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## **S.F. No. 5266 – Labor supplemental budget omnibus (1<sup>st</sup> engrossment)**

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### **ARTICLE 1 APPROPRIATIONS**

Provides appropriations and modifies appropriations for the Department of Labor and Industry and the Bureau of Mediation Services. See spreadsheet for details.

### **ARTICLE 2 COMBATIVE SPORTS**

**Section 1** incorporates by reference the Unified Rules of Muay Thai as part of the chapter governing combative sports (Ch. 341). Specifies that if a promoter seeks to hold a kickboxing event by a different set of rules, the promoter must send the proposed rules to the commissioner 45 days before the event. Allows the DLI commissioner to approve or deny the use of alternative rules.

**Section 2** provides a cross reference to the exception for regulatory authority over youth competitions.

**Section 3** specifies that combative sports or martial arts contests between individuals under the age of 18 are exempt from the requirements of the chapter and do not require officials licensed under the chapter at events. Requires youth competitions to be regulated by a recognized organization or by a local government.

**Section 4** removes “convenience or necessity” from the reasons the DLI commissioner must issue a combative sport license authorized under Ch. 341.

**Section 5** provides additional requirements necessary prior to issuance of amateur and professional combatant licenses by the DLI commissioner including information on bout history, training, and other proof of qualifications.

**Section 6** makes adjustments to the fee schedule for events and timing of fee payments.

**Section 7** allows the DLI commissioner to provide combatant medical information to the physician conducting a prebout exam, the ringside physician, or physicians assigned to the combatant's combative sports contest in order to protect the health of the combatant.

**Section 8** adds penalty authority for the DLI commissioner for violations of the requirements for youth competitions as provided under **section 4**.

### **ARTICLE 3 BUREAU OF MEDIATION SERVICES**

**Section 1** specifies that training required for individuals appointed to the arbitrator roster for peace officer grievance arbitrations must be paid for by BMS instead of by the individual. Removes obsolete language.

**Section 2** repeals the following sections of statute related to the area labor-management committee grant program:

- 179.81 (definitions)
- 179.82 (grant program created)
- 179.83, subdivision 1 (grant applications)
- 179.84, subdivision 1 (grant requirements)
- 179.85 (grant funding limitations)

Repeals the following rules related to the Minnesota Area Labor-Management Committee Grant Program:

- 5520.0100 (application)
- 5520.0110 (policy)
- 5520.0120 (definitions)
- 5520.0200 (grant applications)
- 5520.0250 (grant restrictions)
- 5520.0300 (grant period and amount)
- 5520.0500 (application review procedures)
- 5520.0520 (work plan)
- 5520.0540 (budget adjustments)
- 5520.0560 (quarterly reports)
- 5520.0600 (accounting system)
- 5520.0620 (audits)
- 5520.0700 (initial payments)
- 5520.0710 (subsequent payments)
- 5520.0800 (termination of grants)

## **ARTICLE 4**

### **PUBLIC EMPLOYEE LABOR RELATIONS (PELRA)**

**Section 1 [Access to labor organizations, Bureau of Mediation Services, Public Employment Relations Board; 13.43, subd. 6]** specifies that personnel data must be disseminated to specified entities, notwithstanding other provisions in the Public Employee Labor Relations Act.

**Section 2 [Public employee or employee; 179A.03, subd. 14]** eliminates from the definition of “employee” in PELRA employees working for a Minnesota school district or charter school in a position for which no license by the Professional Educator Licensing Standards Board.

**Section 3 [Teacher; 179A.03, subd. 18]** amends the definition of “teacher” for purposes of PELRA. Under current law, “teacher” includes a position creating and delivering instruction in certain pre-kindergarten settings, with the exception that an employee in a bargaining unit that was certified before January 1, 2023, may remain in the bargaining unit that does not include teachers unless an exclusive representative files a petition for unit clarification or to transfer exclusive representative status. This section eliminates transferring exclusive representative status as a basis for the exclusive representative to petition to preclude these employees from staying in a unit that does not include teachers.

**Section 4 [Alternate members; 179A.041, subd. 2]** allows appointment of an alternate member to the Public Employment Relations Board (PERB) to serve if a member is unavailable for a meeting.

