

49.1 **ARTICLE 3**

49.2 **FAMILY AND MEDICAL BENEFITS**

49.3 Section 1. Minnesota Statutes 2020, section 13.719, is amended by adding a subdivision  
49.4 to read:

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

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

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

49.15 Sec. 2. Minnesota Statutes 2020, section 177.27, subdivision 4, is amended to read:

49.16 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an  
49.17 employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,  
49.18 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d), 181.275,  
49.19 subdivision 2a, 181.722, 181.79, ~~and~~ 181.939 to 181.943, 268B.09, subdivisions 1 to 6, and  
49.20 268B.14, subdivision 3, or with any rule promulgated under section 177.28. The  
49.21 commissioner shall issue an order requiring an employer to comply with sections 177.41  
49.22 to 177.435 if the violation is repeated. For purposes of this subdivision only, a violation is  
49.23 repeated if at any time during the two years that preceded the date of violation, the  
49.24 commissioner issued an order to the employer for violation of sections 177.41 to 177.435  
49.25 and the order is final or the commissioner and the employer have entered into a settlement  
49.26 agreement that required the employer to pay back wages that were required by sections  
49.27 177.41 to 177.435. The department shall serve the order upon the employer or the employer's  
49.28 authorized representative in person or by certified mail at the employer's place of business.  
49.29 An employer who wishes to contest the order must file written notice of objection to the  
49.30 order with the commissioner within 15 calendar days after being served with the order. A  
49.31 contested case proceeding must then be held in accordance with sections 14.57 to 14.69.  
49.32 If, within 15 calendar days after being served with the order, the employer fails to file a

50.1 written notice of objection with the commissioner, the order becomes a final order of the  
50.2 commissioner.

50.3 Sec. 3. Minnesota Statutes 2020, section 181.032, is amended to read:

50.4 **181.032 REQUIRED STATEMENT OF EARNINGS BY EMPLOYER; NOTICE**  
50.5 **TO EMPLOYEE.**

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

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

50.14 (1) the name of the employee;

50.15 (2) the rate or rates of pay and basis thereof, including whether the employee is paid by  
50.16 hour, shift, day, week, salary, piece, commission, or other method;

50.17 (3) allowances, if any, claimed pursuant to permitted meals and lodging;

50.18 (4) the total number of hours worked by the employee unless exempt from chapter 177;

50.19 (5) the total amount of gross pay earned by the employee during that period;

50.20 (6) a list of deductions made from the employee's pay;

50.21 (7) any amount deducted by the employer under section 268B.14, subdivision 3, and  
50.22 the amount paid by the employer based on the employee's wages under section 268B.14,  
50.23 subdivision 1;

50.24 ~~(7)~~ (8) the net amount of pay after all deductions are made;

50.25 ~~(8)~~ (9) the date on which the pay period ends;

50.26 ~~(9)~~ (10) the legal name of the employer and the operating name of the employer if  
50.27 different from the legal name;

50.28 ~~(10)~~ (11) the physical address of the employer's main office or principal place of business,  
50.29 and a mailing address if different; and

50.30 ~~(11)~~ (12) the telephone number of the employer.

51.1 (c) An employer must provide earnings statements to an employee in writing, rather  
51.2 than by electronic means, if the employer has received at least 24 hours notice from an  
51.3 employee that the employee would like to receive earnings statements in written form. Once  
51.4 an employer has received notice from an employee that the employee would like to receive  
51.5 earnings statements in written form, the employer must comply with that request on an  
51.6 ongoing basis.

51.7 (d) At the start of employment, an employer shall provide each employee a written notice  
51.8 containing the following information:

51.9 (1) the rate or rates of pay and basis thereof, including whether the employee is paid by  
51.10 the hour, shift, day, week, salary, piece, commission, or other method, and the specific  
51.11 application of any additional rates;

51.12 (2) allowances, if any, claimed pursuant to permitted meals and lodging;

51.13 (3) paid vacation, sick time, or other paid time-off accruals and terms of use;

51.14 (4) the employee's employment status and whether the employee is exempt from minimum  
51.15 wage, overtime, and other provisions of chapter 177, and on what basis;

51.16 (5) a list of deductions that may be made from the employee's pay;

51.17 (6) the number of days in the pay period, the regularly scheduled pay day, and the pay  
51.18 day on which the employee will receive the first payment of wages earned;

51.19 (7) the legal name of the employer and the operating name of the employer if different  
51.20 from the legal name;

51.21 (8) the physical address of the employer's main office or principal place of business, and  
51.22 a mailing address if different; and

51.23 (9) the telephone number of the employer.

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

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

52.3 Sec. 4. Minnesota Statutes 2020, section 268.19, subdivision 1, is amended to read:

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

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

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

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

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

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

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

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

52.24 (8) the Department of Labor and Industry and the Commerce Fraud Bureau in the  
52.25 Department of Commerce for uses consistent with the administration of their duties under  
52.26 Minnesota law;

52.27 (9) the Department of Human Services and the Office of Inspector General and its agents  
52.28 within the Department of Human Services, including county fraud investigators, for  
52.29 investigations related to recipient or provider fraud and employees of providers when the  
52.30 provider is suspected of committing public assistance fraud;

52.31 (10) local and state welfare agencies for monitoring the eligibility of the data subject  
52.32 for assistance programs, or for any employment or training program administered by those

53.1 agencies, whether alone, in combination with another welfare agency, or in conjunction  
53.2 with the department or to monitor and evaluate the statewide Minnesota family investment  
53.3 program by providing data on recipients and former recipients of Supplemental Nutrition  
53.4 Assistance Program (SNAP) benefits, cash assistance under chapter 256, 256D, 256J, or  
53.5 256K, child care assistance under chapter 119B, or medical programs under chapter 256B  
53.6 or 256L or formerly codified under chapter 256D;

53.7 (11) local and state welfare agencies for the purpose of identifying employment, wages,  
53.8 and other information to assist in the collection of an overpayment debt in an assistance  
53.9 program;

53.10 (12) local, state, and federal law enforcement agencies for the purpose of ascertaining  
53.11 the last known address and employment location of an individual who is the subject of a  
53.12 criminal investigation;

53.13 (13) the United States Immigration and Customs Enforcement has access to data on  
53.14 specific individuals and specific employers provided the specific individual or specific  
53.15 employer is the subject of an investigation by that agency;

53.16 (14) the Department of Health for the purposes of epidemiologic investigations;

53.17 (15) the Department of Corrections for the purposes of case planning and internal research  
53.18 for preprobation, probation, and postprobation employment tracking of offenders sentenced  
53.19 to probation and preconfinement and postconfinement employment tracking of committed  
53.20 offenders;

53.21 (16) the state auditor to the extent necessary to conduct audits of job opportunity building  
53.22 zones as required under section 469.3201; ~~and~~

53.23 (17) the Office of Higher Education for purposes of supporting program improvement,  
53.24 system evaluation, and research initiatives including the Statewide Longitudinal Education  
53.25 Data System; and

53.26 (18) the Family and Medical Benefits Division of the Department of Employment and  
53.27 Economic Development to be used as necessary to administer chapter 268B.

53.28 (b) Data on individuals and employers that are collected, maintained, or used by the  
53.29 department in an investigation under section 268.182 are confidential as to data on individuals  
53.30 and protected nonpublic data not on individuals as defined in section 13.02, subdivisions 3  
53.31 and 13, and must not be disclosed except under statute or district court order or to a party  
53.32 named in a criminal proceeding, administrative or judicial, for preparation of a defense.

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

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

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

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

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

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

54.16 <u>If the application for family or medical leave</u>	
54.17 <u>benefits is effective on or between these</u>	
54.18 <u>dates:</u>	<u>The base period is the prior:</u>
54.19 <u>February 1 to March 31</u>	<u>January 1 to December 31</u>
54.20 <u>May 1 to June 30</u>	<u>April 1 to March 31</u>
54.21 <u>August 1 to September 30</u>	<u>July 1 to June 30</u>
54.22 <u>November 1 to December 31</u>	<u>October 1 to September 30</u>

54.23 (b) If an application for family or medical leave benefits has an effective date that is  
54.24 during the month following the most recent completed calendar quarter, then the base period  
54.25 is the first four of the most recent five completed calendar quarters before the effective date  
54.26 of an applicant's application for family or medical leave benefits. The base period under  
54.27 this paragraph is as follows:

54.28 <u>If the application for family or medical leave</u>	
54.29 <u>benefits is effective on or between these</u>	
54.30 <u>dates:</u>	<u>The base period is the prior:</u>
54.31 <u>January 1 to January 31</u>	<u>October 1 to September 30</u>
54.32 <u>April 1 to April 30</u>	<u>January 1 to December 31</u>
54.33 <u>July 1 to July 31</u>	<u>April 1 to March 31</u>
54.34 <u>October 1 to October 31</u>	<u>July 1 to June 30</u>

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

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

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

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

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

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

55.28 Subd. 5. **Benefit.** "Benefit" or "benefits" means monetary payments under this chapter  
55.29 associated with qualifying bonding, family care, pregnancy, serious health condition,  
55.30 qualifying exigency, or safety leave events, unless otherwise indicated by context.

