.16 of distributing funds to provide equitable  
17.17 services across workforce service areas.

17.18 (d) \$1,000,000 each year is for a grant to the  
17.19 Construction Careers Foundation for the  
17.20 construction career pathway initiative to  
17.21 provide year-round educational and  
17.22 experiential learning opportunities for teens  
17.23 and young adults under the age of 21 that lead  
17.24 to careers in the construction industry. This is  
17.25 a onetime appropriation. Grant funds must be  
17.26 used to:

17.27 (1) increase construction industry exposure  
17.28 activities for middle school and high school  
17.29 youth, parents, and counselors to reach a more  
17.30 diverse demographic and broader statewide  
17.31 audience. This requirement includes, but is  
17.32 not limited to, an expansion of programs to  
17.33 provide experience in different crafts to youth  
17.34 and young adults throughout the state;

18.1 (2) increase the number of high schools in  
18.2 Minnesota offering construction classes during  
18.3 the academic year that utilize a multicraft  
18.4 curriculum;

18.5 (3) increase the number of summer internship  
18.6 opportunities;

18.7 (4) enhance activities to support graduating  
18.8 seniors in their efforts to obtain employment  
18.9 in the construction industry;

18.10 (5) increase the number of young adults  
18.11 employed in the construction industry and  
18.12 ensure that they reflect Minnesota's diverse  
18.13 workforce; and

18.14 (6) enhance an industrywide marketing  
18.15 campaign targeted to youth and young adults  
18.16 about the depth and breadth of careers within  
18.17 the construction industry.

18.18 Programs and services supported by grant  
18.19 funds must give priority to individuals and  
18.20 groups that are economically disadvantaged  
18.21 or historically underrepresented in the  
18.22 construction industry, including but not limited  
18.23 to women, veterans, and members of minority  
18.24 and immigrant groups.

18.25 (e) \$1,539,000 each year from the general fund  
18.26 and \$4,604,000 each year from the workforce  
18.27 development fund are for the Pathways to  
18.28 Prosperity adult workforce development  
18.29 competitive grant program. Of this amount,  
18.30 up to four percent is for administration and  
18.31 monitoring of the program. When awarding  
18.32 grants under this paragraph, the commissioner  
18.33 of employment and economic development  
18.34 may give preference to any previous grantee

19.1 with demonstrated success in job training and  
19.2 placement for hard-to-train individuals. In  
19.3 fiscal year 2020 and beyond, the general fund  
19.4 base amount for this program is \$4,039,000.

19.5 (f) \$750,000 each year is for a competitive  
19.6 grant program to provide grants to  
19.7 organizations that provide support services for  
19.8 individuals, such as job training, employment  
19.9 preparation, internships, job assistance to  
19.10 fathers, financial literacy, academic and  
19.11 behavioral interventions for low-performing  
19.12 students, and youth intervention. Grants made  
19.13 under this section must focus on low-income  
19.14 communities, young adults from families with  
19.15 a history of intergenerational poverty, and  
19.16 communities of color. Of this amount, up to  
19.17 four percent is for administration and  
19.18 monitoring of the program. In fiscal year 2020  
19.19 and beyond, the base amount is \$1,000,000.

19.20 (g) \$500,000 each year is for the women and  
19.21 high-wage, high-demand, nontraditional jobs  
19.22 grant program under Minnesota Statutes,  
19.23 section 116L.99. Of this amount, up to five  
19.24 percent is for administration and monitoring  
19.25 of the program. In fiscal year 2020 and  
19.26 beyond, the base amount is \$750,000.

19.27 (h) \$500,000 each year is for a competitive  
19.28 grant program for grants to organizations  
19.29 providing services to relieve economic  
19.30 disparities in the Southeast Asian community  
19.31 through workforce recruitment, development,  
19.32 job creation, assistance of smaller  
19.33 organizations to increase capacity, and  
19.34 outreach. Of this amount, up to five percent  
19.35 is for administration and monitoring of the

20.1 program. In fiscal year 2020 and beyond, the  
20.2 base amount is \$1,000,000.

20.3 (i) \$250,000 each year is for a grant to the  
20.4 American Indian Opportunities and  
20.5 Industrialization Center, in collaboration with  
20.6 the Northwest Indian Community  
20.7 Development Center, to reduce academic  
20.8 disparities for American Indian students and  
20.9 adults. This is a onetime appropriation. The  
20.10 grant funds may be used to provide:

20.11 (1) student tutoring and testing support  
20.12 services;

20.13 (2) training in information technology;

20.14 (3) assistance in obtaining a GED;

20.15 (4) remedial training leading to enrollment in  
20.16 a postsecondary higher education institution;

20.17 (5) real-time work experience in information  
20.18 technology fields; and

20.19 (6) contextualized adult basic education.

20.20 After notification to the legislature, the  
20.21 commissioner may transfer this appropriation  
20.22 to the commissioner of education.

20.23 (j) \$100,000 each year is for the getting to  
20.24 work grant program. This is a onetime  
20.25 appropriation and is available until June 30,  
20.26 2021.

20.27 (k) \$525,000 each year is from the workforce  
20.28 development fund for a grant to the YWCA  
20.29 of Minneapolis to provide economically  
20.30 challenged individuals the job skills training,  
20.31 career counseling, and job placement  
20.32 assistance necessary to secure a child  
20.33 development associate credential and to have

- 21.1 a career path in early childhood education.
- 21.2 This is a onetime appropriation.
- 21.3 (l) \$1,350,000 each year is from the workforce
- 21.4 development fund for a grant to the Minnesota
- 21.5 High Tech Association to support
- 21.6 SciTechsperience, a program that supports
- 21.7 science, technology, engineering, and math
- 21.8 (STEM) internship opportunities for two- and
- 21.9 four-year college students and graduate
- 21.10 students in their field of study. The internship
- 21.11 opportunities must match students with paid
- 21.12 internships within STEM disciplines at small,
- 21.13 for-profit companies located in Minnesota,
- 21.14 having fewer than 250 employees worldwide.
- 21.15 At least 300 students must be matched in the
- 21.16 first year and at least 350 students must be
- 21.17 matched in the second year. No more than 15
- 21.18 percent of the hires may be graduate students.
- 21.19 Selected hiring companies shall receive from
- 21.20 the grant 50 percent of the wages paid to the
- 21.21 intern, capped at \$2,500 per intern. The
- 21.22 program must work toward increasing the
- 21.23 participation of women or other underserved
- 21.24 populations. This is a onetime appropriation.
- 21.25 (m) \$450,000 each year is from the workforce
- 21.26 development fund for grants to Minnesota
- 21.27 Diversified Industries, Inc. to provide
- 21.28 progressive development and employment
- 21.29 opportunities for people with disabilities. This
- 21.30 is a onetime appropriation.
- 21.31 (n) \$500,000 each year is from the workforce
- 21.32 development fund for a grant to Resource, Inc.
- 21.33 to provide low-income individuals career
- 21.34 education and job skills training that are fully

22.1 integrated with chemical and mental health  
22.2 services. This is a onetime appropriation.

22.3 (o) \$750,000 each year is from the workforce  
22.4 development fund for a grant to the Minnesota  
22.5 Alliance of Boys and Girls Clubs to administer  
22.6 a statewide project of youth job skills and  
22.7 career development. This project, which may  
22.8 have career guidance components including  
22.9 health and life skills, is designed to encourage,  
22.10 train, and assist youth in early access to  
22.11 education and job-seeking skills, work-based  
22.12 learning experience including career pathways  
22.13 in STEM learning, career exploration and  
22.14 matching, and first job placement through  
22.15 local community partnerships and on-site job  
22.16 opportunities. This grant requires a 25 percent  
22.17 match from nonstate resources. This is a  
22.18 onetime appropriation.

22.19 (p) \$215,000 each year is from the workforce  
22.20 development fund for grants to Big Brothers,  
22.21 Big Sisters of the Greater Twin Cities for  
22.22 workforce readiness, employment exploration,  
22.23 and skills development for youth ages 12 to  
22.24 21. The grant must serve youth in the Twin  
22.25 Cities, Central Minnesota, and Southern  
22.26 Minnesota Big Brothers, Big Sisters chapters.  
22.27 This is a onetime appropriation.

22.28 (q) \$250,000 each year is from the workforce  
22.29 development fund for a grant to YWCA St.  
22.30 Paul to provide job training services and  
22.31 workforce development programs and  
22.32 services, including job skills training and  
22.33 counseling. This is a onetime appropriation.

22.34 (r) \$1,000,000 each year is from the workforce  
22.35 development fund for a grant to EMERGE

23.1 Community Development, in collaboration  
23.2 with community partners, for services  
23.3 targeting Minnesota communities with the  
23.4 highest concentrations of African and  
23.5 African-American joblessness, based on the  
23.6 most recent census tract data, to provide  
23.7 employment readiness training, credentialed  
23.8 training placement, job placement and  
23.9 retention services, supportive services for  
23.10 hard-to-employ individuals, and a general  
23.11 education development fast track and adult  
23.12 diploma program. This is a onetime  
23.13 appropriation.

23.14 (s) \$1,000,000 each year is from the workforce  
23.15 development fund for a grant to the  
23.16 Minneapolis Foundation for a strategic  
23.17 intervention program designed to target and  
23.18 connect program participants to meaningful,  
23.19 sustainable living-wage employment. This is  
23.20 a onetime appropriation.

23.21 (t) \$750,000 each year is from the workforce  
23.22 development fund for a grant to Latino  
23.23 Communities United in Service (CLUES) to  
23.24 expand culturally tailored programs that  
23.25 address employment and education skill gaps  
23.26 for working parents and underserved youth by  
23.27 providing new job skills training to stimulate  
23.28 higher wages for low-income people, family  
23.29 support systems designed to reduce  
23.30 intergenerational poverty, and youth  
23.31 programming to promote educational  
23.32 advancement and career pathways. At least  
23.33 50 percent of this amount must be used for  
23.34 programming targeted at greater Minnesota.  
23.35 This is a onetime appropriation.

- 24.1 (u) \$600,000 each year is from the workforce  
24.2 development fund for a grant to Ujamaa Place  
24.3 for job training, employment preparation,  
24.4 internships, education, training in the  
24.5 construction trades, housing, and  
24.6 organizational capacity building. This is a  
24.7 onetime appropriation.
- 24.8 (v) \$1,297,000 in the first year and \$800,000  
24.9 in the second year are from the workforce  
24.10 development fund for performance grants  
24.11 under Minnesota Statutes, section 116J.8747,  
24.12 to Twin Cities R!SE to provide training to  
24.13 hard-to-train individuals. Of the amounts  
24.14 appropriated, \$497,000 in fiscal year 2018 is  
24.15 for a grant to Twin Cities R!SE, in  
24.16 collaboration with Metro Transit and Hennepin  
24.17 Technical College for the Metro Transit  
24.18 technician training program. This is a onetime  
24.19 appropriation and funds are available until  
24.20 June 30, 2020.
- 24.21 (w) \$230,000 in fiscal year 2018 is from the  
24.22 workforce development fund for a grant to the  
24.23 Bois Forte Tribal Employment Rights Office  
24.24 (TERO) for an American Indian workforce  
24.25 development training pilot project. This is a  
24.26 onetime appropriation and is available until  
24.27 June 30, 2019. Funds appropriated the first  
24.28 year are available for use in the second year  
24.29 of the biennium.
- 24.30 (x) \$40,000 in fiscal year 2018 is from the  
24.31 workforce development fund for a grant to the  
24.32 Cook County Higher Education Board to  
24.33 provide educational programming and  
24.34 academic support services to remote regions  
24.35 in northeastern Minnesota. This appropriation



25.1 is in addition to other funds previously  
25.2 appropriated to the board.

