

S.F. No. 1098 – Jobs and Economic Growth Omnibus – 1st Engrossment

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ARTICLE 1 – APPROPRIATIONS

Section 1. Jobs and economic growth finance. Specifies definitions of fiscal years.

Section 2. Department of Employment and Economic Development. Provides appropriations for the Department of Employment and Economic Development. See spreadsheet for details.

Section 3. Department of Labor and Industry. Provides appropriations for the Department of Labor and Industry. See spreadsheet for details.

Section 4. Workers' Compensation Court of Appeals. Provides appropriations for the Workers' Compensation Court of Appeals. See spreadsheet for details.

Section 5. Bureau of Mediation Services. Provides appropriations for the Bureau of Mediation Services. See spreadsheet for details.

Section 6. Department of Revenue. Appropriates \$20,650,000 in fiscal year 2021 from the general fund to the commissioner of revenue for business relief payments to businesses.

Section 7. Cancellation; business relief payments. Cancels \$20,650,000 of the appropriation in Laws 2020, Seventh Special Session chapter 2, article 1, section 1, subdivision 7 (Department of Revenue business relief payments).

Section 8. Cancellations; fiscal year 2021. Cancels the following amounts appropriated under Laws 2019, First Special Session chapter 7:

- \$1,022,000 of the fiscal year 2021 general fund appropriation for general support services for the Department of Employment and Economic Development;

- \$203,000 of the fiscal year 2021 general fund appropriation for general support services for the Department of Labor and Industry; and

- \$102,000 of the fiscal year 2021 general fund appropriation to the Bureau of Mediation Services.

ARTICLE 2 – LABOR AND INDUSTRY

Section 1. Data on individuals who are minors. Specifies that disclosure of data on minors is governed by a new section of law (Minnesota Statutes, section 181A.112) found in section 6 of the bill. This section is from S.F. 226 (Rarick).

Section 2. Apprenticeship rules. Updates the citation to the federal regulations governing apprenticeships (to include equal employment opportunity in apprenticeship). This section is from S.F. 226 (Rarick).

Section 3. Required Statement of Earnings by Employer; Notice to Employee.

Paragraph (d) modifies requirements for the notice to be given to employees at the beginning of employment as follows:

- allows the notice to be provided on or before the date an employer provides an employee with the employee's first earnings statement;
- allows the notice to be either in writing or delivered electronically, instead of only in writing as is required under current law;
- requires the notice to include any pay schedule or range of pay for an employee who is reasonably expected to move between job duties, classifications, and pay or benefit structures in their day-to-day duties; and
- requires the notice to contain a checkbox to indicate whether a hiring employer is a staffing agency and space for a staffing agency to indicate the initial entity for which the employee will perform work.

Paragraph (e) provides that an employee's signature (written or electronic) on the notice constitutes acknowledgment of receipt of the notice and does not create a contract.

Paragraph (f) provides that the notice requirement is satisfied if the employee receives the required information through a collective bargaining agreement, employee handbook, offer letter, or a combination of those documents.

Paragraph (g) requires an employer to provide employees any changes to the information contained in the notice (in writing or electronically) by the date of the employee's next earnings statement following the date the changes take effect. The notice of changes does not require a signature by the employee and is satisfied if the changes to information are contained on the employee's next earnings statement.

Paragraph (h) provides that notice of changes is not required to an employee for discretionary pay.

Paragraph (i) provides that notice of changes is not required to an employee employed by a staffing agency for subsequent job placements.

Paragraph (j) requires the commissioner of labor and industry to issue a written warning to an employer upon the first finding of a violation or violations of the notice requirements. This section is from S.F. 226 (Rarick).

Section 4. Wages; How Often Paid. Caps the penalty amount at 15 days for purposes of both unpaid wages and unpaid commissions. This section is from S.F. 919 (Pratt).

Section 5. Nursing mothers, lactating employees, and pregnancy accommodations. Subdivision 1. Nursing mothers. Requires an employer with one or more employees to provide nursing and lactating employees with paid break time to express milk during the twelve months following the birth of the child. Prohibits a reduction in compensation for time used to express milk.

Subd. 2. Pregnancy accommodations. Requires an employer with fifteen or more employees to provide reasonable accommodations for health conditions related to pregnancy or childbirth, to a requesting employee, unless the employer shows it would be an undue hardship. Provides a list of accommodations that do not require the advice of the employee's licensed health care provider or certified doula. Provides examples of reasonable accommodations. Specifies that an employee is not required to request leave or accept an accommodation. Current law on pregnancy accommodations, which is being repealed, applies to employers with 21 or more employees. This section is from S.F. 1180 (Coleman).