55.31 Subd. 6. **Benefit account.** "Benefit account" means a benefit account established under  
55.32 section 268B.04.

56.1 Subd. 7. **Benefit year.** "Benefit year" means the period of 52 calendar weeks beginning  
56.2 the date a benefit account under section 268B.04 is effective. For a benefit account established  
56.3 effective any January 1, April 1, July 1, or October 1, the benefit year will be a period of  
56.4 53 calendar weeks.

56.5 Subd. 8. **Bonding.** "Bonding" means time spent by an applicant who is a biological,  
56.6 adoptive, or foster parent with a biological, adopted, or foster child in conjunction with the  
56.7 child's birth, adoption, or placement.

56.8 Subd. 9. **Calendar day.** "Calendar day" or "day" means a fixed 24-hour period  
56.9 corresponding to a single calendar date.

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

56.12 Subd. 11. **Calendar week.** "Calendar week" has the same meaning as "week" under  
56.13 subdivision 46.

56.14 Subd. 12. **Commissioner.** "Commissioner" means the commissioner of employment  
56.15 and economic development, unless otherwise indicated by context.

56.16 Subd. 13. **Covered employment.** (a) "Covered employment" means performing services  
56.17 of whatever nature, unlimited by the relationship of master and servant as known to the  
56.18 common law, or any other legal relationship performed for wages or under any contract  
56.19 calling for the performance of services, written or oral, express or implied.

56.20 (b) "Employment" includes an individual's entire service performed within or without  
56.21 or both within and without this state, if:

56.22 (1) the service is localized in this state; or

56.23 (2) the service is not localized in any state, but some of the service is performed in this  
56.24 state and:

56.25 (i) the base of operations of the employee is in the state, or if there is no base of  
56.26 operations, then the place from which such service is directed or controlled is in this state;  
56.27 or

56.28 (ii) the base of operations or place from which such service is directed or controlled is  
56.29 not in any state in which some part of the service is performed, but the individual's residence  
56.30 is in this state.

56.31 (c) "Covered employment" does not include:

56.32 (1) a self-employed individual; or

57.1 (2) an independent contractor.

57.2 Subd. 14. **Department.** "Department" means the Department of Employment and  
57.3 Economic Development, unless otherwise indicated by context.

57.4 Subd. 15. **Employee.** (a) "Employee" means an individual who is in the employment of  
57.5 an employer.

57.6 (b) Employee does not include employees of the United States of America.

57.7 Subd. 16. **Employer.** (a) "Employer" means:

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

57.12 (2) the state, statewide system, and state agencies; and

57.13 (3) any local government entity, including but not limited to a county, city, town, school  
57.14 district, municipal corporation, quasimunicipal corporation, or other political subdivision.

57.15 An employer also includes charter schools.

57.16 (b) Employer does not include:

57.17 (1) the United States of America; or

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

57.20 Subd. 17. **Estimated self-employment income.** "Estimated self-employment income"  
57.21 means a self-employed individual's average net earnings from self-employment in the two  
57.22 most recent taxable years. For a self-employed individual who had net earnings from  
57.23 self-employment in only one of the years, the individual's estimated self-employment income  
57.24 equals the individual's net earnings from self-employment in the year in which the individual  
57.25 had net earnings from self-employment.

57.26 Subd. 18. **Family and medical benefit insurance account.** "Family and medical benefit  
57.27 insurance account" means the family and medical benefit insurance account in the special  
57.28 revenue fund in the state treasury under section 268B.02.

57.29 Subd. 19. **Family and medical benefit insurance enforcement account.** "Family and  
57.30 medical benefit insurance enforcement account" means the family and medical benefit  
57.31 insurance enforcement account in the state treasury under section 268B.185.

58.1 Subd. 20. **Family benefit program.** "Family benefit program" means the program  
58.2 administered under this chapter for the collection of premiums and payment of benefits  
58.3 related to family care, bonding, safety leave, and leave related to a qualifying exigency.

58.4 Subd. 21. **Family care.** "Family care" means an applicant caring for a family member  
58.5 with a serious health condition or caring for a family member who is a covered service  
58.6 member.

58.7 Subd. 22. **Family member.** (a) "Family member" means, with respect to an employee:

58.8 (1) a spouse, including a domestic partner in a civil union or other registered domestic  
58.9 partnership recognized by the state, and a spouse's parent;

58.10 (2) a child and a child's spouse;

58.11 (3) a parent and a parent's spouse;

58.12 (4) a sibling and a sibling's spouse;

58.13 (5) a grandparent, a grandchild, or a spouse of a grandparent or grandchild; and

58.14 (6) any other individual who is related by blood or affinity and whose association with  
58.15 the employee is equivalent of a family relationship. For the purposes of this clause, with  
58.16 respect to an employee, this includes but is not limited to:

58.17 (i) a child of a sibling of the employee;

58.18 (ii) a sibling of the parents of the employee;

58.19 (iii) a child-in-law, a parent-in-law, a sibling-in-law, and a grandparent-in-law; and

58.20 (iv) an individual who has resided at the same address as the employee for at least one  
58.21 year as of the first day of leave under this chapter.

58.22 (b) For the purposes of this chapter, a child includes a stepchild; biological, adopted, or  
58.23 foster child of the employee; or a child for whom the employee is standing in loco parentis.

58.24 (c) For the purposes of this chapter, a grandchild includes a step-grandchild or biological,  
58.25 adopted, or foster grandchild of the employee.

58.26 Subd. 23. **Health care provider.** "Health care provider" means:

58.27 (1) an individual who is licensed, certified, or otherwise authorized under law to practice  
58.28 in the individual's scope of practice as a physician, osteopath, surgeon, or advanced practice  
58.29 registered nurse; or

59.1 (2) any other individual determined by the commissioner by rule, in accordance with  
59.2 the rulemaking procedures in the Administrative Procedure Act, to be capable of providing  
59.3 health care services.

59.4 Subd. 24. **High quarter.** "High quarter" means the calendar quarter in an applicant's  
59.5 base period with the highest amount of wage credits.

59.6 Subd. 25. **Incapacity.** "Incapacity" means inability to perform regular work, attend  
59.7 school, or fully perform other regular daily activities due to a serious health condition,  
59.8 treatment therefore, or recovery therefrom.

59.9 Subd. 26. **Independent contractor.** (a) If there is an existing specific test or definition  
59.10 for independent contractor in Minnesota statute or rule applicable to an occupation or sector  
59.11 as of the date of enactment of this chapter, that test or definition shall apply to that occupation  
59.12 or sector for purposes of this chapter. If there is not an existing test or definition as described,  
59.13 the definition for independent contractor shall be as provided in this subdivision.

59.14 (b) An individual is an independent contractor and not an employee of the person for  
59.15 whom the individual is performing services in the course of the person's trade, business,  
59.16 profession, or occupation only if:

59.17 (1) the individual maintains a separate business with the individual's own office,  
59.18 equipment, materials, and other facilities;

59.19 (2) the individual:

59.20 (i) holds or has applied for a federal employer identification number; or

59.21 (ii) has filed business or self-employment income tax returns with the federal Internal  
59.22 Revenue Service if the individual has performed services in the previous year;

59.23 (3) the individual is operating under contract to perform the specific services for the  
59.24 person for specific amounts of money and under which the individual controls the means  
59.25 of performing the services;

59.26 (4) the individual is incurring the main expenses related to the services that the individual  
59.27 is performing for the person under the contract;

59.28 (5) the individual is responsible for the satisfactory completion of the services that the  
59.29 individual has contracted to perform for the person and is liable for a failure to complete  
59.30 the services;

60.1 (6) the individual receives compensation from the person for the services performed  
60.2 under the contract on a commission or per-job or competitive bid basis and not on any other  
60.3 basis;

60.4 (7) the individual may realize a profit or suffer a loss under the contract to perform  
60.5 services for the person;

60.6 (8) the individual has continuing or recurring business liabilities or obligations; and

60.7 (9) the success or failure of the individual's business depends on the relationship of  
60.8 business receipts to expenditures.

60.9 (c) For the purposes of this chapter, an insurance producer, as defined in section 60K.31,  
60.10 subdivision 6, is an independent contractor of an insurance company, as defined in section  
60.11 60A.02, subdivision 4, unless the insurance producer and insurance company agree otherwise.

60.12 Subd. 27. **Inpatient care.** "Inpatient care" means an overnight stay in a hospital, hospice,  
60.13 or residential medical care facility, including any period of incapacity, or any subsequent  
60.14 treatment in connection with such inpatient care.