**Section 5 [Open Meeting law; exceptions; 179A.041, subd. 10]** makes nonsubstantive technical changes.

**Section 6 [Payroll deduction, authorization, and remittance; 179A.06, subd. 6]** makes nonsubstantive technical changes.

**Section 7 [Bargaining unit information; 179A.07, subd. 8]** requires a public employer to include the reason for separation or transfer when an employer notifies the employee’s exclusive representative that the employee is separated from employment. Makes nonsubstantive technical changes.

**Section 8 [Access; 179A.07, subd. 9]** provides for an exclusive representative to designate an agent to meet with a new public employee. Specifies that a meeting between an exclusive representative and a new employee who does not receive employer orientation must be arranged by the employer in coordination with the exclusive representative or agent during the new employee’s regular working hours. Eliminates “the public employer” as an allowed attendee at orientation and meetings between the exclusive representative or agent and a new employee. Makes nonsubstantive technical changes.

**Section 9 [Unit mergers; 179A.09, subd. 4]** requires the commissioner to designate a single unit from two bargaining units on request of an exclusive representative, subject to certain designation requirements.

**Section 10 [Position classifications; 179A.09, subd. 5]** requires that a determination of whether a new employment position should be included in an existing bargaining unit, be made based on analysis of assigned duties and without regard to title or telework status.

**Section 11 [State employees; 179A.10, subd. 2]** makes nonsubstantive technical changes.

**Section 12 [Majority verification procedure; 179A.12, subd. 2a]** eliminates a requirement that an organization's claim of majority status, in support of a petition for certification as an exclusive representative, be supported by dated representative authorization signatures. Eliminates a requirement that the commissioner investigate a petition asserting that a majority wishes to be represented by the petitioner. The investigation requirement is moved to Minnesota Statutes, section 179A.12, subdivision 5, in the next section of the bill. Makes nonsubstantive technical changes.

**Section 13 [Commissioner to investigate; 179A.12, subd. 5]** adds majority verification petitions to requests for elections, as conditions that precipitate a requirement for the commissioner to investigate sufficiency of evidence for a question of representation and to hold hearings to determine an appropriate unit and on related matters.

**Section 14 [Authorization signatures; section 179A.12, subd. 6]** makes nonsubstantive technical changes.

**Section 15 [Unfair labor practices; section 179A.12, subd. 11]** makes nonsubstantive technical changes.

**Section 16 [Actions; 179A.13, subd. 1]** changes the deadline for the board to hold a hearing on a complaint of an unfair labor practice. Under current law, the hearing must be held not less than five days and not more than 20 days after the complaint is served. This section changes that to not more than 30 days after serving the complaint unless the parties mutually agree to a later hearing.

**Section 17 [Employers; 179A.13, subd. 2]** adds to list of practices that constitute an unfair labor practice by a public employer. Makes it an unfair labor practice for a public employer to fail or refuse to provide information relevant to enforcement or negotiation of a contract within a reasonable time after receiving a request by an exclusive representative and specifies reasonable timing. Makes it an unfair labor practice for a public employer to refuse to reallocate a position after the commissioner determines the position was not placed in the correct bargaining unit. Makes it an unfair labor practice for a public employer to refuse to restore a position to classified service after a determination that the position was incorrectly placed in the unclassified service.

**Section 18 [Units; 179A.40, subd. 1]** modifies appropriate units for the Hennepin Healthcare System, Inc, by separating physicians employed as interns, residents, and fellows, from the physicians unit.

**Section 19 [Collective bargaining agreements; 179A.54, subd. 5]** eliminates requirement to submit collective bargaining agreements regarding individual care providers of direct support services to the legislature for acceptance or rejection. Authorizes the commissioner of management and budget to enter into and implement agreements, including interest arbitration decisions, with the exclusive representatives of individual providers, except as to terms requiring appropriations, changes to state law, or approval from the federal government.

**Section 20 [Rulemaking]** authorizes the commissioner of the Bureau of Mediation Services to adopt rules on petitions for majority verification using the expedited rulemaking procedure.

**Section 21 [Revisor Instruction]** instructs the Revisor of Statutes to renumber current subdivision 3 as subdivision 1a in section 179A.12.

