

1.1 **Senator Marty from the Committee on Finance, to which was re-referred**

1.2 **S.F. No. 2:** A bill for an act relating to employment; providing for paid family, bonding,
1.3 and applicant's serious medical condition benefits; regulating and requiring certain
1.4 employment leaves; classifying certain data; authorizing rulemaking; requiring an actuarial
1.5 report; increasing direct care provider rates; appropriating money; amending Minnesota
1.6 Statutes 2022, sections 13.719, by adding a subdivision; 177.27, subdivision 4; 181.032;
1.7 256B.057, subdivision 9; 256J.561, by adding a subdivision; 256J.95, subdivisions 3, 11;
1.8 256P.01, subdivision 3; 268.19, subdivision 1; proposing coding for new law as Minnesota
1.9 Statutes, chapter 268B.

1.10 Reports the same back with the recommendation that the bill be amended as follows:

1.11 Page 2, line 8, delete "6" and insert "8"

1.12 Page 2, line 9, delete "subdivisions" and insert "subdivision" and delete "and 3a"

1.13 Page 9, line 9, delete "47" and insert "48"

1.14 Page 9, delete lines 20 to 30 and insert:

1.15 "(b) "Covered employment" includes an employee's entire employment during the
1.16 calendar quarter if:

1.17 (1) 50 percent or more of the employment during the quarter is performed in Minnesota;

1.18 or

1.19 (2) 50 percent or more of the employment during the quarter is not performed in
1.20 Minnesota or any other state, or Canada, but some of the employment is performed in
1.21 Minnesota and the employee's residence is in Minnesota during 50 percent or more of the
1.22 calendar quarter."

1.23 Page 9, line 32, delete "or"

1.24 Page 10, line 1, delete the period and insert "; or"

1.25 Page 10, after line 1, insert:

1.26 "(3) employment covered under the federal Railroad Unemployment Insurance Act."

1.27 Page 10, line 11, after the period, insert "For purposes of this chapter, an employee who
1.28 is working in the construction industry under a bona fide collective agreement that requires
1.29 employer contribution to a multi-employer health plan pursuant to the United States Code,
1.30 title 29, section 186, paragraph (c), clause (5), but only if the waiver is set forth in clear and
1.31 unambiguous terms in such collective bargaining agreement, is not considered a seasonal
1.32 employee."

1.33 Page 12, line 8, after "work" insert ", attend school, or perform regular daily activities"

1.34 Page 13, line 24 delete "of the two" and delete "years" and insert "year"

- 2.1 Page 14, line 10, delete "more than three consecutive, full calendar" and insert "seven
2.2 or more"
- 2.3 Page 16, line 10, after "employee" insert "and all seasonal employees"
- 2.4 Page 17, line 14, before "Money" insert "Unless otherwise appropriated, "
- 2.5 Page 17, line 16, after the period, insert "Appropriations and transfers to the account are
2.6 credited to the account. Earnings, such as interest, dividends, and any other earnings arising
2.7 from assets of the account, are credited to the account. Money remaining in the account at
2.8 the end of a fiscal year are not canceled to the general fund but remain in the account until
2.9 expended."
- 2.10 Page 18, line 12, delete "section 268B.085" and insert "chapter 268B"
- 2.11 Page 20, line 1, delete "or"
- 2.12 Page 20, line 4, delete the period and insert "; or"
- 2.13 Page 20, after line 4, insert:
2.14 "(3) leave is taken intermittently."
- 2.15 Page 20, line 25, delete "(a)"
- 2.16 Page 21, delete lines 1 to 11
- 2.17 Page 36, line 12, delete everything after "chapter" and insert a period
- 2.18 Page 36, delete line 13
- 2.19 Page 36, line 21, delete "or"
- 2.20 Page 36, line 22, delete "pregnancy"
- 2.21 Page 38, line 16, delete "268B.24" and insert "268B.25"
- 2.22 Page 43, line 13, after "assessed" insert "to"
- 2.23 Page 45, delete subdivision 4
- 2.24 Page 45, line 6, delete everything after "employee" and insert a period
- 2.25 Page 45, line 7, delete everything before "Deductions"
- 2.26 Page 48, delete lines 23 and 24
- 2.27 Page 51, line 13, after "Industry" insert "and the Department of Commerce"
- 2.28 Page 51, line 15, before the period, insert "and for the Department of Commerce to fulfill
2.29 the requirements of this chapter"

3.1 Page 51, line 23, after "Industry" insert "and the Department of Commerce"

3.2 Page 61, line 9, after the first comma insert "race or ethnicity,"

3.3 Page 62, line 10, after "written" insert "or electronic"

3.4 Page 64, delete section 37

3.5 Page 65, delete section 39

3.6 Page 66, after line 15, insert:

3.7 **"ARTICLE 2**

3.8 **APPROPRIATIONS**

3.9 Section 1. **APPROPRIATIONS.**

3.10 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
3.11 and for the purposes specified in this article. The appropriations are from the family and
3.12 medical benefit insurance account under Minnesota Statutes, section 268B.02, subdivision
3.13 4, and are available for the fiscal years indicated for each purpose. The figures "2024" and
3.14 "2025" used in this article mean that the appropriations listed under them are available for
3.15 the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first year" is fiscal
3.16 year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and
3.17 2025.