60.15 Subd. 28. **Maximum weekly benefit amount.** "Maximum weekly benefit amount"  
60.16 means the state's average weekly wage as calculated under section 268.035, subdivision 23.

60.17 Subd. 29. **Medical benefit program.** "Medical benefit program" means the program  
60.18 administered under this chapter for the collection of premiums and payment of benefits  
60.19 related to an applicant's serious health condition or pregnancy.

60.20 Subd. 30. **Net earnings from self-employment.** "Net earnings from self-employment"  
60.21 has the meaning given in section 1402 of the Internal Revenue Code, as defined in section  
60.22 290.01, subdivision 31.

60.23 Subd. 31. **Pregnancy.** "Pregnancy" means prenatal care or incapacity due to pregnancy  
60.24 or recovery from childbirth, still birth, miscarriage, or related health conditions.

60.25 Subd. 32. **Qualifying exigency.** (a) "Qualifying exigency" means a need arising out of  
60.26 a military member's active duty service or notice of an impending call or order to active  
60.27 duty in the United States armed forces, including providing for the care or other needs of  
60.28 the family member's child or other dependent, making financial or legal arrangements for  
60.29 the family member, attending counseling, attending military events or ceremonies, spending  
60.30 time with the family member during a rest and recuperation leave or following return from  
60.31 deployment, or making arrangements following the death of the military member.

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

61.5 Subd. 33. **Safety leave.** "Safety leave" means leave from work because of domestic  
61.6 abuse, sexual assault, or stalking of the employee or employee's family member, provided  
61.7 the leave is to:

61.8 (1) seek medical attention related to the physical or psychological injury or disability  
61.9 caused by domestic abuse, sexual assault, or stalking;

61.10 (2) obtain services from a victim services organization;

61.11 (3) obtain psychological or other counseling;

61.12 (4) seek relocation due to the domestic abuse, sexual assault, or stalking; or

61.13 (5) seek legal advice or take legal action, including preparing for or participating in any  
61.14 civil or criminal legal proceeding related to, or resulting from, the domestic abuse, sexual  
61.15 assault, or stalking.

61.16 Subd. 34. **Self-employed individual.** "Self-employed individual" means a resident of  
61.17 the state who, in one of the two taxable years preceding the current calendar year, derived  
61.18 at least \$10,000 in net earnings from self-employment from an entity other than an S  
61.19 corporation for the performance of services in this state.

61.20 Subd. 35. **Self-employment premium base.** "Self-employment premium base" means  
61.21 the lesser of:

61.22 (1) a self-employed individual's estimated self-employment income for the calendar year  
61.23 plus the individual's self-employment wages in the calendar year; or

61.24 (2) the maximum earnings subject to the FICA Old-Age, Survivors, and Disability  
61.25 Insurance tax in the taxable year.

61.26 Subd. 36. **Self-employment wages.** "Self-employment wages" means the amount of  
61.27 wages that a self-employed individual earned in the calendar year from an entity from which  
61.28 the individual also received net earnings from self-employment.

61.29 Subd. 37. **Serious health condition.** (a) "Serious health condition" means a physical or  
61.30 mental illness, injury, impairment, condition, or substance use disorder that involves:

61.31 (1) at-home care or inpatient care in a hospital, hospice, or residential medical care  
61.32 facility, including any period of incapacity; or

- 62.1 (2) continuing treatment or supervision by a health care provider which includes any  
62.2 one or more of the following:
- 62.3 (i) a period of incapacity of more than three consecutive, full calendar days, and any  
62.4 subsequent treatment or period of incapacity relating to the same condition, that also involves:
- 62.5 (A) treatment two or more times by a health care provider or by a provider of health  
62.6 care services under orders of, or on referral by, a health care provider; or
- 62.7 (B) treatment by a health care provider on at least one occasion that results in a regimen  
62.8 of continuing treatment under the supervision of the health care provider;
- 62.9 (ii) a period of incapacity due to pregnancy, or for prenatal care;
- 62.10 (iii) a period of incapacity or treatment for a chronic health condition that:
- 62.11 (A) requires periodic visits, defined as at least twice a year, for treatment by a health  
62.12 care provider or under orders of, or on referral by, a health care provider;
- 62.13 (B) continues over an extended period of time, including recurring episodes of a single  
62.14 underlying condition; and
- 62.15 (C) may cause episodic rather than continuing periods of incapacity;
- 62.16 (iv) a period of incapacity which is permanent or long term due to a condition for which  
62.17 treatment may not be effective. The employee or family member must be under the continuing  
62.18 supervision of, but need not be receiving active treatment by, a health care provider; or
- 62.19 (v) a period of absence to receive multiple treatments, including any period of recovery  
62.20 from the treatments, by a health care provider or by a provider of health care services under  
62.21 orders of, or on referral by, a health care provider, for:
- 62.22 (A) restorative surgery after an accident or other injury; or
- 62.23 (B) a condition that would likely result in a period of incapacity of more than three  
62.24 consecutive, full calendar days in the absence of medical intervention or treatment.
- 62.25 (b) For the purposes of paragraph (a), clauses (1) and (2), treatment by a health care  
62.26 provider means an in-person visit or telemedicine visit with a health care provider, or by a  
62.27 provider of health care services under orders of, or on referral by, a health care provider.
- 62.28 (c) For the purposes of paragraph (a), treatment includes but is not limited to examinations  
62.29 to determine if a serious health condition exists and evaluations of the condition.
- 62.30 (d) Absences attributable to incapacity under paragraph (a), clause (2), item (ii) or (iii),  
62.31 qualify for leave under this chapter even if the employee or the family member does not

63.1 receive treatment from a health care provider during the absence, and even if the absence  
63.2 does not last more than three consecutive, full calendar days.

63.3 Subd. 38. **State's average weekly wage.** "State's average weekly wage" means the  
63.4 weekly wage calculated under section 268.035, subdivision 23.

63.5 Subd. 39. **Supplemental benefit payment.** (a) "Supplemental benefit payment" means:

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

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

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

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

63.16 Subd. 40. **Taxable year.** "Taxable year" has the meaning given in section 290.01,  
63.17 subdivision 9.

63.18 Subd. 41. **Taxable wages.** "Taxable wages" means those wages paid to an employee in  
63.19 covered employment each calendar year up to an amount equal to the maximum wages  
63.20 subject to premium in a calendar year, which is equal to the maximum earnings in that year  
63.21 subject to the FICA Old-Age, Survivors, and Disability Insurance tax rounded to the nearest  
63.22 \$1,000.

63.23 Subd. 42. **Typical workweek hours.** "Typical workweek hours" means:

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

63.26 (2) 40 hours for a salaried employee, regardless of the number of hours the salaried  
63.27 employee typically works.

63.28 Subd. 43. **Wage credits.** "Wage credits" means the amount of wages paid within an  
63.29 applicant's base period for covered employment, as defined in subdivision 13.

63.30 Subd. 44. **Wage detail report.** "Wage detail report" means the report on each employee  
63.31 in covered employment required from an employer on a calendar quarter basis under section  
63.32 268B.12.

64.1 Subd. 45. **Wages.** (a) "Wages" means all compensation for employment, including  
64.2 commissions; bonuses, awards, and prizes; severance payments; standby pay; vacation and  
64.3 holiday pay; back pay as of the date of payment; tips and gratuities paid to an employee by  
64.4 a customer of an employer and accounted for by the employee to the employer; sickness  
64.5 and accident disability payments, except as otherwise provided in this subdivision; and the  
64.6 cash value of housing, utilities, meals, exchanges of services, and any other goods and  
64.7 services provided to compensate an employee, except:

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

64.13 (2) the payment by an employer of the tax imposed upon an employee under United  
64.14 States Code, title 26, section 3101 of the Federal Insurance Contribution Act, with respect  
64.15 to compensation paid to an employee for domestic employment in a private household of  
64.16 the employer or for agricultural employment;

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

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

64.26 (5) customary and reasonable directors' fees paid to individuals who are not otherwise  
64.27 employed by the corporation of which they are directors;

64.28 (6) the payment to employees for reimbursement of meal expenses when employees are  
64.29 required to perform work after their regular hours;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

66.30 (3) a reimbursement of reasonable corporation expenses incurred by an officer and  
66.31 documented by a written expense voucher and recorded on the books and records of the  
66.32 corporation as corporate expenses; and

67.1 (4) a reasonable lease or rental payment to an officer who owns property that is leased  
67.2 or rented to the corporation.

67.3 Subd. 46. **Wages paid.** (a) "Wages paid" means the amount of wages:

67.4 (1) that have been actually paid; or

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

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

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

67.13 Subd. 47. **Week.** "Week" means calendar week ending at midnight Saturday.

67.14 Subd. 48. **Weekly benefit amount.** "Weekly benefit amount" means the amount of  
67.15 family and medical leave benefits computed under section 268B.04.