Section 6. Data on individuals who are minors. Specifies that when the commissioner of labor and industry collects data on individuals who are minors, the data are considered private data on individuals, except for data classified as public data as listed. Provides that data on minors maintains a classification as private data on individuals after the individual is no longer a minor. This section is from S.F. 226 (Rarick).

Section 7. Membership. Adds two additional members to the Construction Codes Advisory Council to include a member with expertise in and engaged in the energy conservation industry and a member with expertise in and engaged in building accessibility. This section is from S.F. 226 (Rarick).

Section 8. Special requirements. Allows an exemption from the dedicated anchorage requirement for window cleaning safety for new buildings that are six stories or less if the roof has a slope steeper than four units vertical by 12 units horizontal. This section is from S.F. 62 (Housley).

Section 9. Definition. Modifies the definition of "place of public accommodation" for purposes of applicability of the State Building Code by lowering the occupancy from 200 or more people to 100 or more people. This reduction will capture smaller venues as a place of public accommodation subject to the State Building Code. This section is from S.F. 524 (Housley).

Section 10. Enforcement. Clarifies that the commissioner of labor and industry will enforce the State Building Code in a municipality that has not adopted the code for places of public accommodation effective to coincide with the date the statute was enacted. This section is from S.F. 524 (Housley).

Section 11. Fire sprinklers required. Requires automatic fire sprinklers to be installed in a place of public accommodation if it was constructed, added to, or altered after August 1, 2008, and the occupancy of the venue is more than 300 people. A place of public accommodation that has an

occupancy load of fewer than 300 people would not be required to install automatic fire sprinklers. This section is from S.F. 524 (Housley). This section is from S.F. 524 (Housley).

Section 12. Municipal enforcement. Authorizes border cities to adopt via ordinance building code provisions for one- and two-family dwellings that are different from provisions of the State Building Code for frost footing depth to match the requirements of an adjacent municipality in a bordering state. Prohibits a municipality from adopting a frost footing depth that is lower than the minimum depth allowed in Zone II under Minnesota Rules. This section is from S.F. 1114 (Eken).

Section 13. Continuing education requirements; extension of time. Reduces the hours of continuing education require for certified building officials from 38 hours to 35 hours within each two-year certification period. This section is from S.F. 1756 (Howe).

Section 14. Purpose of fund. Prohibits money in the contractor recovery fund from being transferred or spent unless it is for one of the stated purposes of the fund. This section is from S.F. 419 (Eichorn).

Section 15. Repealer. Repeals the existing pregnancy accommodation statute, which is now included in the statute being amended in section 5. This section is from S.F. 1180 (Coleman).

ARTICLE 3 – ECONOMIC DEVELOPMENT

Section 1. Governor’s orders and rules, effect. Technical change necessary to cite to new section of law in section 2. This section is from S.F. 1 (Mathews).

Section 2. Executive orders relating to public health emergency for infection disease; effect. Requires any executive order relating to a public health emergency for an infectious disease that closes or partially closes a business to ingress, egress, use, and occupancy by members of the public must: (1) be approved by the legislature with a simple majority vote in both the senate and the house of representatives acting separately prior to implementation; (2) provide businesses subject to the executive order with 14 calendar days advanced notice of the closure. This section is from S.F. 1 (Mathews).

Section 3. Eligible projects. Modifies the greater Minnesota business development public infrastructure grant program (BDPI) to allow up to 15 percent of the development of a project to be for a purpose that is not included as an eligible project. Requires a city or county to provide notice to the commissioner for the commissioner's approval of the proposed project. This section is from S.F. 434 (Jasinski).

Section 4. Ineligible projects. Technical conforming change as a result of the changes in section 3. This section is from S.F. 434 (Jasinski).

Section 5. Development restrictions expiration. Allows an eligible project for which the public infrastructure was intended but not developed, after ten years from a BDPI grant award, for any other lawful project to be developed and supported by the public infrastructure. Requires the city or county to notify the commissioner of the project. This section is from S.F. 434 (Jasinski).

Section 6. Business and Community Development. Amends session law from 2017 to allow the appropriation to be used for a grant for wastewater infrastructure to support industrial users in

Rosemount that require significant water use. Makes the grant funds available until June 30, 2025. This is from S.F. 677 (Clausen).

Section 7. Business and Community Development. Amends session law from 2019 to increase the loan amount and clarify the purpose and requirements of the Duluth paper mill project. This is from S.F. 2190 (Rarick).

Section 8. Workers' Compensation. Extends the availability of an appropriation for workers' compensation system upgrades until June 30, 2023.

Section 9. Minnesota investment fund job creation goals extension. Allows the recipient of a MIF grant, who is unable to meet the job creation goals of the grant agreement during a peacetime emergency related to the COVID-19 pandemic to be granted an extension until December 31, 2022, to meet the job creation goals before the grant must be repaid. This is from S.F. 1815 (Miller).