25.3 (y) \$250,000 each year is from the workforce  
25.4 development fund for a grant to Bridges to  
25.5 Healthcare to provide career education,  
25.6 wraparound support services, and job skills  
25.7 training in high-demand health care fields to  
25.8 low-income parents, nonnative speakers of  
25.9 English, and other hard-to-train individuals,  
25.10 helping families build secure pathways out of  
25.11 poverty while also addressing worker  
25.12 shortages in one of Minnesota's most  
25.13 innovative industries. Funds may be used for  
25.14 program expenses, including, but not limited  
25.15 to, hiring instructors and navigators; space  
25.16 rental; and supportive services to help  
25.17 participants attend classes, including assistance  
25.18 with course fees, child care, transportation,  
25.19 and safe and stable housing. In addition, up to  
25.20 five percent of grant funds may be used for  
25.21 Bridges to Healthcare's administrative costs.  
25.22 This is a onetime appropriation and is  
25.23 available until June 30, 2020.

25.24 (z) \$500,000 each year is from the workforce  
25.25 development fund for a grant to the Nonprofits  
25.26 Assistance Fund to provide capacity-building  
25.27 grants to small, culturally specific  
25.28 organizations that primarily serve historically  
25.29 underserved cultural communities. Grants may  
25.30 only be awarded to nonprofit organizations  
25.31 that have an annual organizational budget of  
25.32 less than \$500,000 and are culturally specific  
25.33 organizations that primarily serve historically  
25.34 underserved cultural communities. Grant funds  
25.35 awarded must be used for:

26.1 (1) organizational infrastructure improvement,  
26.2 including developing database management  
26.3 systems and financial systems, or other  
26.4 administrative needs that increase the  
26.5 organization's ability to access new funding  
26.6 sources;

26.7 (2) organizational workforce development,  
26.8 including hiring culturally competent staff,  
26.9 training and skills development, and other  
26.10 methods of increasing staff capacity; or

26.11 (3) creation or expansion of partnerships with  
26.12 existing organizations that have specialized  
26.13 expertise in order to increase the capacity of  
26.14 the grantee organization to improve services  
26.15 for the community. Of this amount, up to five  
26.16 percent may be used by the Nonprofits  
26.17 Assistance Fund for administration costs and  
26.18 providing technical assistance to potential  
26.19 grantees. This is a onetime appropriation.

26.20 (aa) \$4,050,000 each year is from the  
26.21 workforce development fund for the  
26.22 Minnesota youth program under Minnesota  
26.23 Statutes, sections 116L.56 and 116L.561.

26.24 (bb) \$1,000,000 each year is from the  
26.25 workforce development fund for the  
26.26 youthbuild program under Minnesota Statutes,  
26.27 sections 116L.361 to 116L.366.

26.28 (cc) \$3,348,000 each year is from the  
26.29 workforce development fund for the "Youth  
26.30 at Work" youth workforce development  
26.31 competitive grant program. Of this amount,  
26.32 up to five percent is for administration and  
26.33 monitoring of the youth workforce  
26.34 development competitive grant program. All

27.1 grant awards shall be for two consecutive  
27.2 years. Grants shall be awarded in the first year.

27.3 (dd) \$500,000 each year is from the workforce  
27.4 development fund for the Opportunities  
27.5 Industrialization Center programs.

27.6 (ee) \$750,000 each year is from the workforce  
27.7 development fund for a grant to Summit  
27.8 Academy OIC to expand its contextualized  
27.9 GED and employment placement program.  
27.10 This is a onetime appropriation.

27.11 (ff) \$500,000 each year is from the workforce  
27.12 development fund for a grant to  
27.13 Goodwill-Easter Seals Minnesota and its  
27.14 partners. The grant shall be used to continue  
27.15 the FATHER Project in Rochester, Park  
27.16 Rapids, St. Cloud, Minneapolis, and the  
27.17 surrounding areas to assist fathers in  
27.18 overcoming barriers that prevent fathers from  
27.19 supporting their children economically and  
27.20 emotionally. This is a onetime appropriation.

27.21 (gg) \$150,000 each year is from the workforce  
27.22 development fund for displaced homemaker  
27.23 programs under Minnesota Statutes, section  
27.24 116L.96. The commissioner shall distribute  
27.25 the funds to existing nonprofit and state  
27.26 displaced homemaker programs. This is a  
27.27 onetime appropriation.

27.28 (hh)(1) \$150,000 in fiscal year 2018 is from  
27.29 the workforce development fund for a grant  
27.30 to Anoka County to develop and implement  
27.31 a pilot program to increase competitive  
27.32 employment opportunities for transition-age  
27.33 youth ages 18 to 21.

28.1 (2) The competitive employment for  
28.2 transition-age youth pilot program shall  
28.3 include career guidance components, including  
28.4 health and life skills, to encourage, train, and  
28.5 assist transition-age youth in job-seeking  
28.6 skills, workplace orientation, and job site  
28.7 knowledge.

28.8 (3) In operating the pilot program, Anoka  
28.9 County shall collaborate with schools,  
28.10 disability providers, jobs and training  
28.11 organizations, vocational rehabilitation  
28.12 providers, and employers to build upon  
28.13 opportunities and services, to prepare  
28.14 transition-age youth for competitive  
28.15 employment, and to enhance employer  
28.16 connections that lead to employment for the  
28.17 individuals served.

28.18 (4) Grant funds may be used to create an  
28.19 on-the-job training incentive to encourage  
28.20 employers to hire and train qualifying  
28.21 individuals. A participating employer may  
28.22 receive up to 50 percent of the wages paid to  
28.23 the employee as a cost reimbursement for  
28.24 on-the-job training provided.

28.25 (ii) \$500,000 each year is from the workforce  
28.26 development fund for rural career counseling  
28.27 coordinator positions in the workforce service  
28.28 areas and for the purposes specified in  
28.29 Minnesota Statutes, section 116L.667. The  
28.30 commissioner of employment and economic  
28.31 development, in consultation with local  
28.32 workforce investment boards and local elected  
28.33 officials in each of the service areas receiving  
28.34 funds, shall develop a method of distributing

29.1 funds to provide equitable services across  
29.2 workforce service areas.

29.3 (jj) In calendar year 2017, the public utility  
29.4 subject to Minnesota Statutes, section  
29.5 116C.779, must withhold \$1,000,000 from the  
29.6 funds required to fulfill its financial  
29.7 commitments under Minnesota Statutes,  
29.8 section 116C.779, subdivision 1, and pay such  
29.9 amounts to the commissioner of employment  
29.10 and economic development for deposit in the  
29.11 Minnesota 21st century fund under Minnesota  
29.12 Statutes, section 116J.423.

29.13 (kk) \$350,000 in fiscal year 2018 is for a grant  
29.14 to AccessAbility Incorporated to provide job  
29.15 skills training to individuals who have been  
29.16 released from incarceration for a felony-level  
29.17 offense and are no more than 12 months from  
29.18 the date of release. AccessAbility Incorporated  
29.19 shall annually report to the commissioner on  
29.20 how the money was spent and the results  
29.21 achieved. The report must include, at a  
29.22 minimum, information and data about the  
29.23 number of participants; participant  
29.24 homelessness, employment, recidivism, and  
29.25 child support compliance; and training  
29.26 provided to program participants.

### 29.27 **ARTICLE 3**

### 29.28 **LABOR AND INDUSTRY**

29.29 Section 1. Minnesota Statutes 2017 Supplement, section 175.46, subdivision 13, is amended  
29.30 to read:

29.31 Subd. 13. **Grant awards.** (a) The commissioner shall award grants to local partnerships  
29.32 located throughout the state, not to exceed \$100,000 per local partnership grant. The  
29.33 commissioner may use up to five percent of this amount for administration of the grant  
29.34 program.

30.1 (b) A local partnership awarded a grant under this section must use the grant award for  
30.2 any of the following implementation and coordination activities:

30.3 (1) recruiting additional employers to provide on-the-job training and supervision for  
30.4 student learners and providing technical assistance to those employers;

30.5 (2) recruiting students to participate in the local youth skills training program, monitoring  
30.6 the progress of student learners participating in the program, and monitoring program  
30.7 outcomes;

30.8 (3) coordinating youth skills training activities within participating school districts and  
30.9 among participating school districts, postsecondary institutions, and employers;

30.10 (4) coordinating academic, vocational and occupational learning, school-based and  
30.11 work-based learning, and secondary and postsecondary education for participants in the  
30.12 local youth skills training program;

30.13 (5) coordinating transportation for student learners participating in the local youth skills  
30.14 training program; and

30.15 (6) any other implementation or coordination activity that the commissioner may direct  
30.16 or permit the local partnership to perform.

30.17 ~~(b)~~ (c) Grant awards may not be used to directly or indirectly pay the wages of a student  
30.18 learner.

30.19 Sec. 2. Minnesota Statutes 2016, section 326B.106, subdivision 9, is amended to read:

30.20 Subd. 9. **Accessibility.** (a) **Public buildings.** The code must ~~provide for making~~ require  
30.21 new public buildings constructed or remodeled after July 1, 1963, and existing public  
30.22 buildings when remodeled, to be accessible to and usable by persons with disabilities;  
30.23 ~~although this does not require the remodeling of public buildings solely to provide~~  
30.24 ~~accessibility and usability to persons with disabilities when remodeling would not otherwise~~  
30.25 ~~be undertaken.~~

30.26 (b) **Leased space.** No agency of the state may lease space for agency operations in a  
30.27 non-state-owned building unless the building satisfies the requirements of the State Building  
30.28 Code for accessibility by persons with disabilities, or is eligible to display the state symbol  
30.29 of accessibility. This limitation applies to leases of 30 days or more for space of at least  
30.30 1,000 square feet.

30.31 (c) **Meetings or conferences.** Meetings or conferences for the public or for state  
30.32 employees which are sponsored in whole or in part by a state agency must be held in

31.1 buildings that meet the State Building Code requirements relating to accessibility for persons  
31.2 with disabilities. This subdivision does not apply to any classes, seminars, or training  
31.3 programs offered by the Minnesota State Colleges and Universities or the University of  
31.4 Minnesota. Meetings or conferences intended for specific individuals none of whom need  
31.5 the accessibility features for persons with disabilities specified in the State Building Code  
31.6 need not comply with this subdivision unless a person with a disability gives reasonable  
31.7 advance notice of an intent to attend the meeting or conference. When sign language  
31.8 interpreters will be provided, meetings or conference sites must be chosen which allow  
31.9 participants who are deaf or hard-of-hearing to see the sign language interpreters clearly.

31.10 (d) **Exemptions.** The commissioner may grant an exemption from the requirements of  
31.11 paragraphs (b) and (c) in advance if an agency has demonstrated that reasonable efforts  
31.12 were made to secure facilities which complied with those requirements and if the selected  
31.13 facilities are the best available for access for persons with disabilities. Exemptions shall be  
31.14 granted using criteria developed by the commissioner in consultation with the Council on  
31.15 Disability.