67.16 Sec. 6. **[268B.02] FAMILY AND MEDICAL BENEFIT INSURANCE PROGRAM**  
67.17 **CREATION.**

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

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

67.24 Subd. 3. **Rulemaking.** The commissioner shall adopt rules to implement the provisions  
67.25 of this chapter.

67.26 Subd. 4. **Account creation; appropriation.** The family and medical benefit insurance  
67.27 account is created in the special revenue fund in the state treasury. Money in this account  
67.28 is appropriated to the commissioner to pay benefits under and to administer this chapter,  
67.29 including outreach required under section 268B.18.

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

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

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

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

68.7 (2) the applicant has met all of the ongoing eligibility requirements under section  
68.8 268B.06;

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

68.11 (4) the applicant has not been held ineligible for benefits under section 268.07, subdivision  
68.12 2; and

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

68.16 Subd. 2. Benefits paid from state funds. Benefits are paid from state funds and are not  
68.17 considered paid from any special insurance plan, nor as paid by an employer. An application  
68.18 for family or medical leave benefits is not considered a claim against an employer but is  
68.19 considered a request for benefits from the family and medical benefit insurance account.  
68.20 The commissioner has the responsibility for the proper payment of benefits regardless of  
68.21 the level of interest or participation by an applicant or an employer in any determination or  
68.22 appeal. An applicant's entitlement to benefits must be determined based upon that information  
68.23 available without regard to a burden of proof. Any agreement between an applicant and an  
68.24 employer is not binding on the commissioner in determining an applicant's entitlement.  
68.25 There is no presumption of entitlement or nonentitlement to benefits.

68.26 Sec. 8. [268B.04] BENEFIT ACCOUNT; BENEFITS.

68.27 Subdivision 1. Application for benefits; determination of benefit account. (a) An  
68.28 application for benefits may be filed in person, by mail, or by electronic transmission as the  
68.29 commissioner may require. The applicant must include certification supporting a request  
68.30 for leave under this chapter. The applicant must meet eligibility requirements at the time  
68.31 the application is filed and must provide all requested information in the manner required.  
68.32 If the applicant does not meet eligibility at the time of the application or fails to provide all

69.1 requested information, the communication is not an application for family and medical leave  
69.2 benefits.

69.3 (b) The commissioner must examine each application for benefits to determine the base  
69.4 period and the benefit year, and based upon all the covered employment in the base period  
69.5 the commissioner must determine the weekly benefit amount available, if any, and the  
69.6 maximum amount of benefits available, if any. The determination, which is a document  
69.7 separate and distinct from a document titled a determination of eligibility or determination  
69.8 of ineligibility, must be titled determination of benefit account. A determination of benefit  
69.9 account must be sent to the applicant and all base period employers, by mail or electronic  
69.10 transmission.

69.11 (c) If a base period employer did not provide wage detail information for the applicant  
69.12 as required under section 268B.12, the commissioner may accept an applicant certification  
69.13 of wage credits, based upon the applicant's records, and issue a determination of benefit  
69.14 account.

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

69.22 (e) If an amended determination of benefit account reduces the weekly benefit amount  
69.23 or maximum amount of benefits available, any benefits that have been paid greater than the  
69.24 applicant was entitled is an overpayment of benefits. A determination or amended  
69.25 determination issued under this section that results in an overpayment of benefits must set  
69.26 out the amount of the overpayment and the requirement that the overpaid benefits must be  
69.27 repaid according to section 268B.185.

69.28 Subd. 2. **Benefit account requirements.** (a) Unless paragraph (b) applies, to establish  
69.29 a benefit account, an applicant must have wage credits of at least 5.3 percent of the state's  
69.30 average annual wage rounded down to the next lower \$100.

69.31 (b) To establish a new benefit account following the expiration of the benefit year on a  
69.32 prior benefit account, an applicant must have performed actual work in subsequent covered  
69.33 employment and have been paid wages in one or more completed calendar quarters that  
69.34 started after the effective date of the prior benefit account. The wages paid for that

70.1 employment must be at least enough to meet the requirements of paragraph (a). A benefit  
70.2 account under this paragraph must not be established effective earlier than the Sunday  
70.3 following the end of the most recent completed calendar quarter in which the requirements  
70.4 of paragraph (a) were met. An applicant must not establish a second benefit account as a  
70.5 result of one loss of employment.

70.6 Subd. 3. **Weekly benefit amount; maximum amount of benefits available; prorated**  
70.7 **amount.** (a) Subject to the maximum weekly benefit amount, an applicant's weekly benefit  
70.8 is calculated by adding the amounts obtained by applying the following percentage to an  
70.9 applicant's average typical workweek and weekly wage during the high quarter of the base  
70.10 period:

70.11 (1) 90 percent of wages that do not exceed 50 percent of the state's average weekly wage;  
70.12 plus

70.13 (2) 66 percent of wages that exceed 50 percent of the state's average weekly wage but  
70.14 not 100 percent; plus

70.15 (3) 55 percent of wages that exceed 100 percent of the state's average weekly wage.

70.16 (b) The state's average weekly wage is the average wage as calculated under section  
70.17 268.035, subdivision 23, at the time a benefit amount is first determined.

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

70.20 (d) The state's maximum weekly benefit amount, computed in accordance with section  
70.21 268.035, subdivision 23, applies to a benefit account established effective on or after the  
70.22 last Sunday in October. Once established, an applicant's weekly benefit amount is not  
70.23 affected by the last Sunday in October change in the state's maximum weekly benefit amount.

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

70.26 (1) the employee works hours for wages; or

70.27 (2) the employee uses paid sick leave, paid vacation leave, or other paid time off that is  
70.28 not considered a supplemental benefit payment as defined in section 268B.01, subdivision  
70.29 37.

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

71.1 Subd. 5. **Maximum length of benefits.** (a) Except as provided in paragraph (b), in a  
71.2 single benefit year, an applicant may receive up to 12 weeks of benefits under this chapter  
71.3 related to the applicant's serious health condition or pregnancy and up to 12 weeks of benefits  
71.4 under this chapter for bonding, safety leave, or family care.

71.5 (b) An applicant may receive up to 12 weeks of benefits in a single benefit year for leave  
71.6 related to one or more qualifying exigencies.

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

71.12 Subd. 7. **Right of appeal.** (a) A determination or amended determination of benefit  
71.13 account is final unless an appeal is filed by the applicant within 30 calendar days after the  
71.14 sending of the determination or amended determination, or within 60 calendar days, if an  
71.15 applicant establishes good cause for not appealing within 30 days. For the purposes of this  
71.16 paragraph, "good cause" means a reason that would have prevented an applicant from acting  
71.17 with due diligence in appealing within 30 days and includes any illness, disability, or  
71.18 linguistic and literacy limitation of the applicant, along with other relevant factors. If an  
71.19 applicant claims good cause for a late appeal, the applicant must be granted a hearing on  
71.20 the issue of timeliness. This hearing can be held at the same time as a hearing on the merits  
71.21 of the appeal. Proceedings on the appeal are conducted in accordance with section 268B.08.

71.22 (b) Any applicant may appeal from a determination or amended determination of benefit  
71.23 account on the issue of whether services performed constitute employment, whether the  
71.24 employment is covered employment, and whether money paid constitutes wages.

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

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

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

72.4 (1) the applicant has not been paid any benefits on that benefit account; and

72.5 (2) a new application for benefits is filed and a new benefit account is established at the  
72.6 time of the withdrawal.

72.7 A benefit account may be withdrawn after the expiration of the benefit year, and the  
72.8 new work requirements of subdivision 2, paragraph (b), do not apply if the applicant was  
72.9 not paid any benefits on the benefit account that is being withdrawn.

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

72.13 **Sec. 9. [268B.05] CONTINUED REQUEST FOR BENEFITS.**

72.14 A continued request for family or medical leave benefits is a certification by an applicant,  
72.15 done on a weekly basis, that the applicant is unable to perform usual work due to a qualifying  
72.16 event and meets the ongoing eligibility requirements for benefits under section 268B.06. A  
72.17 continued request must include information on possible issues of ineligibility.

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

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

72.22 (1) the applicant has filed a continued request for benefits for that week under section  
72.23 268B.05;

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

72.25 (3) the applicant was unable to perform regular work due to a serious health condition,  
72.26 a qualifying exigency, safety leave, family care, bonding, pregnancy, or recovery from  
72.27 pregnancy for the period required under subdivision 2;

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

73.1 (5) an applicant requesting benefits under this chapter must fulfill certification  
73.2 requirements under subdivision 3.