## **ARTICLE 5 EARNED SICK AND SAFE TIME MODIFICATIONS**

**Section 1** provides a cross-reference to the ESST enforcement law within the statute giving the commissioner of labor and industry enforcement authority over various statutes.

**Section 2** provides rulemaking authority to the commissioner to carry out the purposes of the ESST law.

**Section 3** provides remedies available as enforcement against an employer that does not follow the ESST law requirements. Sets damages as the full amount of ESST time that was not provided or allowed to be used, plus an amount equal to that amount as liquidated damages.

**Section 4** removes certain requirements related to ESST from being provided on employee earnings statements (pay stubs). These requirements are addressed in **section 11**.

**Section 5** clarifies that ESST will be paid at the employee's base rate.

**Section 6** provides a definition of "base rate."

**Section 7** clarifies that an employee, for purposes of accruing ESST, is an individual who is anticipated by an employer to work for at least 80 hours for that employer in a year. Eliminates the exemption for individuals employed by an air carrier as a flight deck or cabin crew member. Adds exemptions for paid on-call firefighters and individuals employed by a farm if the farm employs five or fewer employees or the individual is employed by the farm for 28 days or less each year.

**Section 8** makes a language clarification to refer to a "base rate" for the purposes of accruing ESST.

**Section 9** allows an employee to use ESST for bereavement purposes to make arrangements for or attend a funeral or memorial, or address financial or legal matters following the death of a family member.

**Section 10** clarifies the time period for requiring documentation from an employee for use of ESST three scheduled workdays. Allows an employee to provide a written statement as reasonable documentation for use of ESST.

**Section 11** allows ESST to be used in the same increment of time as an employee is paid. An employer is not required to allow leave increments of less than 15 minutes and cannot require an employee to use leave increments of more than 4 hours.

**Section 12** provides requirements for providing information to employees regarding their use and accumulation of ESST. Requires employers to retain ESST records for three years and specifies availability of inspection by the commissioner.

**Section 13** clarifies that an employer’s ability to retain or destroy ESST medical records is subject to any applicable state or federal law, rule, or regulation.

**Section 14** precludes use of ESST for certain public safety employees during a public emergency or weather event.

**Section 15** clarifies how ESST interacts with short-term and long-term disability benefits. Adds a waiver for an individual provider providing services to a family member under consumer support grants, consumer-directed community supports, or community first services and supports. A participant/service recipient under these programs has an annual budget that they manage to purchase their services and supports for the year. If the individual provider waives the requirements of ESST under this section, then the money that would have been used for ESST payments must be returned to the participant’s budget. The individual provider cannot opt back into earning ESST again until the participant’s next service plan year.

**Section 16** clarifies that if an employee is rehired within 180 days of a separation, ESST that has not otherwise been paid out to an employee upon that separation must be reinstated.

**Section 17** clarifies treatment of ESST for employees when there is an employer succession of a business.

## **ARTICLE 6 MISCELLANEOUS LABOR PROVISIONS**

**Section 1** requires use of safety-qualified underground telecommunications installers when underground telecommunications infrastructure is installed within ten feet of underground utilities. Requires the commissioner of the Department of Labor and Industry to develop standards for a safety-qualified underground telecommunications installer program. This section is from S.F. 4742 (McEwen).

**Section 2** modifies the definition of “employer” for purposes of review and access to personnel records for private sector employees. Currently, the definition includes only employers that employ 20 or more employees. The bill expands the definition to employers that employ one or more employees. Public sector employee access to personnel records is governed separately under chapter 13. This section is from S.F. 3544 (Pappas).

**Section 3** provides regulations, compensation requirements, and enforcement provisions related to minor children appearing on the Internet on platforms where the content generates compensation. Section 1 adds a cross reference to the new section 181A.13 on compensation for internet content creation within the definitions section applicable to child labor. Sections 2 to 6 are from S.F. 3496 (Maye Quade).

**Section 4** defines “online platform” to mean a website or mobile applications such as social networking sites and streaming services.

**Section 5** defines “content creation” as the content put online for compensation.

**Section 6** defines “content creator” as a person 18 or older who creates and posts content online for compensation, on their own or with a company.