31.16 (e) **Symbol indicating access.** The wheelchair symbol adopted by Rehabilitation  
31.17 International's Eleventh World Congress is the state symbol indicating buildings, facilities,  
31.18 and grounds which are accessible to and usable by persons with disabilities. In the interests  
31.19 of uniformity, this symbol is the sole symbol for display in or on all public or private  
31.20 buildings, facilities, and grounds which qualify for its use. The secretary of state shall obtain  
31.21 the symbol and keep it on file. No building, facility, or grounds may display the symbol  
31.22 unless it is in compliance with the rules adopted by the commissioner under subdivision 1.  
31.23 Before any rules are proposed for adoption under this paragraph, the commissioner shall  
31.24 consult with the Council on Disability. Rules adopted under this paragraph must be enforced  
31.25 in the same way as other accessibility rules of the State Building Code.

31.26 Sec. 3. Minnesota Statutes 2016, section 326B.815, subdivision 1, is amended to read:

31.27 Subdivision 1. **Fees.** (a) For the purposes of calculating fees under section 326B.092,  
31.28 an initial or renewed residential contractor, residential remodeler, or residential roofer license  
31.29 is a business license. Notwithstanding section 326B.092, the licensing fee for manufactured  
31.30 home installers under section 327B.041 is ~~\$300~~ \$180 for a three-year period.

31.31 (b) All initial and renewal licenses, except for manufactured home installer licenses,  
31.32 shall be effective for two years and shall expire on March 31 of the year after the year in  
31.33 which the application is made.

32.1 (c) The commissioner shall in a manner determined by the commissioner, without the  
32.2 need for any rulemaking under chapter 14, phase in the renewal of residential contractor,  
32.3 residential remodeler, and residential roofer licenses from one year to two years. By June  
32.4 30, 2011, all renewed residential contractor, residential remodeler, and residential roofer  
32.5 licenses shall be two-year licenses.

32.6 Sec. 4. Minnesota Statutes 2016, section 327B.041, is amended to read:

32.7 **327B.041 MANUFACTURED HOME INSTALLERS.**

32.8 (a) Manufactured home installers are subject to all of the fees in section 326B.092 and  
32.9 the requirements of sections 326B.802 to 326B.885, except for the following:

32.10 (1) manufactured home installers are not subject to the continuing education requirements  
32.11 of sections 326B.0981, 326B.099, and 326B.821, but are subject to the continuing education  
32.12 requirements established in rules adopted under section 327B.10;

32.13 (2) the examination requirement of section 326B.83, subdivision 3, for manufactured  
32.14 home installers shall be satisfied by successful completion of a written examination  
32.15 administered and developed specifically for the examination of manufactured home installers.  
32.16 The examination must be administered and developed by the commissioner. The  
32.17 commissioner and the state building official shall seek advice on the grading, monitoring,  
32.18 and updating of examinations from the Minnesota Manufactured Housing Association;

32.19 (3) a local government unit may not place a surcharge on a license fee, and may not  
32.20 charge a separate fee to installers;

32.21 (4) a dealer or distributor who does not install or repair manufactured homes is exempt  
32.22 from licensure under sections 326B.802 to 326B.885;

32.23 (5) the exemption under section 326B.805, subdivision 6, clause (5), does not apply;  
32.24 and

32.25 (6) manufactured home installers are not subject to the contractor recovery fund in  
32.26 section 326B.89.

32.27 (b) The commissioner may waive all or part of the requirements for licensure as a  
32.28 manufactured home installer for any individual who holds an unexpired license or certificate  
32.29 issued by any other state or other United States jurisdiction if the licensing requirements of  
32.30 that jurisdiction meet or exceed the corresponding licensing requirements of the department  
32.31 and the individual complies with section 326B.092, subdivisions 1 and 3 to 7. ~~For the~~



33.1 ~~purposes of calculating fees under section 326B.092, licensure as a manufactured home~~  
 33.2 ~~installer is a business license.~~

33.3 Sec. 5. Laws 2017, chapter 94, article 1, section 4, subdivision 5, is amended to read:

33.4 Subd. 5. <b>General Support</b>	6,239,000	6,539,000
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33.5 Appropriations by Fund

33.6 Workforce		
33.7 Development Fund	200,000	500,000
33.8 Workers'		
33.9 Compensation	6,039,000	6,039,000

33.10 (a) Except as provided in paragraphs (b) and  
 33.11 (c), this appropriation is from the workers'  
 33.12 compensation fund.

33.13 (b) \$200,000 in fiscal year 2018 is from the  
 33.14 workforce development fund for the  
 33.15 commissioner of labor and industry to convene  
 33.16 and collaborate with stakeholders as provided  
 33.17 under Minnesota Statutes, section 175.46,  
 33.18 subdivision 3, and to develop youth skills  
 33.19 training competencies for approved  
 33.20 occupations. This is a onetime appropriation.

33.21 (c) \$500,000 in fiscal year 2019 is from the  
 33.22 workforce development fund to administer the  
 33.23 youth skills training program under Minnesota  
 33.24 Statutes, section 175.46. The commissioner  
 33.25 shall award up to five grants each year to local  
 33.26 partnerships located throughout the state, not  
 33.27 to exceed \$100,000 per local partnership grant.  
 33.28 The commissioner may use ~~a portion~~ up to  
 33.29 five percent of this appropriation for  
 33.30 administration of the grant program. The base  
 33.31 amount for this program is ~~\$500,000~~.  
 33.32 \$1,000,000 each year beginning in fiscal year  
 33.33 2020.

34.1

**ARTICLE 4**

34.2

**WORKERS' COMPENSATION**

34.3 Section 1. Minnesota Statutes 2017 Supplement, section 15A.083, subdivision 7, is  
34.4 amended to read:

34.5 **Subd. 7. Workers' Compensation Court of Appeals and compensation judges.**

34.6 Salaries of judges of the Workers' Compensation Court of Appeals are ~~98.52~~ 105 percent  
34.7 of the salary for ~~district Court~~ workers' compensation judges at the Office of Administrative  
34.8 Hearings. The salary of the chief judge of the Workers' Compensation Court of Appeals is  
34.9 ~~98.52~~ 107 percent of the salary for a ~~chief district Court judge~~ workers' compensation judges  
34.10 at the Office of Administrative Hearings. Salaries of compensation judges are 98.52 percent  
34.11 of the salary of district court judges.

34.12 Sec. 2. Minnesota Statutes 2016, section 175A.05, is amended to read:

34.13 **175A.05 QUORUM.**

34.14 **Subdivision 1. Judges' quorum.** A majority of the judges of the Workers' Compensation  
34.15 Court of Appeals shall constitute a quorum for the exercise of the powers conferred and the  
34.16 duties imposed on the Workers' Compensation Court of Appeals except that all appeals  
34.17 shall be heard by no more than a panel of three of the five judges unless the case appealed  
34.18 is determined to be of exceptional importance by the chief judge prior to assignment of the  
34.19 case to a panel, or by a three-fifths vote of the judges prior to assignment of the case to a  
34.20 panel or after the case has been considered by the panel but prior to the service and filing  
34.21 of the decision.

34.22 **Subd. 2. Vacancy.** A vacancy shall not impair the ability of the remaining judges of the  
34.23 Workers' Compensation Court of Appeals to exercise all the powers and perform all of the  
34.24 duties of the Workers' Compensation Court of Appeals.

34.25 **Subd. 3. Retired judges.** Where the number of Workers' Compensation Court of Appeals  
34.26 judges available to hear a case is insufficient to constitute a quorum, the chief judge of the  
34.27 Workers' Compensation Court of Appeals may, with the retired judge's consent, assign a  
34.28 judge who is retired from the Workers' Compensation Court of Appeals or the Office of  
34.29 Administrative Hearings to hear any case properly assigned to a judge of the Workers'  
34.30 Compensation Court of Appeals. The retired judge assigned to the case may act on it with  
34.31 the full powers of the judge of the Workers' Compensation Court of Appeals. A retired  
34.32 judge performing this service shall receive pay and expenses in the amount and manner

35.1 provided by law for judges serving on the court, less the amount of retirement pay the judge  
35.2 is receiving under chapter 352 or 490.

35.3 **EFFECTIVE DATE.** This section is effective June 1, 2018.

35.4 Sec. 3. Minnesota Statutes 2016, section 176.231, subdivision 9, is amended to read:

35.5 Subd. 9. **Uses ~~which~~ that may be made of reports.** (a) Reports filed with the  
35.6 commissioner under this section may be used in hearings held under this chapter, and for  
35.7 the purpose of state investigations and for statistics. These reports are available to the  
35.8 Department of Revenue for use in enforcing Minnesota income tax and property tax refund  
35.9 laws, and the information shall be protected as provided in chapter 270B.

35.10 (b) The division or Office of Administrative Hearings or Workers' Compensation Court  
35.11 of Appeals may permit the examination of its file by the employer, insurer, employee, or  
35.12 dependent of a deceased employee or any person who furnishes ~~written~~ signed authorization  
35.13 to do so from the employer, insurer, employee, or dependent of a deceased employee.  
35.14 Reports filed under this section and other information the commissioner has regarding  
35.15 injuries or deaths shall be made available to the Workers' Compensation Reinsurance  
35.16 Association for use by the association in carrying out its responsibilities under chapter 79.

35.17 (c) The division may provide the worker identification number assigned under section  
35.18 176.275, subdivision 1, without a written authorization required under paragraph (b) to an:

35.19 (1) attorney who represents one of the persons described in paragraph (b);

35.20 (2) attorney who represents an intervenor or potential intervenor under section 176.361;

35.21 (3) intervenor; or

35.22 (4) employee's assigned qualified rehabilitation consultant under section 176.102.

35.23 **EFFECTIVE DATE.** This section is effective June 1, 2018.

35.24 Sec. 4. **[176.2751] COORDINATION OF THE OFFICE OF ADMINISTRATIVE**  
35.25 **HEARINGS' CASE MANAGEMENT SYSTEM AND THE WORKERS'**  
35.26 **COMPENSATION IMAGING SYSTEM.**

35.27 Subdivision 1. **Definitions.** (a) For purposes of this section, the definitions in this  
35.28 subdivision apply unless otherwise specified.

35.29 (b) "Commissioner" means the commissioner of labor and industry.

35.30 (c) "Department" means the Department of Labor and Industry.

36.1 (d) "Document" includes all data, whether in electronic or paper format, that is filed  
36.2 with or issued by the office or department related to a claim-specific dispute resolution  
36.3 proceeding under this section.

36.4 (e) "Office" means the Office of Administrative Hearings.

36.5 Subd. 2. **Applicability.** This section governs coordination of the office's case management  
36.6 system and the workers' compensation imaging system pending completion of the workers'  
36.7 compensation modernization program. This section prevails over any conflicting provision  
36.8 in this chapter, Laws 1998, chapter 366, or corresponding rules.

36.9 Subd. 3. **Documents that must be filed with the office.** Except as provided in  
36.10 subdivision 4 and section 176.421, all documents that require action by the office under  
36.11 this chapter must be filed, electronically or in paper format, with the office as required by  
36.12 the chief administrative law judge. Filing a document that initiates or is filed in preparation  
36.13 for a proceeding at the office satisfies any requirement under this chapter that the document  
36.14 must be filed with the commissioner.