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

73.6 Subd. 2. **Seven-day qualifying event.** (a) The period for which an applicant is seeking  
73.7 benefits must be or have been based on a single event of at least seven calendar days' duration  
73.8 related to pregnancy, recovery from pregnancy, family care, a qualifying exigency, safety  
73.9 leave, or the applicant's serious health condition. The days need not be consecutive.

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

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

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

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

73.25 (c) Certification for an applicant taking leave related to pregnancy shall be sufficient if  
73.26 the certification states the expected due date and recovery period based on appropriate  
73.27 medical facts within the knowledge of the health care provider.

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

73.32 (e) Certification for an applicant taking bonding leave because of the placement of a  
73.33 child with the applicant for adoption or foster care shall be sufficient if the applicant provides

74.1 a document issued by the health care provider of the child, an adoption or foster care agency  
74.2 involved in the placement, or by other individuals as determined by the commissioner that  
74.3 confirms the placement and the date of placement. To the extent that the status of an applicant  
74.4 as an adoptive or foster parent changes while an application for benefits is pending, or while  
74.5 the covered individual is receiving benefits, the applicant must notify the department of  
74.6 such change in status in writing.

74.7 (f) Certification for an applicant taking leave because of a qualifying exigency shall be  
74.8 sufficient if the certification includes:

74.9 (1) a copy of the family member's active-duty orders;

74.10 (2) other documentation issued by the United States armed forces; or

74.11 (3) other documentation permitted by the commissioner.

74.12 (g) Certification for an applicant taking safety leave is sufficient if the certification  
74.13 includes a court record or documentation signed by a volunteer or employee of a victim's  
74.14 services organization, an attorney, a police officer, or an antiviolence counselor. The  
74.15 commissioner must not require disclosure of details relating to an applicant's or applicant's  
74.16 family member's domestic abuse, sexual assault, or stalking.

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

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

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

74.25 (1) that occurs before the effective date of a benefit account;

74.26 (2) that the applicant has an outstanding misrepresentation overpayment balance under  
74.27 section 268B.185, subdivision 5, including any penalties and interest;

74.28 (3) that the applicant fails or refuses to provide information on an issue of ineligibility  
74.29 required under section 268B.07, subdivision 2; or

74.30 (4) for which the applicant worked for pay.

74.31 Subd. 5. **Vacation, sick leave, and supplemental benefit payments.** (a) An applicant  
74.32 is not eligible to receive benefits for any portion of a typical workweek the applicant is

75.1 receiving, has received, or will receive vacation pay, sick pay, or personal time off pay, also  
75.2 known as "PTO."

75.3 (b) Paragraph (a) does not apply:

75.4 (1) upon a permanent separation from employment;

75.5 (2) to payments from a vacation fund administered by a union or a third party not under  
75.6 the control of the employer; or

75.7 (3) to supplemental benefit payments, as defined in section 268B.01, subdivision 37.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

76.15 Subd. 8. **Social Security disability benefits.** (a) An applicant who is receiving, has  
76.16 received, or has filed for primary Social Security disability benefits for any week is ineligible  
76.17 for benefits for that week, unless:

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

76.20 (2) the applicant provides a statement from an appropriate health care professional who  
76.21 is aware of the applicant's Social Security disability claim and the basis for that claim,  
76.22 certifying that the applicant is available for suitable employment.

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

76.26 (c) If an applicant meets the requirements of paragraph (a), clause (2), there must be  
76.27 deducted from the applicant's weekly benefit amount 50 percent of the weekly equivalent  
76.28 of the primary Social Security disability benefits the applicant is receiving, has received,  
76.29 or has filed for, with respect to that week.

76.30 If the Social Security Administration determines that the applicant is not entitled to receive  
76.31 primary Social Security disability benefits for any week the applicant has applied for those  
76.32 benefits, this paragraph does not apply to that week.

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

77.3 Sec. 11. **[268B.07] DETERMINATION ON ISSUES OF ELIGIBILITY.**

77.4 Subdivision 1. **Employer notification.** (a) Upon a determination that an applicant is  
77.5 entitled to benefits, the commissioner must promptly send a notification to each current  
77.6 employer of the applicant, if any, in accordance with paragraph (b).

77.7 (b) The notification under paragraph (a) must include, at a minimum:

77.8 (1) the name of the applicant;

77.9 (2) that the applicant has applied for and received benefits;

77.10 (3) the week the benefits commence;

77.11 (4) the weekly benefit amount payable; and

77.12 (5) the maximum duration of benefits.

77.13 Subd. 2. **Determination.** (a) The commissioner must determine any issue of ineligibility  
77.14 raised by information required from an applicant and send to the applicant and any current  
77.15 base period employer, by mail or electronic transmission, a document titled a determination  
77.16 of eligibility or a determination of ineligibility, as is appropriate, within two weeks.

77.17 (b) If an applicant obtained benefits through misrepresentation, the department is  
77.18 authorized to issue a determination of ineligibility within 48 months of the establishment  
77.19 of the benefit account.

77.20 (c) If the department has filed an intervention in a worker's compensation matter under  
77.21 section 176.361, the department is authorized to issue a determination of ineligibility within  
77.22 48 months of the establishment of the benefit account.

77.23 (d) A determination of eligibility or determination of ineligibility is final unless an appeal  
77.24 is filed by the applicant within 20 calendar days after sending. The determination must  
77.25 contain a prominent statement indicating the consequences of not appealing. Proceedings  
77.26 on the appeal are conducted in accordance with section 268B.08.

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

77.29 Subd. 3. **Amended determination.** Unless an appeal has been filed, the commissioner,  
77.30 on the commissioner's own motion, may reconsider a determination of eligibility or  
77.31 determination of ineligibility that has not become final and issue an amended determination.

78.1 Any amended determination must be sent to the applicant and any employer in the current  
78.2 base period by mail or electronic transmission. Any amended determination is final unless  
78.3 an appeal is filed by the applicant within 30 calendar days after sending, or within 60 calendar  
78.4 days, if the applicant establishes good cause for not appealing within 30 days. For the  
78.5 purposes of this paragraph, "good cause" means a reason that would have prevented an  
78.6 applicant from acting with due diligence in appealing within 30 days and includes any  
78.7 illness, disability, or linguistic and literacy limitation of the applicant, along with other  
78.8 relevant factors. If an applicant claims good cause for a late appeal, the applicant must be  
78.9 granted a hearing on the issue of timeliness. This hearing can be held at the same time as a  
78.10 hearing on the merits of the appeal. Proceedings on the appeal are conducted in accordance  
78.11 with section 268B.08.

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

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

78.21 Sec. 12. **[268B.08] APPEAL PROCESS.**

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

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

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

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

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

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

79.2 Subd. 3. **Request for reconsideration.** Any party, or the commissioner, may, within  
79.3 30 calendar days after service of the benefit judge's decision, file a request for reconsideration  
79.4 asking the judge to reconsider that decision.

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

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

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

79.12 Sec. 13. **[268B.085] LEAVE.**

79.13 Subdivision 1. **Right to leave.** Ninety calendar days from the date of hire, an employee  
79.14 has a right to leave from employment for any day, or portion of a day, for which the employee  
79.15 would be eligible for benefits under this chapter, regardless of whether the employee actually  
79.16 applied for benefits and regardless of whether the employee is covered under a private plan  
79.17 or the public program under this chapter.

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

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

80.1 however, the determination of when an employee could practicably provide notice must  
80.2 take into account the individual facts and circumstances.

80.3 (c) An employee shall provide at least oral, telephone, or text message notice sufficient  
80.4 to make the employer aware that the employee needs leave allowed under this chapter and  
80.5 the anticipated timing and duration of the leave. An employer may require an employee  
80.6 giving notice of leave to include a certification for the leave as described in section 268B.06,  
80.7 subdivision 3. Such certification, if required by an employer, is timely when the employee  
80.8 delivers it as soon as practicable given the circumstances requiring the need for leave, and  
80.9 the required contents of the certification.

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

80.16 (e) If an employer has failed to provide notice to the employee as required under section  
80.17 268B.26, paragraph (a), (b), or (c), the employee is not required to comply with the notice  
80.18 requirements of this subdivision.

80.19 Subd. 3. **Bonding leave.** Bonding leave taken under this chapter begins at a time requested  
80.20 by the employee. Bonding leave must begin within 12 months of the birth, adoption, or  
80.21 placement of a foster child, except that, in the case where the child must remain in the  
80.22 hospital longer than the mother, the leave must begin within 12 months after the child leaves  
80.23 the hospital.

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

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

81.1 Sec. 14. [268B.09] EMPLOYMENT PROTECTIONS.

81.2 Subdivision 1. **Retaliation prohibited.** An employer must not retaliate against an  
81.3 employee for requesting or obtaining benefits, or for exercising any other right under this  
81.4 chapter.

81.5 Subd. 2. **Interference prohibited.** An employer must not obstruct or impede an  
81.6 application for leave or benefits or the exercise of any other right under this chapter.