**Section 7** requires a trust account and payment for the content created using the minor’s likeness and for the trust to be maintained until the minor reaches 21. Requires that records are kept on minors who appear in at least 30 percent of the content, when the content generates income, including the minor’s name, the amount of compensation generated, and how much was paid to the minor’s trust account. Allows the minor to sue for damages if any of the provisions of this section are violated. Allows a person age 13 or older who was featured as a minor in content to request content deletion from online platforms. Provides an effective date of July 1, 2025, for this section.

**Section 8** directs the commissioner of labor and industry to adopt rules, in consultation with the commissioner of health, lowering the acceptable blood lead levels for workers that require mandatory removal of a worker from the exposure and that allow a worker to return to work. This section is from S.F. 4600 (Gustafson).

## **ARTICLE 7 CONSTRUCTION CODES AND LICENSING**

**Section 1** increases the amount that may be paid to an owner or lessee from the contractor recovery fund from \$75,000 to \$100,000 per licensee. Effective July 1, 2024. This is from S.F. 5257 (McEwen).

## **ARTICLE 8 UNIVERSITY OF MINNESOTA COLLECTIVE BARGAINING**

**Section 1 [Public employee or employee; 179A.03, subd. 14]** amends the definition of “public employee” in PELRA by eliminating an exception for these two categories of student employees:

- an employee whose position is temporary or seasonal and is for not more than 100 working days in a calendar year and is under the age of 22, a full-time student enrolled in a nonprofit or public education institution before being hired and has indicated an intention to continue as a student during or after their temporary employment; and
- a full-time undergraduate student employed by the school the student attends under a work- study program or in connection with the receipt of financial aid.

This section also specifies that the following people are employees for purposes of PELRA:

- an instructor at the University of Minnesota; and
- a person who is paid by the University of Minnesota for work performed at the direction of the university or its employees or contractors and who is enrolled in three or more university classes for credit or in one semester as a full-time student or post-doctoral fellow during the fiscal year in which the work is performed. Paid work for the university includes work required as a condition of receiving a stipend or tuition benefit. A person who performs supervisory functions for this person is not a supervisory employee for purposes of a right to organize.

**Section 2 [Units; 179A.11, subd. 1]** modifies the list of bargaining units for employees of the University of Minnesota by:

- Eliminating a requirement that supervisory employees be assigned to a specific unit.
- Eliminates a preclusion on additional units beyond those listed in statute



- Changes the verb specifying each unit from “consists” to “includes.”
- Eliminates the Twin Cities Instructional Unit that consisted of all instructional employees on the Twin Cities campus with a rank of professor, associate professor, assistance professor, including research associate or instructor and research fellow.
- Changes a campus from Waseca to Rochester in the Outstate Instructional Unit.
- Allows a majority verification procedure to be an additional optional process for certain instructional employees to determine whether to be included in the Outstate Instructional Unit; current law requires an election.
- Deletes a provision that authorized units 8 and 9 to negotiate a contract jointly with the regents to be ratified by both units. Authorization for units to bargain jointly is established in section 4 of the bill for all units.
- Defines “instructional employee” as an employee who spends 35 percent or more work time creating, delivering, and assessing the mastery of credit-bearing coursework.
- Adds certain students to the Graduate Assistant Unit. Excludes professionals-in-training from the Graduate Assistant Unit
- Eliminates the Academic Professional and Administrative Staff Unit
- Eliminates the Noninstructional Professional Unit
- Eliminates the Supervisory Employees Unit

Section 2 allows all employees of the University of Minnesota to organize into units determined by the commissioner of the Bureau of Mediation Services (BMS) based on certain factors, even if their positions are not within a specified employee bargaining unit, and the commissioner of BMS must give special weight to the desires of the petitioning employee representatives.

**Section 3 [University of Minnesota employee severance; 179A.11, subd. 2]** creates a right for a group of university employees to separate from the instructional and supervisory units when the group is excluded from a proposed unit in a representation petition.

**Section 4 [Joint bargaining; 179A.11, subd. 3]** allows all units organized under this section that are represented by an exclusive bargaining representative to negotiate jointly for a contract. If the contract is negotiated jointly, it must be ratified by each unit.