Section 10. Onetime exception to restrictions on use of Minnesota investment fund local government loan repayment funds. Allows a onetime exception to the restrictions on use of Minnesota investment funds (MIF) for a home rule charter or statutory city, county, or town that has uncommitted money received from repayment of awarded MIF funds. Provides that if the local government transfers 20 percent of the balance of the money to the general fund before June 30, 2022, the local government may use the remaining funds for any lawful expenditure. A similar exception was allowed for MIF in 2017 and 2019. Requires a report on the use of funds. This is from S.F. 1283 (Pratt).

Section 11. Reopening of businesses for safe operation during COVID-19 pandemic. Allows a business closed to ingress, egress, use, and occupancy by members of the public due to the executive orders listed to operate fully, without capacity limitations, if the business develops a COVID-19 safety plan and makes a good faith effort to maintain a safe and healthful workplace and business operation. Prohibits any board or licensing agency from imposing additional penalties for a violation of the emergency executive orders. This is from S.F. 1 (Mathews).

Section 12. Statewide small business relief loan guarantee program. Creates a statewide program to provide state guarantees of loans to small businesses. Provides loan guarantees of 80 percent of a loan provided by a lender for up to seven years from the date of origination, up to a limit of \$200,000. Allows loans to be made by banks, commercial lenders, public entities, and private nonprofit economic development organizations with at least three years of experience actively lending to small businesses. Defines small businesses as those that employ the equivalent of 250 fulltime workers or less. Allows funds to be used for machinery or equipment purchases, maintenance, or repair; expenses related to moving into or within Minnesota; property improvements or repairs; and working capital when the working capital is secured by fixed assets when possible. Prohibits loan funds from being used to finance the transfer of ownership of real properties or businesses. Specifies that interest will not be charged for the first 12 months of the loan term. Outlines how default and nonpayment can be handled. Requires a report to the legislature by January 15, 2025, on the loan guarantees that are provided.

ARTICLE 4 – UNEMPLOYMENT INSURANCE

Section 1. Reemployment assistance training. Modifies the definition of “reemployment assistance training” to allow for additional training options, including enrollment in:

- an adult basic education consortium program;
- an English as a second language program;
- an over-the-road truck driving training program; or

- a program funded by the women and high-wage, high-demand, nontraditional jobs grant program.

This section is from S.F. 435 (Rarick) and would become effective when the unemployment insurance trust fund reaches a positive balance.

Section 2. Not eligible. Repeals the provision in current law that makes secondary students ineligible for unemployment benefits. Allows high school students to qualify for unemployment insurance benefits if they otherwise meet eligibility requirements. This section is from S.F. 1044 (Rarick) and would become effective when the unemployment insurance trust fund reaches a positive balance.

Section 3. Social Security disability benefits. Eliminates the deduction (offset) from weekly unemployment insurance benefits when the unemployment insurance applicant has received Social Security disability benefits for that week. This section is from S.F. 798 (Rarick) and would become effective when the unemployment insurance trust fund reaches a positive balance.

Section 4. Unemployment benefits while in entrepreneurial training. Makes a corresponding technical change related to section 2. This section is from S.F. 1044 (Rarick) and would become effective when the unemployment insurance trust fund reaches a positive balance.

Section 5. Shared work plan requirements. Decreases the amount of time that an employee needs to be employed by the employer proposing the shared work plan in order to participate in a shared worked program from one year to three months. The shared work program allows employers to divide available hours of work among a group of employees instead of implementing a full layoff. The participating employees may then receive partial unemployment insurance benefits while working reduced hours. This section is from S.F. 393 (Rarick).

Section 6. Suitable employment during COVID-19 pandemic. Clarifies that the exception for suitable employment in Laws 2020, chapter 71, article 2, section 20, expired on December 31, 2020. This section is from S.F. 920 (Pratt).

Section 7. Temporary suspension of five-week business owner benefit limitation. Extends the temporary suspension of five-week business owner unemployment benefit limitation until September 6, 2021. This section is from S.F. 920 (Pratt).

Section 8. Leave of absence due to COVID-19. Extends the presumption that a leave of absence due to COVID-19 is an involuntary leave for purposes of benefits eligibility until September 6, 2021. This section is from S.F. 920 (Pratt).

Section 9. Repealer. Repeals the Social Security old-age insurance benefits deduction (offset) provision that requires a deduction from weekly unemployment insurance benefits when the unemployment insurance applicant has received Social Security old-age benefits for that week. This section is from S.F. 798 (Rarick) and would become effective when the unemployment insurance trust fund reaches a positive balance.