81.7 Subd. 3. **Waiver of rights void.** Any agreement to waive, release, or commute rights  
81.8 to benefits or any other right under this chapter is void.

81.9 Subd. 4. **No assignment of benefits.** Any assignment, pledge, or encumbrance of benefits  
81.10 is void. Benefits are exempt from levy, execution, attachment, or any other remedy provided  
81.11 for the collection of debt. Any waiver of this subdivision is void.

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

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

81.23 (b)(1) An equivalent position is one that is virtually identical to the employee's former  
81.24 position in terms of pay, benefits, and working conditions, including privileges, prerequisites,  
81.25 and status. It must involve the same or substantially similar duties and responsibilities,  
81.26 which must entail substantially equivalent skill, effort, responsibility, and authority.

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

81.31 (c)(1) An employee is entitled to any unconditional pay increases which may have  
81.32 occurred during the leave period, such as cost of living increases. Pay increases conditioned  
81.33 upon seniority, length of service, or work performed must be granted in accordance with

82.1 the employer's policy or practice with respect to other employees on an equivalent leave  
82.2 status for a reason that does not qualify for leave under this chapter. An employee is entitled  
82.3 to be restored to a position with the same or equivalent pay premiums, such as a shift  
82.4 differential. If an employee departed from a position averaging ten hours of overtime, and  
82.5 corresponding overtime pay, each week an employee is ordinarily entitled to such a position  
82.6 on return from leave under this chapter.

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

82.13 (d) Benefits under this section include all benefits provided or made available to  
82.14 employees by an employer, including group life insurance, health insurance, disability  
82.15 insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether  
82.16 benefits are provided by a practice or written policy of an employer through an employee  
82.17 benefit plan as defined in section 3(3) of United States Code, title 29, section 1002(3).

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

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

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

83.1 (4) Employees on leave under this chapter must be treated as if they continued to work  
83.2 for purposes of changes to benefit plans. Employees on leave under this chapter are entitled  
83.3 to changes in benefit plans, except those which may be dependent upon seniority or accrual  
83.4 during the leave period, immediately upon return from leave or to the same extent they  
83.5 would have qualified if no leave had been taken.

83.6 (e) An equivalent position must have substantially similar duties, conditions,  
83.7 responsibilities, privileges, and status as the employee's original position.

83.8 (1) The employee must be reinstated to the same or a geographically proximate worksite  
83.9 from where the employee had previously been employed. If the employee's original worksite  
83.10 has been closed, the employee is entitled to the same rights as if the employee had not been  
83.11 on leave when the worksite closed.

83.12 (2) The employee is ordinarily entitled to return to the same shift or the same or an  
83.13 equivalent work schedule.

83.14 (3) The employee must have the same or an equivalent opportunity for bonuses,  
83.15 profit-sharing, and other similar discretionary and nondiscretionary payments.

83.16 (4) This chapter does not prohibit an employer from accommodating an employee's  
83.17 request to be restored to a different shift, schedule, or position which better suits the  
83.18 employee's personal needs on return from leave, or to offer a promotion to a better position.  
83.19 However, an employee must not be induced by the employer to accept a different position  
83.20 against the employee's wishes.

83.21 (f) The requirement that an employee be restored to the same or equivalent job with the  
83.22 same or equivalent pay, benefits, and terms and conditions of employment does not extend  
83.23 to de minimis, intangible, or unmeasurable aspects of the job.

83.24 Subd. 7. **Limitations on an employee's right to reinstatement.** An employee has no  
83.25 greater right to reinstatement or to other benefits and conditions of employment than if the  
83.26 employee had been continuously employed during the period of leave under this chapter.  
83.27 An employer must be able to show that an employee would not otherwise have been  
83.28 employed at the time reinstatement is requested in order to deny restoration to employment.

83.29 (1) If an employee is laid off during the course of taking a leave under this chapter and  
83.30 employment is terminated, the employer's responsibility to continue the leave, maintain  
83.31 group health plan benefits, and restore the employee cease at the time the employee is laid  
83.32 off, provided the employer has no continuing obligations under a collective bargaining  
83.33 agreement or otherwise. An employer has the burden of proving that an employee would

84.1 have been laid off during the period of leave under this chapter and, therefore, would not  
84.2 be entitled to restoration to a job slated for layoff when the employee's original position  
84.3 would not meet the requirements of an equivalent position.

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

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

84.12 Subd. 8. Remedies. (a) In addition to any other remedies available to an employee in  
84.13 law or equity, an employer who violates the provisions of this section is liable to any  
84.14 employee affected for:

84.15 (1) damages equal to the amount of:

84.16 (i) any wages, salary, employment benefits, or other compensation denied or lost to such  
84.17 employee by reason of the violation, or, in cases in which wages, salary, employment  
84.18 benefits, or other compensation have not been denied or lost to the employee, any actual  
84.19 monetary losses sustained by the employee as a direct result of the violation; and

84.20 (ii) reasonable interest on the amount described in item (i); and

84.21 (2) such equitable relief as may be appropriate, including employment, reinstatement,  
84.22 and promotion.

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

84.26 (1) the employees; or

84.27 (2) the employees and other employees similarly situated.

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

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

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

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

85.13 Subd. 2. **Private plan requirements; medical benefit program.** (a) The commissioner  
85.14 must approve an application for private provision of the medical benefit program if the  
85.15 commissioner determines:

85.16 (1) all of the employees of the employer are to be covered under the provisions of the  
85.17 employer plan;

85.18 (2) eligibility requirements for benefits and leave are no more restrictive than as provided  
85.19 under this chapter;

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

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

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

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

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

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

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

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

86.9 (b) Notwithstanding paragraph (a), a private plan may provide shorter durations of leave  
86.10 and benefit eligibility if the total dollar value of wage replacement benefits under the private  
86.11 plan for an employee for any particular qualifying event meets or exceeds what the total  
86.12 dollar value would be under the public family and medical benefit program.

86.13 Subd. 3. **Private plan requirements; family benefit program.** (a) The commissioner  
86.14 must approve an application for private provision of the family benefit program if the  
86.15 commissioner determines:

86.16 (1) all of the employees of the employer are to be covered under the provisions of the  
86.17 employer plan;

86.18 (2) eligibility requirements for benefits and leave are no more restrictive than as provided  
86.19 under this chapter;

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

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

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

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

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

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

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

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

87.9 (b) Notwithstanding paragraph (a), a private plan may provide shorter durations of leave  
87.10 and benefit eligibility if the total dollar value of wage replacement benefits under the private  
87.11 plan for an employee for any particular qualifying event meets or exceeds what the total  
87.12 dollar value would be under the public family and medical benefit program.

87.13 Subd. 4. **Use of private insurance products.** Nothing in this section prohibits an  
87.14 employer from meeting the requirements of a private plan through a private insurance  
87.15 product. If the employer plan involves a private insurance product, that insurance product  
87.16 must conform to any applicable law or rule.

87.17 Subd. 5. **Private plan approval and oversight fee.** An employer with an approved  
87.18 private plan is not required to pay premiums established under section 268B.14. An employer  
87.19 with an approved private plan is responsible for a private plan approval and oversight fee  
87.20 equal to \$250 for employers with fewer than 50 employees, \$500 for employers with 50 to  
87.21 499 employees, and \$1,000 for employers with 500 or more employees. The employer must  
87.22 pay this fee (1) upon initial application for private plan approval, and (2) any time the  
87.23 employer applies to amend the private plan. The commissioner must review and report on  
87.24 the adequacy of this fee to cover private plan administrative costs annually beginning  
87.25 December 1, 2024, as part of the annual report established in section 268B.24.

87.26 Subd. 6. **Plan duration.** A private plan under this section must be in effect for a period  
87.27 of at least one year and, thereafter, continuously unless the commissioner finds that the  
87.28 employer has given notice of withdrawal from the plan in a manner specified by the  
87.29 commissioner in this section or rule. The plan may be withdrawn by the employer within  
87.30 30 days of the effective date of any law increasing the benefit amounts or within 30 days  
87.31 of the date of any change in the rate of premiums. If the plan is not withdrawn, it must be  
87.32 amended to conform to provide the increased benefit amount or change in the rate of the  
87.33 employee's premium on the date of the increase or change.

88.1 Subd. 7. **Appeals.** An employer may appeal any adverse action regarding that employer's  
88.2 private plan to the commissioner, in a manner specified by the commissioner.

88.3 Subd. 8. **Employees no longer covered.** (a) An employee is no longer covered by an  
88.4 approved private plan if a leave under this chapter occurs after the employment relationship  
88.5 with the private plan employer ends, or if the commissioner revokes the approval of the  
88.6 private plan.

88.7 (b) An employee no longer covered by an approved private plan is, if otherwise eligible,  
88.8 immediately entitled to benefits under this chapter to the same extent as though there had  
88.9 been no approval of the private plan.