36.15 Subd. 4. **Documents that must be filed with the commissioner.** (a) The following  
36.16 documents must be filed directly with the commissioner in the format and manner prescribed  
36.17 by the commissioner:

36.18 (1) all requests for an administrative conference under section 176.106, regardless of  
36.19 the amount in dispute;

36.20 (2) a motion to intervene in an administrative conference that is pending at the department;

36.21 (3) any other document related to an administrative conference that is pending at the  
36.22 department;

36.23 (4) an objection to a penalty assessed by the commissioner or department;

36.24 (5) requests for medical and rehabilitation dispute certification under section 176.081,  
36.25 subdivision 1, paragraph (c), including related documents; and

36.26 (6) except as provided in this subdivision or subdivision 3, any other document required  
36.27 to be filed with the commissioner.

36.28 (b) The filing requirement in paragraph (a), clause (1), makes no changes to the  
36.29 jurisdictional provisions in section 176.106. A claim petition that contains only medical or  
36.30 rehabilitation issues, unless primary liability is disputed, is considered to be a request for  
36.31 an administrative conference and must be filed with the commissioner.

37.1 (c) The commissioner must refer a timely, unresolved objection to a penalty under  
 37.2 paragraph (a), clause (4), to the office within 60 calendar days.

37.3 Subd. 5. **Form revision.** The commissioner must revise dispute resolution forms, in  
 37.4 consultation with the chief administrative law judge, to reflect the filing requirements in  
 37.5 this section.

37.6 Subd. 6. **Data privacy.** (a) All documents filed with or issued by the department or  
 37.7 office under this chapter are private data on individuals and nonpublic data pursuant to  
 37.8 chapter 13, except that the documents are available to the following:

37.9 (1) the office;

37.10 (2) the department;

37.11 (3) the employer;

37.12 (4) the insurer;

37.13 (5) the employee;

37.14 (6) the dependent of a deceased employee;

37.15 (7) an intervenor in the dispute;

37.16 (8) the attorney to a party in the dispute;

37.17 (9) a person who furnishes written authorization from the employer, insurer, employee,  
 37.18 or dependent of a deceased employee; and

37.19 (10) a person, agency, or other entity allowed access to the documents under this chapter  
 37.20 or other law.

37.21 (b) The office and department may post notice of scheduled proceedings on the agencies'  
 37.22 Web sites and at their principal places of business in any manner that protects the employee's  
 37.23 identifying information.

37.24 **EFFECTIVE DATE.** This section is effective June 1, 2018.

37.25 **ARTICLE 5**

37.26 **UNEMPLOYMENT INSURANCE ADVISORY COUNCIL; POLICY**

37.27 Section 1. Minnesota Statutes 2016, section 268.035, subdivision 12, is amended to read:

37.28 Subd. 12. **Covered employment.** (a) "Covered employment" means ~~the following unless~~  
 37.29 ~~excluded as "nonecovered employment" under subdivision 20:~~

38.1 ~~(1)~~ an employee's entire employment during the calendar quarter if:

38.2 ~~(i)~~ (1) 50 percent or more of the employment during the quarter is performed ~~primarily~~  
38.3 in Minnesota;

38.4 ~~(ii)~~ (2) 50 percent or more of the employment during the quarter is not performed  
38.5 ~~primarily~~ in Minnesota or any other state, or Canada, but some of the employment is  
38.6 performed in Minnesota and the ~~base of operations or the place from which the employment~~  
38.7 ~~is directed or controlled is in Minnesota; or~~

38.8 ~~(iii)~~ the employment during the quarter is not performed primarily in Minnesota or any  
38.9 other state and the base of operations or place from which the employment is directed or  
38.10 controlled is not in any state where part of the employment is performed, but the employee's  
38.11 residence is in Minnesota during 50 percent or more of the calendar quarter;

38.12 ~~(2)~~ an employee's entire employment during the calendar quarter performed within the  
38.13 United States or Canada, if:

38.14 ~~(i)~~ the employment is not covered employment under the unemployment insurance  
38.15 program of any other state, federal law, or the law of Canada; and

38.16 ~~(ii)~~ the place from which the employment is directed or controlled is in Minnesota;

38.17 (3) the employment during the ~~calendar~~ quarter, is performed entirely outside the United  
38.18 States and Canada, by an employee who is a United States citizen in the employ of an  
38.19 American employer, if the employer's principal place of business in the United States is  
38.20 located in Minnesota.

38.21 For the purposes of this clause, an "American employer," for the purposes of this clause,  
38.22 ~~means a corporation organized under the laws of any state, an individual who is a resident~~  
38.23 ~~of the United States, or a partnership if two-thirds or more of the partners are residents of~~  
38.24 ~~the United States, or a trust, if all of the trustees are residents of the United States~~ is as  
38.25 defined under the Federal Unemployment Tax Act, United States Code title 26, chapter 23,  
38.26 section 3306, subsection (j)(3); and

38.27 (4) all the employment during the ~~calendar~~ quarter is performed by an officer or member  
38.28 of the crew of an American vessel ~~on or in connection with the vessel, if the operating on~~  
38.29 navigable waters within, or within and without, the United States, and the office from which  
38.30 ~~the operations of the vessel operating on navigable waters within, or within and without,~~  
38.31 ~~the United States are ordinarily and regularly supervised, managed, directed, and controlled~~  
38.32 is in Minnesota.

39.1 (b) "Covered employment" includes covered agricultural employment under subdivision  
39.2 11.

39.3 (c) For the purposes of section 268.095, "covered employment" includes employment  
39.4 covered under an unemployment insurance program:

39.5 (1) of any other state; ~~or~~

39.6 (2) established by an act of Congress; or

39.7 (3) the law of Canada.

39.8 (d) The percentage of employment performed under paragraph (a) is determined by the  
39.9 amount of hours worked.

39.10 (e) Covered employment does not include any employment defined as "noncovered  
39.11 employment" under subdivision 20.

39.12 Sec. 2. Minnesota Statutes 2017 Supplement, section 268.035, subdivision 20, is amended  
39.13 to read:

39.14 Subd. 20. **Noncovered employment.** "Noncovered employment" means:

39.15 (1) employment for the United States government or an instrumentality thereof, including  
39.16 military service;

39.17 (2) employment for a state, other than Minnesota, or a political subdivision or  
39.18 instrumentality thereof;

39.19 (3) employment for a foreign government;

39.20 (4) employment covered under the federal Railroad Unemployment Insurance Act;

39.21 (5) employment for a church or convention or association of churches, or a nonprofit  
39.22 organization operated primarily for religious purposes that is operated, supervised, controlled,  
39.23 or principally supported by a church or convention or association of churches;

39.24 (6) employment for an elementary or secondary school with a curriculum that includes  
39.25 religious education that is operated by a church, a convention or association of churches,  
39.26 or a nonprofit organization that is operated, supervised, controlled, or principally supported  
39.27 by a church or convention or association of churches;

39.28 (7) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
39.29 a duly ordained or licensed minister of a church in the exercise of a ministry or by a member  
39.30 of a religious order in the exercise of duties required by the order;

40.1 (8) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
40.2 an individual receiving rehabilitation of "sheltered" work in a facility conducted for the  
40.3 purpose of carrying out a program of rehabilitation for individuals whose earning capacity  
40.4 is impaired by age or physical or mental deficiency or injury or a program providing  
40.5 "sheltered" work for individuals who because of an impaired physical or mental capacity  
40.6 cannot be readily absorbed in the competitive labor market. This clause applies only to  
40.7 services performed in a facility certified by the Rehabilitation Services Branch of the  
40.8 department or in a day training or habilitation program licensed by the Department of Human  
40.9 Services;

40.10 (9) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
40.11 an individual receiving work relief or work training as part of an unemployment work relief  
40.12 or work training program financed in whole or in part by any federal agency or an agency  
40.13 of a state or political subdivision thereof. This clause does not apply to programs that require  
40.14 unemployment benefit coverage for the participants;

40.15 (10) employment for Minnesota or a political subdivision, as an elected official, a member  
40.16 of a legislative body, or a member of the judiciary;

40.17 (11) employment as a member of the Minnesota National Guard or Air National Guard;

40.18 (12) employment for Minnesota or a political subdivision, or instrumentality thereof, of  
40.19 an individual serving on a temporary basis in case of fire, flood, tornado, or similar  
40.20 emergency;

40.21 (13) employment as an election official or election worker for Minnesota or a political  
40.22 subdivision, if the compensation for that employment was less than \$1,000 in a calendar  
40.23 year;

40.24 (14) employment for Minnesota that is a major policy-making or advisory position in  
40.25 the unclassified service;

40.26 (15) employment for Minnesota in an unclassified position established under section  
40.27 43A.08, subdivision 1a;

40.28 (16) employment for a political subdivision of Minnesota that is a nontenured major  
40.29 policy making or advisory position;

40.30 (17) domestic employment in a private household, local college club, or local chapter  
40.31 of a college fraternity or sorority, if the wages paid in any calendar quarter in either the  
40.32 current or prior calendar year to all individuals in domestic employment totaled less than  
40.33 \$1,000.



41.1 "Domestic employment" includes all service in the operation and maintenance of a  
41.2 private household, for a local college club, or local chapter of a college fraternity or sorority  
41.3 as distinguished from service as an employee in the pursuit of an employer's trade or business;

41.4 (18) employment of an individual by a son, daughter, or spouse, and employment of a  
41.5 child under the age of 18 by the child's father or mother;

41.6 (19) employment of an inmate of a custodial or penal institution;

41.7 (20) employment for a school, college, or university, by a student who is enrolled and  
41.8 whose primary relation to the school, college, or university is as a student. This does not  
41.9 include an individual whose primary relation to the school, college, or university is as an  
41.10 employee who also takes courses;

41.11 (21) employment of an individual who is enrolled as a student in a full-time program at  
41.12 a nonprofit or public educational institution that maintains a regular faculty and curriculum  
41.13 and has a regularly organized body of students in attendance at the place where its educational  
41.14 activities are carried on, taken for credit at the institution, that combines academic instruction  
41.15 with work experience, if the employment is an integral part of the program, and the institution  
41.16 has so certified to the employer, except that this clause does not apply to employment in a  
41.17 program established for or on behalf of an employer or group of employers;

41.18 (22) employment of a foreign college or university student who works on a seasonal or  
41.19 temporary basis under the J-1 visa summer work travel program described in Code of Federal  
41.20 Regulations, title 22, section 62.32;

41.21 ~~(22)~~ (23) employment of university, college, or professional school students in an  
41.22 internship or other training program with the city of St. Paul or the city of Minneapolis  
41.23 under Laws 1990, chapter 570, article 6, section 3;

41.24 ~~(23)~~ (24) employment for a hospital by a patient of the hospital. "Hospital" means an  
41.25 institution that has been licensed by the Department of Health as a hospital;

41.26 ~~(24)~~ (25) employment as a student nurse for a hospital or a nurses' training school by  
41.27 an individual who is enrolled and is regularly attending classes in an accredited nurses'  
41.28 training school;

41.29 ~~(25)~~ (26) employment as an intern for a hospital by an individual who has completed a  
41.30 four-year course in an accredited medical school;