3.18		<u>APPROPRIATIONS</u>	
3.19		<u>Available for the Year</u>	
3.20		<u>Ending June 30</u>	
3.21		<u>2024</u>	<u>2025</u>
3.22	<u>Sec. 2. DEPARTMENT OF EMPLOYMENT</u>		
3.23	<u>AND ECONOMIC DEVELOPMENT</u>	<u>\$ 50,939,000</u>	<u>\$ 71,358,000</u>

3.24 This amount is for the purposes of Minnesota
3.25 Statutes, chapter 268B, including start-up and
3.26 information technology costs, administration,
3.27 and outreach.

3.28 The base from the family and medical benefit
3.29 insurance account for fiscal year 2026 is
3.30 \$76,089,000 and for fiscal year 2027 is
3.31 \$73,642,000.

3.32	<u>Sec. 3. DEPARTMENT OF COMMERCE</u>	<u>\$ 376,000</u>	<u>\$ 316,000</u>
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4.1	<u>This amount is for the purposes of Minnesota</u>			
4.2	<u>Statutes, chapter 268B.</u>			
4.3	<u>The base from the family and medical benefit</u>			
4.4	<u>insurance account for fiscal year 2026 and</u>			
4.5	<u>beyond is \$128,000.</u>			
4.6	Sec. 4. <u>DEPARTMENT OF HUMAN</u>			
4.7	<u>SERVICES</u>	\$	<u>2,649,000</u>	\$
				<u>-0-</u>
4.8	<u>This amount is for the purposes of Minnesota</u>			
4.9	<u>Statutes, chapter 268B.</u>			
4.10	Sec. 5. <u>DEPARTMENT OF LABOR AND</u>			
4.11	<u>INDUSTRY</u>	\$	<u>601,000</u>	\$
				<u>374,000</u>
4.12	<u>This amount is for the purposes of Minnesota</u>			
4.13	<u>Statutes, chapter 268B.</u>			
4.14	<u>The base from the family and medical benefit</u>			
4.15	<u>insurance account for fiscal year 2026 and</u>			
4.16	<u>beyond is \$731,000.</u>			
4.17	Sec. 6. <u>LEGISLATURE.</u>	\$	<u>-0-</u>	\$
				<u>18,000</u>
4.18	<u>This amount is for the purposes of Minnesota</u>			
4.19	<u>Statutes, chapter 268B. This is a onetime</u>			
4.20	<u>appropriation.</u>			
4.21	Sec. 7. <u>MINNESOTA MANAGEMENT AND</u>			
4.22	<u>BUDGET</u>	\$	<u>-0-</u>	\$
				<u>118,000</u>
4.23	<u>This amount is for the purposes of Minnesota</u>			
4.24	<u>Statutes, chapter 268B.</u>			
4.25	<u>The base from the family and medical benefit</u>			
4.26	<u>insurance account for fiscal year 2026 and</u>			
4.27	<u>beyond is \$31,000.</u>			
4.28	Sec. 8. <u>SECRETARY OF STATE</u>	\$	<u>384,000</u>	\$
				<u>4,000</u>
4.29	<u>This amount is for the purposes of Minnesota</u>			
4.30	<u>Statutes, chapter 268B. This is a onetime</u>			
4.31	<u>appropriation.</u>			
4.32	Sec. 9. <u>SUPREME COURT.</u>	\$	<u>15,000</u>	\$
				<u>15,000</u>

5.1 This amount is for the purposes of Minnesota
 5.2 Statutes, chapter 268B. This is a onetime
 5.3 appropriation.

5.4 **Sec. 10. UNIVERSITY OF MINNESOTA. \$ -0- \$ 1,372,000**

5.5 This amount is for the purposes of Minnesota
 5.6 Statutes, chapter 268B. This is a onetime
 5.7 appropriation.

5.8 **Sec. 11. TRANSFER.**

5.9 The commissioner of management and budget shall transfer \$668,321,000 in fiscal year
 5.10 2024 from the general fund to the family and medical benefit insurance account for the
 5.11 purposes of Minnesota Statutes, chapter 268B.

5.12 **Sec. 12. ENTERPRISE COSTS BASE ESTABLISHMENT.**

5.13 A general fund base of \$3,049,000 in fiscal year 2026 and \$3,049,000 in fiscal year 2027
 5.14 are established. Of this amount, \$35,000 each year is to fund enterprise requirements under
 5.15 Minnesota Statutes, chapter 268B, employee notification, and \$3,014,000 each year is to
 5.16 fund the costs incurred by state agencies due to employer-paid premiums established under
 5.17 Minnesota Statutes, chapter 268B. The commissioner of management and budget shall
 5.18 allocate these amounts to agency base budgets based on the expected costs incurred by those
 5.19 agencies."

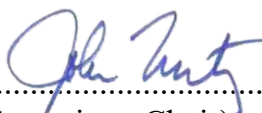
5.20 Renumber the subdivisions and sections in sequence

5.21 Amend the title as follows:

5.22 Page 1, line 5, delete "increasing direct care provider rates;"

5.23 Amend the title numbers accordingly

5.24 And when so amended the bill do pass. Amendments adopted. Report adopted.

5.25 
 5.26
 (Committee Chair)

5.27 April 27, 2023.....
 5.28 (Date of Committee recommendation)