88.10 Subd. 9. **Posting of notice regarding private plan.** An employer with a private plan  
88.11 must provide a notice prepared by or approved by the commissioner regarding the private  
88.12 plan consistent with section 268B.26.

88.13 Subd. 10. **Amendment.** (a) The commissioner must approve any amendment to a private  
88.14 plan adjusting the provisions thereof, if the commissioner determines:

88.15 (1) that the plan, as amended, will conform to the standards set forth in this chapter; and

88.16 (2) that notice of the amendment has been delivered to all affected employees at least  
88.17 ten days before the submission of the amendment.

88.18 (b) Any amendments approved under this subdivision are effective on the date of the  
88.19 commissioner's approval, unless the commissioner and the employer agree on a later date.

88.20 Subd. 11. **Successor employer.** A private plan in effect at the time a successor acquires  
88.21 the employer organization, trade, or business, or substantially all the assets thereof, or a  
88.22 distinct and severable portion of the organization, trade, or business, and continues its  
88.23 operation without substantial reduction of personnel resulting from the acquisition, must  
88.24 continue the approved private plan and must not withdraw the plan without a specific request  
88.25 for withdrawal in a manner and at a time specified by the commissioner. A successor may  
88.26 terminate a private plan with notice to the commissioner and within 90 days from the date  
88.27 of the acquisition.

88.28 Subd. 12. **Revocation of approval by commissioner.** (a) The commissioner may  
88.29 terminate any private plan if the commissioner determines the employer:

88.30 (1) failed to pay benefits;

88.31 (2) failed to pay benefits in a timely manner, consistent with the requirements of this  
88.32 chapter;

89.1 (3) failed to submit reports as required by this chapter or rule adopted under this chapter;

89.2 or

89.3 (4) otherwise failed to comply with this chapter or rule adopted under this chapter.

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

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

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

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

89.15 Subd. 13. **Employer penalties.** (a) The commissioner may assess the following monetary  
89.16 penalties against an employer with an approved private plan found to have violated this  
89.17 chapter:

89.18 (1) \$1,000 for the first violation; and

89.19 (2) \$2,000 for the second, and each successive violation.

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

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

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

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

89.29 Subd. 14. **Reports, information, and records.** Employers with an approved private  
89.30 plan must maintain all reports, information, and records as relating to the private plan and  
89.31 claims for a period of six years from creation and provide to the commissioner upon request.

90.1 Subd. 15. **Audit and investigation.** The commissioner may investigate and audit plans  
90.2 approved under this section both before and after the plans are approved.

90.3 Sec. 16. **[268B.11] SELF-EMPLOYED AND INDEPENDENT CONTRACTOR**  
90.4 **ELECTION OF COVERAGE.**

90.5 Subdivision 1. **Election of coverage.** (a) A self-employed individual or independent  
90.6 contractor may file with the commissioner by electronic transmission in a format prescribed  
90.7 by the commissioner an application to be entitled to benefits under this chapter for a period  
90.8 not less than 104 consecutive calendar weeks. Upon the approval of the commissioner, sent  
90.9 by United States mail or electronic transmission, the individual is entitled to benefits under  
90.10 this chapter beginning the calendar quarter after the date of approval or beginning in a later  
90.11 calendar quarter if requested by the self-employed individual or independent contractor.  
90.12 The individual ceases to be entitled to benefits as of the first day of January of any calendar  
90.13 year only if, at least 30 calendar days before the first day of January, the individual has filed  
90.14 with the commissioner by electronic transmission in a format prescribed by the commissioner  
90.15 a notice to that effect.

90.16 (b) The commissioner may terminate any application approved under this section with  
90.17 30 calendar days' notice sent by United States mail or electronic transmission if the  
90.18 self-employed individual is delinquent on any premiums due under this chapter. If an  
90.19 approved application is terminated in this manner during the first 104 consecutive calendar  
90.20 weeks of election, the self-employed individual remains obligated to pay the premium under  
90.21 subdivision 3 for the remainder of that 104-week period.

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

90.29 Subd. 3. **Premium.** A self-employed individual who elects to receive coverage under  
90.30 this chapter must annually pay a premium equal to one-half the percentage in section  
90.31 268B.14, subdivision 5, clause (1), times the lesser of:

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

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

91.3 Subd. 4. **Benefits.** Notwithstanding anything to the contrary, a self-employed individual  
91.4 who has applied to and been approved for coverage by the commissioner under this section  
91.5 is entitled to benefits on the same basis as an employee under this chapter, except that a  
91.6 self-employed individual's weekly benefit amount under section 268B.04, subdivision 1,  
91.7 must be calculated as a percentage of the self-employed individual's self-employment  
91.8 premium base, rather than wages.

91.9 Sec. 17. **[268B.12] WAGE REPORTING.**

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

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

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

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

91.32 Subd. 2. **Electronic transmission of report required.** Each employer must submit the  
91.33 quarterly wage detail report by electronic transmission in a format prescribed by the

92.1 commissioner. The commissioner has the discretion to accept wage detail reports that are  
92.2 submitted by any other means or the commissioner may return the report submitted by other  
92.3 than electronic transmission to the employer, and reports returned are considered as not  
92.4 submitted and the late fees under subdivision 3 may be imposed.

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

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

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

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

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

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

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

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

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

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

93.1 Sec. 18. **[268B.13] EMPLOYER PREMIUM ACCOUNTS.**

93.2 The commissioner must maintain a premium account for each employer. The  
93.3 commissioner must assess the premium account for all the premiums due under section  
93.4 268B.14, and credit the family and medical benefit insurance account with all premiums  
93.5 paid.

93.6 Sec. 19. **[268B.14] PREMIUMS.**

93.7 Subdivision 1. **Payments.** (a) Family and medical leave premiums accrue and become  
93.8 payable by each employer for each calendar year on the taxable wages that the employer  
93.9 paid to employees in covered employment.

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

93.16 (b) If for any reason the wages on the wage detail report under section 268B.12 are  
93.17 adjusted for any quarter, the commissioner must recompute the premiums due for that quarter  
93.18 and assess the employer for any amount due or credit the employer as appropriate.

93.19 Subd. 2. **Payments by electronic payment required.** (a) Every employer must make  
93.20 any payments due under this chapter by electronic payment.

93.21 (b) All third-party processors, paying on behalf of a client company, must make any  
93.22 payments due under this chapter by electronic payment.

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

93.25 Subd. 3. **Employee charge back.** Notwithstanding section 177.24, subdivision 4, or  
93.26 181.06, subdivision 1, employers and covered business entities may deduct up to 50 percent  
93.27 of annual premiums paid under this section from employee wages. Such deductions for any  
93.28 given employee must be in equal proportion to the premiums paid based on the wages of  
93.29 that employee, and all employees of an employer must be subject to the same percentage  
93.30 deduction. Deductions under this section must not cause an employee's wage, after the  
93.31 deduction, to fall below the rate required to be paid to the worker by law, including any  
93.32 applicable statute, regulation, rule, ordinance, government resolution or policy, contract, or  
93.33 other legal authority, whichever rate of pay is greater.

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

94.4 Subd. 5. **Annual premium rates.** The employer premium rates for the calendar year  
94.5 beginning January 1, 2024, shall be as follows:

94.6 (1) for employers participating in both family and medical benefit programs, 0.6 percent;

94.7 (2) for an employer participating in only the medical benefit program and with an  
94.8 approved private plan for the family benefit program, 0.486 percent; and

94.9 (3) for an employer participating in only the family benefit program and with an approved  
94.10 private plan for the medical benefit program, 0.114 percent.

94.11 Subd. 6. **Premium rate adjustments.** (a) Beginning January 1, 2026, and each calendar  
94.12 year thereafter, the commissioner must adjust the annual premium rates using the formula  
94.13 in paragraph (b).

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

94.15 (1) multiply 1.45 times the amount disbursed from the family and medical benefit  
94.16 insurance account for the 52-week period ending September 30 of the prior year;

94.17 (2) subtract the amount in the family and medical benefit insurance account on that  
94.18 September 30 from the resulting figure;

94.19 (3) divide the resulting figure by twice the total wages in covered employment of  
94.20 employees of employers without approved private plans under section 268B.10 for either  
94.21 the family or medical benefit program. For employers with an approved private plan for  
94.22 either the medical benefit program or the family benefit program, but not both, count only  
94.23 the proportion of wages in covered employment associated with the program for which the  
94.24 employer does not have an approved private plan; and

94.25 (4) round the resulting figure down to the nearest one-hundredth of one percent.

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

94.29 Subd. 7. **Deposit of premiums.** All premiums collected under this section must be  
94.30 deposited into the family and medical benefit insurance account.