41.31 ~~(26)~~ (27) employment as an insurance salesperson, by other than a corporate officer, if  
41.32 all the wages from the employment is solely by way of commission. The word "insurance"  
41.33 includes an annuity and an optional annuity;

42.1 ~~(27)~~ (28) employment as an officer of a township mutual insurance company or farmer's  
42.2 mutual insurance company under chapter 67A;

42.3 ~~(28)~~ (29) employment of a corporate officer, if the officer directly or indirectly, including  
42.4 through a subsidiary or holding company, owns 25 percent or more of the employer  
42.5 corporation, and employment of a member of a limited liability company, if the member  
42.6 directly or indirectly, including through a subsidiary or holding company, owns 25 percent  
42.7 or more of the employer limited liability company;

42.8 ~~(29)~~ (30) employment as a real estate salesperson, other than a corporate officer, if all  
42.9 the wages from the employment is solely by way of commission;

42.10 ~~(30)~~ (31) employment as a direct seller as defined in United States Code, title 26, section  
42.11 3508;

42.12 ~~(31)~~ (32) employment of an individual under the age of 18 in the delivery or distribution  
42.13 of newspapers or shopping news, not including delivery or distribution to any point for  
42.14 subsequent delivery or distribution;

42.15 ~~(32)~~ (33) casual employment performed for an individual, other than domestic  
42.16 employment under clause (17), that does not promote or advance that employer's trade or  
42.17 business;

42.18 ~~(33)~~ (34) employment in "agricultural employment" unless it is "covered agricultural  
42.19 employment" under subdivision 11; or

42.20 ~~(34)~~ (35) if employment during one-half or more of any pay period was covered  
42.21 employment, all the employment for the pay period is covered employment; but if during  
42.22 more than one-half of any pay period the employment was noncovered employment, then  
42.23 all of the employment for the pay period is noncovered employment. "Pay period" means  
42.24 a period of not more than a calendar month for which a payment or compensation is ordinarily  
42.25 made to the employee by the employer.

42.26 Sec. 3. Minnesota Statutes 2016, section 268.051, subdivision 2a, is amended to read:

42.27 Subd. 2a. **Unemployment insurance tax ~~limits~~ reduction.** (a) If the balance in the trust  
42.28 fund on December 31 of any calendar year is four percent or more above the amount equal  
42.29 to an average high cost multiple of 1.0, future unemployment taxes payable must be reduced  
42.30 by all amounts above 1.0. The amount of tax reduction for any taxpaying employer is the  
42.31 same percentage of the total amount above 1.0 as the percentage of taxes paid by the  
42.32 employer during the calendar year is of the total amount of taxes that were paid by all  
42.33 ~~nonmaximum experience rated~~ employers during the year except taxes paid by employers

43.1 assigned a tax rate equal to the maximum experience rating plus the applicable base tax  
43.2 rate.

43.3 (b) For purposes of this subdivision, "average high cost multiple" has the meaning given  
43.4 in Code of Federal Regulations, title 20, section 606.3, as amended through December 31,  
43.5 2015. An amount equal to an average high cost multiple of 1.0 is a federal measure of  
43.6 adequate reserves in relation to the state's current economy. The commissioner must calculate  
43.7 and publish, as soon as possible following December 31 of any calendar year, the trust fund  
43.8 balance on December 31 along with the amount an average high cost multiple of 1.0 equals.  
43.9 Actual wages paid must be used in the calculation and estimates may not be used.

43.10 (c) The unemployment tax reduction under this subdivision does not apply to employers  
43.11 that were at assigned a tax rate equal to the maximum experience rating plus the applicable  
43.12 base tax rate for the year, nor to high experience rating industry employers under subdivision  
43.13 5, paragraph (b). Computations under paragraph (a) are not subject to the rounding  
43.14 requirement of section 268.034. The refund provisions of section 268.057, subdivision 7,  
43.15 do not apply.

43.16 (d) The unemployment tax reduction under this subdivision applies to taxes ~~paid~~ payable  
43.17 between March 1 and December 15 of the year following the December 31 computation  
43.18 under paragraph (a).

43.19 ~~(e) The amount equal to the average high cost multiple of 1.0 on December 31, 2012,~~  
43.20 ~~must be used for the calculation under paragraph (a) but only for the calculation made on~~  
43.21 ~~December 31, 2015. Notwithstanding paragraph (d), the tax reduction resulting from the~~  
43.22 ~~application of this paragraph applies to unemployment taxes paid between July 1, 2016,~~  
43.23 ~~and June 30, 2017. If there was an experience rating history transfer under subdivision 4,~~  
43.24 ~~the successor employer must receive that portion of the predecessor employer's tax reduction~~  
43.25 ~~equal to that portion of the experience rating history transferred. The predecessor employer~~  
43.26 ~~retains that portion of tax reduction not transferred to the successor.~~

43.27 This paragraph applies to that portion of the tax reduction that remains unused at the  
43.28 time notice of acquisition is provided under subdivision 4, paragraph (e).

43.29 **EFFECTIVE DATE.** This section is effective July 1, 2018.

## 43.30 **ARTICLE 6**

### 43.31 **UNEMPLOYMENT INSURANCE ADVISORY COUNCIL; INTEREST**

43.32 Section 1. Minnesota Statutes 2016, section 268.057, subdivision 5, is amended to read:

44.1 Subd. 5. **Interest on amounts past due.** If any amounts due from an employer under  
 44.2 this chapter or section 116L.20, except late fees under section 268.044, are not received on  
 44.3 the date due ~~the unpaid balance bears~~ the commissioner must assess interest on any amount  
 44.4 that remains unpaid. Interest is assessed at the rate of one percent per month or any part of  
 44.5 a month. Interest is not assessed on unpaid interest. Interest collected under this subdivision  
 44.6 is credited to the contingent account.

44.7 **EFFECTIVE DATE.** This section is effective October 1, 2019.

44.8 Sec. 2. Minnesota Statutes 2017 Supplement, section 268.18, subdivision 2b, is amended  
 44.9 to read:

44.10 Subd. 2b. **Interest.** On any unemployment benefits obtained by misrepresentation, and  
 44.11 any penalty amounts assessed under subdivision 2, the commissioner must assess interest  
 44.12 ~~at the rate of one percent per month~~ on any amount that remains unpaid beginning 30 calendar  
 44.13 days after the date of a determination of overpayment penalty. Interest is assessed at the  
 44.14 rate of one percent per month or any part of a month. A determination of overpayment  
 44.15 penalty must state that interest will be assessed. Interest is not assessed ~~in the same manner~~  
 44.16 ~~as on employer debt under section 268.057, subdivision 5~~ on unpaid interest. Interest  
 44.17 ~~payments~~ collected under this subdivision ~~are~~ is credited to the trust fund.

44.18 **EFFECTIVE DATE.** This section is effective October 1, 2019.

44.19 **ARTICLE 7**

44.20 **UNEMPLOYMENT INSURANCE ADVISORY COUNCIL; BASE PERIODS**

44.21 Section 1. Minnesota Statutes 2016, section 268.035, subdivision 4, is amended to read:

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

44.27	If the application for unemployment	The base period is the prior:
44.28	benefits is effective on or between these	
44.29	dates:	
44.30	February 1 - March 31	January 1 - December 31
44.31	May 1 - June 30	April 1 - March 31
44.32	August 1 - September 30	July 1 - June 30
44.33	November 1 - December 31	October 1 - September 30

45.1 (b) If an application for unemployment benefits has an effective date that is during the  
 45.2 month following the most recent completed calendar quarter, then the base period is the  
 45.3 first four of the most recent five completed calendar quarters before the effective date of  
 45.4 an applicant's application for unemployment benefits. The base period under this paragraph  
 45.5 is as follows:

45.6	If the application for unemployment	The base period is the prior:
45.7	benefits is effective on or between these	
45.8	dates:	
45.9	January 1 - January 31	October 1 - September 30
45.10	April 1 - April 30	January 1 - December 31
45.11	July 1 - July 31	April 1 - March 31
45.12	October 1 - October 31	July 1 - June 30

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

45.17 ~~(d) If the applicant under paragraph (b) has insufficient wage credits to establish a benefit~~  
 45.18 ~~account, then a base period of the most recent four completed calendar quarters before the~~  
 45.19 ~~effective date of the applicant's application for unemployment benefits must be used.~~

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

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

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

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

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

46.9 ~~(f)~~ (e) No base period under this subdivision may include wage credits upon which a  
46.10 prior benefit account was established.

46.11 Sec. 2. Minnesota Statutes 2017 Supplement, section 268.07, subdivision 1, is amended  
46.12 to read:

46.13 Subdivision 1. **Application for unemployment benefits; determination of benefit**  
46.14 **account.** (a) An application for unemployment benefits may be filed in person, by mail, or  
46.15 by electronic transmission as the commissioner may require. The applicant must be  
46.16 unemployed at the time the application is filed and must provide all requested information  
46.17 in the manner required. If the applicant is not unemployed at the time of the application or  
46.18 fails to provide all requested information, the communication is not an application for  
46.19 unemployment benefits.

46.20 (b) The commissioner must examine each application for unemployment benefits to  
46.21 determine the base period and the benefit year, and based upon all the covered employment  
46.22 in the base period the commissioner must determine the weekly unemployment benefit  
46.23 amount available, if any, and the maximum amount of unemployment benefits available,  
46.24 if any. The determination, which is a document separate and distinct from a document titled  
46.25 a determination of eligibility or determination of ineligibility issued under section 268.101,  
46.26 must be titled determination of benefit account. A determination of benefit account must  
46.27 be sent to the applicant and all base period employers, by mail or electronic transmission.

46.28 (c) If a base period employer did not provide wage detail information for the applicant  
46.29 as required under section 268.044, ~~or provided erroneous information, or wage detail is not~~  
46.30 ~~yet due and the applicant is using a base period under section 268.035, subdivision 4,~~  
46.31 ~~paragraph (d),~~ the commissioner may accept an applicant certification of wage credits, based  
46.32 upon the applicant's records, and issue a determination of benefit account.

47.1 ~~(d) An employer must provide wage detail information on an applicant within five~~  
 47.2 ~~calendar days of request by the commissioner, in a manner and format requested, when:~~

47.3 ~~(1) the applicant is using a base period under section 268.035, subdivision 4, paragraph~~  
 47.4 ~~(d); and~~

47.5 ~~(2) wage detail under section 268.044 is not yet required to have been filed by the~~  
 47.6 ~~employer.~~

47.7 ~~(e)~~ (d) The commissioner may, at any time within 24 months from the establishment of  
 47.8 a benefit account, reconsider any determination of benefit account and make an amended  
 47.9 determination if the commissioner finds that the wage credits listed in the determination  
 47.10 were incorrect for any reason. An amended determination of benefit account must be  
 47.11 promptly sent to the applicant and all base period employers, by mail or electronic  
 47.12 transmission. This subdivision does not apply to documents titled determinations of eligibility  
 47.13 or determinations of ineligibility issued under section 268.101.

47.14 ~~(f)~~ (e) If an amended determination of benefit account reduces the weekly unemployment  
 47.15 benefit amount or maximum amount of unemployment benefits available, any unemployment  
 47.16 benefits that have been paid greater than the applicant was entitled is an overpayment of  
 47.17 unemployment benefits. A determination or amended determination issued under this section  
 47.18 that results in an overpayment of unemployment benefits must set out the amount of the  
 47.19 overpayment and the requirement under section 268.18, subdivision 1, that the overpaid  
 47.20 unemployment benefits must be repaid.

## 47.21 **ARTICLE 8**

### 47.22 **UNEMPLOYMENT INSURANCE ADVISORY COUNCIL; HOUSEKEEPING**

47.23 Section 1. Minnesota Statutes 2017 Supplement, section 268.035, subdivision 15, is  
 47.24 amended to read:

47.25 Subd. 15. **Employment.** (a) "Employment" means service performed by:

47.26 (1) an individual who is an employee under the common law of employer-employee and  
 47.27 not an independent contractor;

47.28 (2) an officer of a corporation;

47.29 (3) a member of a limited liability company who is an employee under the common law  
 47.30 of employer-employee; ~~or~~

47.31 (4) an individual who is an employee under the Federal Insurance Contributions Act,  
 47.32 United States Code, title 26, chapter 21, sections 3121 (d)(3)(A) and 3121 (d)(3)(D); or

48.1 ~~(4)~~ (5) product demonstrators in retail stores or other locations to aid in the sale of  
48.2 products. The person that pays the wages is the employer.

48.3 (b) Employment does not include service as a juror.

48.4 (c) Construction industry employment is defined in subdivision 9a. Trucking and  
48.5 messenger/courier industry employment is defined in subdivision 25b. Rules on determining  
48.6 worker employment status are described under Minnesota Rules, chapter 3315.

48.7 Sec. 2. Minnesota Statutes 2016, section 268.044, subdivision 2, is amended to read:

48.8 Subd. 2. **Failure to timely file report; late fees.** (a) Any employer that fails to submit  
48.9 the quarterly wage detail report when due must pay a late fee of \$10 per employee, computed  
48.10 based upon the highest of:

48.11 (1) the number of employees reported on the last wage detail report submitted;

48.12 (2) the number of employees reported in the corresponding quarter of the prior calendar  
48.13 year; or

48.14 (3) if no wage detail report has ever been submitted, the number of employees listed at  
48.15 the time of employer registration.

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

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

48.24 (c) Late fees due under this subdivision may be canceled, in whole or in part, under  
48.25 section ~~268.066 where good cause for late submission is found by the commissioner~~ 268.067.

48.26 Sec. 3. Minnesota Statutes 2016, section 268.047, subdivision 3, is amended to read:

48.27 Subd. 3. **Exceptions for taxpaying employers.** Unemployment benefits paid will not  
48.28 be used in computing the future tax rate of a taxpaying base period employer when:

48.29 (1) the applicant's wage credits from that employer are less than \$500;



49.1 (2) the applicant quit the employment, unless it was determined under section 268.095,  
 49.2 to have been because of a good reason caused by the employer or because the employer  
 49.3 notified the applicant of discharge within 30 calendar days. This exception applies ~~only~~ to  
 49.4 unemployment benefits paid for periods after the applicant's quitting the employment and,  
 49.5 if the applicant is rehired by the employer, continues only until the beginning of the week  
 49.6 the applicant is rehired; or

49.7 (3) the employer discharged the applicant from employment because of employment  
 49.8 misconduct as determined under section 268.095. This exception applies ~~only~~ to  
 49.9 unemployment benefits paid for periods after the applicant's discharge from employment  
 49.10 and, if the applicant is rehired by the employer, continues only until the beginning of the  
 49.11 week the applicant is rehired.

49.12 **EFFECTIVE DATE.** This section is effective October 1, 2019.

49.13 Sec. 4. Minnesota Statutes 2016, section 268.059, is amended to read:

49.14 **268.059 GARNISHMENT FOR DELINQUENT TAXES AND UNEMPLOYMENT**  
 49.15 **BENEFIT OVERPAYMENTS.**

49.16 Subdivision 1. **Notice Authority.** ~~The commissioner may give notice to any employer~~  
 49.17 ~~that an employee owes any amounts due under this chapter or section 116L.20, and that the~~  
 49.18 ~~obligation should be withheld from the employee's wages. The commissioner may proceed~~  
 49.19 ~~only if the amount due is uncontested or if the time for any appeal has expired. The~~  
 49.20 commissioner may garnish an employee's wages to collect amounts due under this chapter  
 49.21 or section 116L.20, as set forth in this section. Chapter 571 does not apply, except as  
 49.22 referenced in this section.

49.23 **Subd. 1a. Notice.** The commissioner may not proceed with a garnishment until 30  
 49.24 calendar days after sending to the debtor employee, by mail or electronic transmission, a  
 49.25 notice of intent to garnish wages and exemption notice. That notice must ~~list~~ include:

49.26 (1) the amount due from the debtor;

49.27 (2) demand for immediate payment; and

49.28 (3) the intention to serve a garnishment notice on the debtor's employer.

49.29 The notice expires 180 calendar days after it has been sent to the debtor provided that  
 49.30 the notice may be renewed by sending a new notice that is in accordance with this section.  
 49.31 The renewed notice has the effect of reinstating the priority of the original notice. ~~The~~  
 49.32 ~~exemption notice must be in substantially the same form as in section 571.72. The exemption~~

50.1 notice must inform the debtor of the right to claim exemptions contained in section 550.37,  
 50.2 subdivision 14. ~~If no claim of exemption is received by the commissioner within 30 calendar~~  
 50.3 ~~days after sending of the notice, the commissioner may proceed with the garnishment. The~~  
 50.4 ~~notice to the debtor's employer may be served by mail or electronic transmission and must~~  
 50.5 ~~be in substantially the same form as in section 571.75.~~

50.6 Subd. 2. **Employer action.** (a) Thirty calendar days after sending the notice of intent to  
 50.7 garnish, the commissioner may send to the debtor's employer, by mail or electronic  
 50.8 transmission, a notice of garnishment, including a worksheet for determining the amount  
 50.9 to be withheld from wages each pay period. The amount to be withheld from wages is  
 50.10 subject to the limitations in section 571.922. Upon receipt of the garnishment notice, the  
 50.11 employer must withhold from the ~~earnings~~ wages due or to become due to the employee,  
 50.12 the amount ~~shown on the notice plus accrued interest, subject to section 571.922~~ determined  
 50.13 by the employer plus accrued interest. The employer must continue to withhold each pay  
 50.14 period the amount ~~shown on the notice~~ determined by the employer plus accrued interest  
 50.15 until the garnishment notice is released by the commissioner. Upon receipt of notice by the  
 50.16 employer, the claim of the commissioner has priority over any subsequent garnishments or  
 50.17 wage assignments. The commissioner may ~~arrange between the employer and employee~~  
 50.18 ~~for withholding a portion of the total amount due the employee each pay period,~~ agree to  
 50.19 accept a withholding amount that is less than the amount determined by the employer on  
 50.20 the worksheet until the total amount shown on the notice due plus accrued interest has been  
 50.21 withheld.

50.22 (b) ~~The "earnings due" any employee~~ For the purposes of this section, "wages" is as  
 50.23 defined in section ~~571.921~~ 268.035, subdivision 29.

50.24 ~~(b)~~ (c) The maximum garnishment allowed for any one pay period must be decreased  
 50.25 by any amounts payable under any other garnishment action served before the garnishment  
 50.26 notice, and any amounts covered by any irrevocable and previously effective assignment  
 50.27 of wages; The employer must give notice to the commissioner of the amounts and the facts  
 50.28 relating to the other garnishment or assignment ~~within ten calendar days after the service~~  
 50.29 ~~of the garnishment notice on the form~~ worksheet provided by the commissioner.

50.30 ~~(e)~~ (d) Within ten calendar days after the expiration of the pay period, the employer must  
 50.31 remit to the commissioner, on a form and in the manner prescribed by the commissioner,  
 50.32 the amount withheld during each pay period.

50.33 Subd. 3. **Discharge or discipline prohibited.** (a) If the employee ceases to be employed  
 50.34 by the employer before the full amount ~~set forth on the garnishment notice~~ due plus accrued

51.1 interest has been withheld, the employer must immediately notify the commissioner in  
51.2 writing or by electronic transmission, as prescribed by the commissioner, of the termination  
51.3 date of the employee and the total amount withheld. No employer may discharge or discipline  
51.4 any employee because the commissioner has proceeded under this section. If an employer  
51.5 discharges an employee in violation of this section, the employee has the same remedy as  
51.6 provided in section 571.927, subdivision 2.

51.7 (b) This section applies if the employer is the state of Minnesota or any political  
51.8 subdivision.

51.9 (c) The commissioner must refund to the employee any excess amounts withheld from  
51.10 the employee.

51.11 (d) An employer that fails or refuses to comply with this section is jointly and severally  
51.12 liable for the total amount due from the employee. Any amount due from the employer  
51.13 under this paragraph may be collected in the same manner as any other amounts due from  
51.14 an employer under this chapter.

51.15 Sec. 5. Minnesota Statutes 2016, section 268.085, subdivision 3, is amended to read:

51.16 Subd. 3. **Vacation and sick payments that delay unemployment benefits.** (a) An  
51.17 applicant is not eligible to receive unemployment benefits for any week the applicant is  
51.18 receiving, has received, or will receive vacation pay, sick pay, or personal time off pay, also  
51.19 known as "PTO."

51.20 This paragraph ~~only applies upon temporary, indefinite, or seasonal separation and does~~  
51.21 ~~not apply:~~

51.22 (1) upon a permanent separation from employment; or

51.23 (2) to payments from a vacation fund administered by a union or a third party not under  
51.24 the control of the employer.

51.25 Payments under this ~~paragraph~~ subdivision are applied to the period immediately  
51.26 following the ~~temporary, indefinite, or seasonal separation.~~ later of the date of separation  
51.27 from employment or the date the applicant first becomes aware that the employer will be  
51.28 making a payment. The date the payment is actually made or received, or that an applicant  
51.29 must agree to a release of claims, does not affect the application of this paragraph.

51.30 (b) This subdivision applies to all the weeks of payment. The weeks of payment is  
51.31 determined as follows:

52.1 (1) if the payments are made periodically, the total of the payments to be received is  
 52.2 divided by the applicant's last level of regular weekly pay from the employer; or

52.3 (2) if the payment is made in a lump sum, that sum is divided by the applicant's last level  
 52.4 of regular weekly pay from the employer.

52.5 The "last level of regular weekly pay" includes commissions, bonuses, and overtime  
 52.6 pay if that is part of the applicant's ongoing regular compensation.

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

52.12 ~~(b)~~ (d) An applicant is not eligible to receive unemployment benefits for any week the  
 52.13 applicant is receiving, has received, or will receive severance pay, bonus pay, or any other  
 52.14 payments paid by an employer because of, upon, or after separation from employment.

52.15 This paragraph only applies if the payment is:

52.16 (1) considered wages under section 268.035, subdivision 29; or

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

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

52.24 This paragraph does not apply to earnings under subdivision 5, back pay under  
 52.25 subdivision 6, or vacation pay, sick pay, or personal time off pay under paragraph (a).

52.26 (e) Paragraph (a) applies to all the weeks of payment. The weeks of payment is determined  
 52.27 in accordance with subdivision 3, paragraph (b).

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

53.1 ~~(e)~~ (g) An applicant is not eligible to receive unemployment benefits for any week the  
 53.2 applicant is receiving, has received, will receive, or has applied for pension, retirement, or  
 53.3 annuity payments from any plan contributed to by a base period employer including the  
 53.4 United States government. The base period employer is considered to have contributed to  
 53.5 the plan if the contribution is excluded from the definition of wages under section 268.035,  
 53.6 subdivision 29. If the pension, retirement, or annuity payment is paid in a lump sum, an  
 53.7 applicant is not considered to have received a payment if:

53.8 (1) the applicant immediately deposits that payment in a qualified pension plan or  
 53.9 account; or

53.10 (2) that payment is an early distribution for which the applicant paid an early distribution  
 53.11 penalty under the Internal Revenue Code, United States Code, title 26, section 72(t)(1).

53.12 This paragraph does not apply to Social Security benefits under subdivision 4 or 4a.

53.13 ~~(d)~~ (h) This subdivision applies to all the weeks of payment. ~~The number of weeks of~~  
 53.14 ~~payment is determined as follows:~~

53.15 ~~(1) if the payments are made periodically, the total of the payments to be received is~~  
 53.16 ~~divided by the applicant's last level of regular weekly pay from the employer; or~~

53.17 ~~(2)~~ If the payment is made in a lump sum, that sum is divided by the applicant's last  
 53.18 level of regular weekly pay from the employer to determine the weeks of payment.

53.19 For purposes of this ~~paragraph~~ subdivision, the "last level of regular weekly pay" includes  
 53.20 commissions, bonuses, and overtime pay if that is part of the applicant's ongoing regular  
 53.21 compensation.

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

53.27 Sec. 6. Minnesota Statutes 2016, section 268.085, subdivision 3a, is amended to read:

53.28 Subd. 3a. **Workers' compensation and disability insurance offset.** (a) An applicant  
 53.29 is not eligible to receive unemployment benefits for any week in which the applicant is  
 53.30 receiving or has received compensation for loss of wages equal to or in excess of the  
 53.31 applicant's weekly unemployment benefit amount under:

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

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

54.2 (3) any insurance or trust fund paid in whole or in part by an employer.

54.3 (b) This subdivision does not apply to an applicant who has a claim pending for loss of  
54.4 wages under paragraph (a); however, before unemployment benefits may be paid when a  
54.5 claim is pending, the issue of the applicant being available for suitable employment, as  
54.6 required under subdivision 1, clause (4), is must be determined under section 268.101,  
54.7 subdivision 2. If the applicant later receives compensation as a result of the pending claim,  
54.8 the applicant is subject to ~~the provisions of~~ paragraph (a) and the unemployment benefits  
54.9 paid are ~~subject to recoupment by the commissioner to the extent that the compensation~~  
54.10 ~~constitutes~~ overpaid unemployment benefits under section 268.18, subdivision 1.

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

54.14 Sec. 7. Minnesota Statutes 2017 Supplement, section 268.085, subdivision 13a, is amended  
54.15 to read:

54.16 Subd. 13a. **Leave of absence.** (a) An applicant on a voluntary leave of absence is  
54.17 ineligible for unemployment benefits for the duration of the leave of absence. An applicant  
54.18 on an involuntary leave of absence is not ineligible under this subdivision.

54.19 A leave of absence is voluntary when work that the applicant can then perform is available  
54.20 with the applicant's employer but the applicant chooses not to work. A medical leave of  
54.21 absence is not presumed to be voluntary.

54.22 (b) A period of vacation requested by the applicant, paid or unpaid, is a voluntary leave  
54.23 of absence. A vacation period assigned by an employer under: (1) a uniform vacation  
54.24 shutdown; (2) a collective bargaining agreement; or (3) an established employer policy, is  
54.25 an involuntary leave of absence.

54.26 (c) A leave of absence is a temporary stopping of work that has been approved by the  
54.27 employer. A ~~voluntary~~ leave of absence is not a quit ~~and an involuntary leave of absence~~  
54.28 ~~is not~~ or a discharge from employment ~~for purposes of~~. Section 268.095 does not apply to  
54.29 a leave of absence.

54.30 (d) An applicant who is on a paid leave of absence, whether the leave of absence is  
54.31 voluntary or involuntary, is ineligible for unemployment benefits for the duration of the  
54.32 leave.

55.1 (e) This subdivision applies to a leave of absence from a base period employer, an  
 55.2 employer during the period between the end of the base period and the effective date of the  
 55.3 benefit account, or an employer during the benefit year.

55.4 Sec. 8. Minnesota Statutes 2017 Supplement, section 268.095, subdivision 6, is amended  
 55.5 to read:

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

55.8 ~~(1) is a serious violation of the standards of behavior the employer has the right to~~  
 55.9 ~~reasonably expect of the employee; or,~~

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

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

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

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

55.14 (3) simple unsatisfactory conduct;

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

55.17 (5) conduct that was a consequence of the applicant's inability or incapacity;

55.18 (6) good faith errors in judgment if judgment was required;

55.19 (7) absence because of illness or injury of the applicant, with proper notice to the  
 55.20 employer;

55.21 (8) absence, with proper notice to the employer, in order to provide necessary care  
 55.22 because of the illness, injury, or disability of an immediate family member of the applicant;

55.23 (9) conduct that was a consequence of the applicant's chemical dependency, unless the  
 55.24 applicant was previously diagnosed chemically dependent or had treatment for chemical  
 55.25 dependency, and since that diagnosis or treatment has failed to make consistent efforts to  
 55.26 control the chemical dependency; or

55.27 (10) conduct that was a consequence of the applicant, or an immediate family member  
 55.28 of the applicant, being a victim of domestic abuse, sexual assault, or stalking. For the  
 55.29 purposes of this subdivision, "domestic abuse," "sexual assault," and "stalking" have the  
 55.30 meanings given them in subdivision 1.

56.1 (c) Regardless of paragraph (b), clause (9), conduct in violation of sections 169A.20,  
56.2 169A.31, 169A.50 to 169A.53, or 171.177 that ~~interferes with or~~ adversely affects the  
56.3 employment is employment misconduct.

56.4 (d) If the conduct for which the applicant was discharged involved only a single incident,  
56.5 that is an important fact that must be considered in deciding whether the conduct rises to  
56.6 the level of employment misconduct under paragraph (a). This paragraph does not require  
56.7 that a determination under section 268.101 or decision under section 268.105 contain a  
56.8 specific acknowledgment or explanation that this paragraph was considered.

56.9 (e) The definition of employment misconduct provided by this subdivision is exclusive  
56.10 and no other definition applies.

56.11 Sec. 9. Minnesota Statutes 2016, section 268.095, subdivision 6a, is amended to read:

56.12 Subd. 6a. **Aggravated employment misconduct defined.** (a) ~~For the purpose of this~~  
56.13 ~~section, "aggravated employment misconduct" means:~~

56.14 ~~(1)~~ The commission of any act, on the job or off the job, that would amount to a gross  
56.15 misdemeanor or felony is aggravated employment misconduct if the act ~~substantially~~  
56.16 ~~interfered with the employment or~~ had a significant adverse effect on the employment; ~~or.~~

56.17 A criminal charge or conviction is not necessary to determine aggravated employment  
56.18 misconduct under this paragraph. If an applicant is convicted of a gross misdemeanor or  
56.19 felony, the applicant is presumed to have committed the act.

56.20 ~~(2)~~ (b) For an employee of a facility as defined in section 626.5572, aggravated  
56.21 employment misconduct includes an act of patient or resident abuse, financial exploitation,  
56.22 or recurring or serious neglect, as defined in section 626.5572 and applicable rules.

56.23 ~~(b) If an applicant is convicted of a gross misdemeanor or felony for the same act for~~  
56.24 ~~which the applicant was discharged, it is aggravated employment misconduct if the act~~  
56.25 ~~substantially interfered with the employment or had a significant adverse effect on the~~  
56.26 ~~employment.~~

56.27 ~~(e)~~ (b) The definition of aggravated employment misconduct provided by this subdivision  
56.28 is exclusive and no other definition applies.

## 56.29 ARTICLE 9

### 56.30 UNEMPLOYMENT INSURANCE ADVISORY COUNCIL; TECHNICAL

56.31 Section 1. Minnesota Statutes 2016, section 268.044, subdivision 3, is amended to read:



57.1 Subd. 3. **Missing or erroneous information.** (a) Any employer that submits the wage  
57.2 detail report, but fails to include all required employee information or enters erroneous  
57.3 information, is subject to an administrative service fee of \$25 for each employee for whom  
57.4 the information is partially missing or erroneous.

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

57.8 (c) An administrative service fee under this subdivision must be canceled under section  
57.9 268.067 if the commissioner determines that the failure or error by the employer occurred  
57.10 because of ignorance or inadvertence.

57.11 Sec. 2. Minnesota Statutes 2017 Supplement, section 268.046, subdivision 1, is amended  
57.12 to read:

57.13 Subdivision 1. **Tax accounts assigned.** (a) Any person that contracts with a taxpaying  
57.14 employer to have that person obtain the taxpaying employer's workforce and provide workers  
57.15 to the taxpaying employer for a fee is, as of the effective date of the contract, assigned for  
57.16 the duration of the contract the taxpaying employer's account under section 268.045. That  
57.17 tax account must be maintained by the person separate and distinct from every other tax  
57.18 account held by the person and identified in a manner prescribed by the commissioner. The  
57.19 tax account is, for the duration of the contract, considered that person's account for all  
57.20 purposes of this chapter. The workers obtained from the taxpaying employer and any other  
57.21 workers provided by that person to the taxpaying employer, including officers of the  
57.22 taxpaying employer as defined in section 268.035, subdivision 20, clause ~~(28)~~ (29), whose  
57.23 wages paid by the person are considered paid in covered employment under section 268.035,  
57.24 subdivision 24, for the duration of the contract between the taxpaying employer and the  
57.25 person, must, under section 268.044, be reported on the wage detail report under that tax  
57.26 account, and that person must pay any taxes due at the tax rate computed for that account  
57.27 under section 268.051, subdivision 2.

57.28 (b) Any workers of the taxpaying employer who are not covered by the contract under  
57.29 paragraph (a) must be reported by the taxpaying employer as a separate unit on the wage  
57.30 detail report under the tax account assigned under paragraph (a). Taxes and any other  
57.31 amounts due on the wages reported by the taxpaying employer under this paragraph may  
57.32 be paid directly by the taxpaying employer.

57.33 (c) If the taxpaying employer that contracts with a person under paragraph (a) does not  
57.34 have a tax account at the time of the execution of the contract, an account must be registered

58.1 for the taxpaying employer under section 268.042 and the new employer tax rate under  
58.2 section 268.051, subdivision 5, must be assigned. The tax account is then assigned to the  
58.3 person as provided for in paragraph (a).

58.4 (d) A person that contracts with a taxpaying employer under paragraph (a) must, within  
58.5 30 calendar days of the execution or termination of a contract, notify the commissioner by  
58.6 electronic transmission, in a format prescribed by the commissioner, of that execution or  
58.7 termination. The taxpaying employer's name, the account number assigned, and any other  
58.8 information required by the commissioner must be provided by that person.

58.9 (e) Any contract subject to paragraph (a) must specifically inform the taxpaying employer  
58.10 of the assignment of the tax account under this section and the taxpaying employer's  
58.11 obligation under paragraph (b). If there is a termination of the contract, the tax account is,  
58.12 as of the date of termination, immediately assigned to the taxpaying employer.

58.13 Sec. 3. Minnesota Statutes 2016, section 268.051, subdivision 3, is amended to read:

58.14 Subd. 3. **Computation of a taxpaying employer's experience rating.** (a) On or before  
58.15 each December 15, the commissioner must compute an experience rating for each taxpaying  
58.16 employer who has ~~been required to file~~ filed wage detail reports for the ~~12~~ four calendar  
58.17 ~~months~~ quarters ending on the prior June 30. The experience rating computed is applicable  
58.18 for the following calendar year.

58.19 The experience rating is the ratio obtained by dividing 125 percent of the total  
58.20 unemployment benefits required under section 268.047 to be used in computing the  
58.21 employer's tax rate during the ~~48~~ 16 calendar ~~months~~ quarters ending on the prior June 30,  
58.22 by the employer's total taxable payroll for that same period.

58.23 (b) The experience rating is computed to the nearest one-hundredth of a percent, to a  
58.24 maximum of 8.90 percent.

58.25 (c) The use of 125 percent of unemployment benefits paid under paragraph (a), rather  
58.26 than 100 percent of the amount of unemployment benefits paid, is done in order for the trust  
58.27 fund to recover from all taxpaying employers a portion of the costs of unemployment benefits  
58.28 paid that do not affect any individual employer's future experience rating because of the  
58.29 reasons set out in subdivision 2, paragraph (f).

58.30 Sec. 4. Minnesota Statutes 2016, section 268.053, subdivision 1, is amended to read:

58.31 Subdivision 1. **Election.** (a) Any nonprofit organization that has employees in covered  
58.32 employment must pay taxes on a quarterly basis in accordance with section 268.051 unless

59.1 it elects to make reimbursements to the trust fund the amount of unemployment benefits  
59.2 charged to its reimbursable account under section 268.047.

59.3 The organization may elect to make reimbursements for a period of not less than 24  
59.4 calendar months beginning with the date that the organization was determined to be an  
59.5 employer with covered employment by filing a notice of election not later than 30 calendar  
59.6 days after the date of the determination.

59.7 (b) Any nonprofit organization that makes an election will continue to be liable for  
59.8 reimbursements until it files a notice terminating its election before the beginning of the  
59.9 calendar quarter the termination is to be effective.

59.10 A nonprofit organization that has been making reimbursements that files a notice of  
59.11 termination of election must be assigned the new employer tax rate under section 268.051,  
59.12 subdivision 5, until it qualifies for an experience rating under section 268.051, subdivision  
59.13 3.

59.14 (c) Any nonprofit organization that has been paying taxes may elect to make  
59.15 reimbursements by filing a notice of election. The election is effective at the beginning of  
59.16 the next calendar quarter. The election is not terminable by the organization for 24 calendar  
59.17 months.

59.18 ~~(d) The commissioner may for good cause extend the period that a notice of election,~~  
59.19 ~~or a notice of termination, must be filed and may permit an election to be retroactive.~~

59.20 ~~(e)~~ (d) A notice of election or notice terminating election must be filed by electronic  
59.21 transmission in a format prescribed by the commissioner.

59.22 Sec. 5. Minnesota Statutes 2016, section 268.066, is amended to read:

59.23 **268.066 CANCELLATION OF AMOUNTS DUE FROM AN EMPLOYER.**

59.24 (a) The commissioner must cancel as uncollectible any amounts due from an employer  
59.25 under this chapter or section 116L.20, that remain unpaid six years after the amounts have  
59.26 been first determined due, except where the delinquent amounts are secured by a notice of  
59.27 lien, a judgment, are in the process of garnishment, or are under a payment plan.

59.28 (b) The commissioner may cancel at any time as uncollectible any amount due, or any  
59.29 portion of an amount due, from an employer under this chapter or section 116L.20, that (1)  
59.30 are uncollectible due to death or bankruptcy, or (2) the Collection Division of the Department  
59.31 of Revenue under section 16D.04 was unable to collect.

60.1 ~~(e) The commissioner may cancel at any time any interest, penalties, or fees due from~~  
 60.2 ~~an employer, or any portions due, if the commissioner determines that it is not in the public~~  
 60.3 ~~interest to pursue collection of the amount due. This paragraph does not apply to~~  
 60.4 ~~unemployment insurance taxes or reimbursements due.~~

60.5 Sec. 6. Minnesota Statutes 2016, section 268.067, is amended to read:

60.6 **268.067 COMPROMISE.**

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

60.11 (b) The commissioner may at any time compromise any unemployment insurance tax  
 60.12 ~~or~~ reimbursement, interest, penalty, fee, costs, or any other amount due from an employer  
 60.13 under this chapter or section 116L.20.

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

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

60.18 Sec. 7. Minnesota Statutes 2016, section 268.069, subdivision 1, is amended to read:

60.19 Subdivision 1. **Requirements.** The commissioner must pay unemployment benefits  
 60.20 from the trust fund to an applicant who has met each of the following requirements:

60.21 (1) the applicant has filed an application for unemployment benefits and established a  
 60.22 benefit account in accordance with section 268.07;

60.23 (2) the applicant has not been held ineligible for unemployment benefits under section  
 60.24 268.095 because of a quit or discharge;

60.25 (3) the applicant has met all of the ongoing eligibility requirements under section 268.085;

60.26 (4) the applicant does not have an outstanding overpayment of unemployment benefits,  
 60.27 including any penalties or interest; and

60.28 (5) the applicant has not been held ineligible for unemployment benefits under section  
 60.29 ~~268.182 because of a false representation or concealment of facts~~ 268.183.

61.1 Sec. 8. Minnesota Statutes 2016, section 268.105, subdivision 6, is amended to read:

61.2 Subd. 6. **Representation; fees.** (a) In any proceeding under subdivision 1 or 2, an  
61.3 applicant or employer may be represented by any authorized representative.

61.4 Except for services provided by an attorney-at-law, no person may charge an applicant  
61.5 a fee of any kind for advising, assisting, or representing an applicant in a hearing ~~or~~ on  
61.6 reconsideration, or a proceeding under subdivision 7.

61.7 (b) An applicant may not be charged fees, costs, or disbursements of any kind in a  
61.8 proceeding before an unemployment law judge, the Minnesota Court of Appeals, or the  
61.9 Supreme Court of Minnesota.

61.10 (c) No attorney fees may be awarded, or costs or disbursements assessed, against the  
61.11 department as a result of any proceedings under this section.

61.12 Sec. 9. Minnesota Statutes 2016, section 268.145, subdivision 1, is amended to read:

61.13 Subdivision 1. **Notification.** (a) Upon filing an application for unemployment benefits,  
61.14 the applicant must be informed that:

61.15 (1) unemployment benefits are subject to federal and state income tax;

61.16 (2) there are requirements for filing estimated tax payments;

61.17 (3) the applicant may elect to have federal income tax withheld from unemployment  
61.18 benefits;

61.19 (4) if the applicant elects to have federal income tax withheld, the applicant may, in  
61.20 addition, elect to have Minnesota state income tax withheld; and

61.21 (5) at any time during the benefit year the applicant may change a prior election.

61.22 (b) If an applicant elects to have federal income tax withheld, the commissioner must  
61.23 deduct ten percent for federal income tax. If an applicant also elects to have Minnesota state  
61.24 income tax withheld, the commissioner must make an additional five percent deduction for  
61.25 state income tax. Any ~~amounts~~ amount deducted ~~or offset~~ under ~~sections 268.155, 268.18,~~  
61.26 ~~and 268.184~~ have section 268.085 has priority over any amounts deducted under this section.  
61.27 Federal income tax withholding has priority over state income tax withholding.

61.28 (c) An election to have income tax withheld may not be retroactive and only applies to  
61.29 unemployment benefits paid after the election.

62.1 Sec. 10. Minnesota Statutes 2017 Supplement, section 268.18, subdivision 5, is amended  
62.2 to read:

62.3 Subd. 5. **Remedies.** (a) Any method undertaken to recover an overpayment of  
62.4 unemployment benefits, including any penalties and interest, is not an election of a method  
62.5 of recovery.

62.6 (b) Intervention or lack thereof, in whole or in part, in a workers' compensation matter  
62.7 under section 176.361 is not an election of a remedy and does not prevent the commissioner  
62.8 from determining an applicant ineligible for unemployment benefits ~~or taking action under~~  
62.9 ~~section 268.183.~~

62.10 Sec. 11. **REVISOR'S INSTRUCTION.**

62.11 The revisor of statutes is instructed to make the following changes in Minnesota Statutes:

62.12 (1) change the term "fraud" to "misrepresentation" in sections 268.085, subdivision 2,  
62.13 and 268.186, subdivision 1;

62.14 (2) delete the term "bona fide" wherever it appears in section 268.035;

62.15 (3) replace the term "under" with "subject to" in section 268.047, subdivision 2, clause  
62.16 (8);

62.17 (4) replace the term "displays clearly" with "shows" in chapter 268;

62.18 (5) replace the term "entire" with "hearing" in section 268.105;

62.19 (6) replace "24 calendar months" with "eight calendar quarters" in section 268.052,  
62.20 subdivision 2.

62.21 Sec. 12. **REPEALER.**

62.22 Minnesota Statutes 2016, section 268.053, subdivisions 4 and 5, are repealed.

62.23 Sec. 13. **EFFECTIVE DATE.**

62.24 Unless otherwise specified, articles 5 through 9 are effective September 16, 2018."

62.25 Delete the title and insert:

62.26 "A bill for an act  
62.27 relating to jobs and economic development; modifying job training program  
62.28 requirements; limiting use of funds in the Douglas J. Johnson economic protection  
62.29 trust fund; modifying the youth skills training program; modifying accessibility  
62.30 requirements for public buildings; modifying fees for manufactured home installers;  
62.31 adopting recommendations of the Workers' Compensation Advisory Council;  
62.32 adjusting basis for determining salary for judges of Workers' Compensation Court

63.1 of Appeals; adopting recommendations of the Unemployment Insurance Advisory  
63.2 Council; appropriating money; amending Minnesota Statutes 2016, sections  
63.3 116J.8747, subdivisions 2, 4; 175A.05; 176.231, subdivision 9; 268.035,  
63.4 subdivisions 4, 12; 268.044, subdivisions 2, 3; 268.047, subdivision 3; 268.051,  
63.5 subdivisions 2a, 3; 268.053, subdivision 1; 268.057, subdivision 5; 268.059;  
63.6 268.066; 268.067; 268.069, subdivision 1; 268.085, subdivisions 3, 3a; 268.095,  
63.7 subdivision 6a; 268.105, subdivision 6; 268.145, subdivision 1; 326B.106,  
63.8 subdivision 9; 326B.815, subdivision 1; 327B.041; Minnesota Statutes 2017  
63.9 Supplement, sections 15A.083, subdivision 7; 175.46, subdivision 13; 268.035,  
63.10 subdivisions 15, 20; 268.046, subdivision 1; 268.07, subdivision 1; 268.085,  
63.11 subdivision 13a; 268.095, subdivision 6; 268.18, subdivisions 2b, 5; 298.292,  
63.12 subdivision 2; Laws 2017, chapter 94, article 1, sections 2, subdivisions 2, 3, 4,  
63.13 subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 176;  
63.14 repealing Minnesota Statutes 2016, section 268.053, subdivisions 4, 5."