95.1 Subd. 8. **Nonpayment of premiums by employer.** The failure of an employer to pay  
95.2 premiums does not impact the right of an employee to benefits, or any other right, under  
95.3 this chapter.

95.4 Sec. 20. **[268B.145] INCOME TAX WITHHOLDING.**

95.5 If the Internal Revenue Service determines that benefits are subject to federal income  
95.6 tax, and an applicant elects to have federal income tax deducted and withheld from the  
95.7 applicant's benefits, the commissioner must deduct and withhold the amount specified in  
95.8 the Internal Revenue Code in a manner consistent with state law.

95.9 Sec. 21. **[268B.15] COLLECTION OF PREMIUMS.**

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

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

95.17 (1) family and medical leave premiums under this chapter; then

95.18 (2) interest on past due premiums; then

95.19 (3) penalties, late fees, administrative service fees, and costs.

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

95.22 (1) there is an outstanding lien and the employer designates that the payment made  
95.23 should be applied to satisfy the lien;

95.24 (2) the payment is specifically designated by the employer to be applied to an outstanding  
95.25 overpayment of benefits of an applicant;

95.26 (3) a court or administrative order directs that the payment be applied to a specific  
95.27 obligation;

95.28 (4) a preexisting payment plan provides for the application of payment; or

95.29 (5) the commissioner, under the compromise authority of section 268B.16, agrees to  
95.30 apply the payment to a different priority.

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

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

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

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

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

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

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

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

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

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

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

97.17 Sec. 22. **[268B.155] CHILD SUPPORT DEDUCTION FROM BENEFITS.**

97.18 Subdivision 1. **Definitions.** As used in this section:

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

97.21 (2) "child support obligations" means obligations that are being enforced by a child  
97.22 support agency in accordance with a plan described in United States Code, title 42, sections  
97.23 454 and 455 of the Social Security Act that has been approved by the secretary of health  
97.24 and human services under part D of title IV of the Social Security Act. This does not include  
97.25 any type of spousal maintenance or foster care payments.

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

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

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

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

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

98.8 Subd. 5. **Payment of costs.** The child support agency must pay the costs incurred by  
98.9 the commissioner in the implementation and administration of this section and sections  
98.10 518A.50 and 518A.53.

98.11 Sec. 23. **[268B.16] COMPROMISE.**

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

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

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

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

98.22 Sec. 24. **[268B.17] ADMINISTRATIVE COSTS.**

98.23 From January 1, 2024, through December 31, 2024, the commissioner may spend up to  
98.24 seven percent of premiums collected under section 268B.15 for administration of this chapter.  
98.25 Beginning January 1, 2025, and each calendar year thereafter, the commissioner may spend  
98.26 up to seven percent of projected benefit payments for that calendar year for the administration  
98.27 of this chapter. The department may enter into interagency agreements with the Department  
98.28 of Labor and Industry, including agreements to transfer funds, subject to the limit in this  
98.29 section, for the Department of Labor and Industry to fulfill its enforcement authority of this  
98.30 chapter.

99.1 Sec. 25. **[268B.18] PUBLIC OUTREACH.**

99.2 Beginning January 1, 2024, the commissioner must use at least 0.5 percent of revenue  
99.3 collected under this chapter for the purpose of outreach, education, and technical assistance  
99.4 for employees, employers, and self-employed individuals eligible to elect coverage under  
99.5 section 268B.11. The department may enter into interagency agreements with the Department  
99.6 of Labor and Industry, including agreements to transfer funds, subject to the limit in section  
99.7 268B.17, to accomplish the requirements of this section. At least one-half of the amount  
99.8 spent under this section must be used for grants to community-based groups.

99.9 Sec. 26. **[268B.185] BENEFIT OVERPAYMENTS.**

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

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

99.18 Subd. 2. **Overpayment because of misrepresentation.** (a) An applicant has committed  
99.19 misrepresentation if the applicant is overpaid benefits by making a false statement or  
99.20 representation without a good faith belief as to the correctness of the statement or  
99.21 representation.

99.22 (b) After the discovery of facts indicating misrepresentation, the commissioner must  
99.23 issue a determination of overpayment penalty assessing a penalty equal to 20 percent of the  
99.24 amount overpaid. This penalty is in addition to penalties under section 268B.19.

99.25 (c) Unless the applicant files an appeal within 30 calendar days after the sending of a  
99.26 determination of overpayment penalty to the applicant by mail or electronic transmission,  
99.27 or within 60 calendar days, if the applicant establishes good cause for not appealing within  
99.28 30 days, the determination is final. For the purposes of this paragraph, "good cause" means  
99.29 a reason that would have prevented an applicant from acting with due diligence in appealing  
99.30 within 30 days and includes any illness, disability, or linguistic and literacy limitation of  
99.31 the applicant, along with other relevant factors. If an applicant claims good cause for a late  
99.32 appeal, the applicant must be granted a hearing on the issue of timeliness. This hearing can

100.1 be held at the same time as a hearing on the merits of the appeal. Proceedings on the appeal  
100.2 are conducted in accordance with section 268B.08.

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

100.7 (e) The department is authorized to issue a determination of overpayment penalty under  
100.8 this subdivision within 48 months of the establishment of the benefit account upon which  
100.9 the benefits were obtained through misrepresentation.

100.10 Subd. 3. **Family and medical benefit insurance enforcement account created.** The  
100.11 family and medical benefit insurance enforcement account is created in the state treasury.  
100.12 Any penalties and interest collected under this section shall be deposited into the account  
100.13 under this subdivision and shall be used only for the purposes of administering and enforcing  
100.14 this chapter. Only the commissioner may authorize expenditures from the account under  
100.15 this subdivision.

100.16 Subd. 4. **Interest.** For any family and medical leave benefits obtained by  
100.17 misrepresentation, and any penalty amounts assessed under subdivision 2, the commissioner  
100.18 must assess interest on any amount that remains unpaid beginning 30 calendar days after  
100.19 the date of a determination of overpayment penalty. Interest is assessed at the rate of one  
100.20 percent per month or any part of a month. A determination of overpayment penalty must  
100.21 state that interest will be assessed. Interest is not assessed on unpaid interest. Interest collected  
100.22 under this subdivision is credited to the family and medical benefit insurance enforcement  
100.23 account.

100.24 Subd. 5. **Offset of benefits.** The commissioner may offset from any future family and  
100.25 medical leave benefits otherwise payable the amount of a nonmisrepresentation overpayment.  
100.26 Except when the nonmisrepresentation overpayment resulted because the applicant failed  
100.27 to report deductible earnings or deductible or benefit delaying payments, no single offset  
100.28 may exceed 50 percent of the amount of the payment from which the offset is made.

100.29 Subd. 6. **Cancellation of overpayments.** (a) If family and medical leave benefits overpaid  
100.30 for reasons other than misrepresentation are not repaid or offset from subsequent benefits  
100.31 within six years after the date of the determination or decision holding the applicant overpaid,  
100.32 the commissioner must cancel the overpayment balance, and no administrative or legal  
100.33 proceedings may be used to enforce collection of those amounts.

101.1 (b) If family and medical leave benefits overpaid because of misrepresentation including  
101.2 penalties and interest are not repaid within ten years after the date of the determination of  
101.3 overpayment penalty, the commissioner must cancel the overpayment balance and any  
101.4 penalties and interest due, and no administrative or legal proceeding may be used to enforce  
101.5 collection of those amounts.

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

101.8 **Subd. 7. Court fees; collection fees.** (a) If the department is required to pay any court  
101.9 fees in an attempt to enforce collection of overpaid family and medical leave benefits,  
101.10 penalties, or interest, the amount of the court fees may be added to the total amount due.

101.11 (b) If an applicant who has been overpaid family and medical leave benefits because of  
101.12 misrepresentation seeks to have any portion of the debt discharged under the federal  
101.13 bankruptcy code, and the department files an objection in bankruptcy court to the discharge,  
101.14 the cost of any court fees may be added to the debt if the bankruptcy court does not discharge  
101.15 the debt.

101.16 (c) If the Internal Revenue Service assesses the department a fee for offsetting from a  
101.17 federal tax refund the amount of any overpayment, including penalties and interest, the  
101.18 amount of the fee may be added to the total amount due. The offset amount must be put in  
101.19 the family and medical benefit insurance enforcement account and that amount credited to  
101.20 the total amount due from the applicant.

101.21 **Subd. 8. Collection of overpayments.** (a) The commissioner has discretion regarding  
101.22 the recovery of any overpayment for reasons other than misrepresentation. Regardless of  
101.23 any law to the contrary, the commissioner is not required to refer any overpayment for  
101.24 reasons other than misrepresentation to a public or private collection agency, including  
101.25 agencies of this state.

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

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

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

102.1 **Sec. 27. [268B.19] APPLICANT ADMINISTRATIVE PENALTIES.**

102.2 (a) Any applicant who makes a false statement or representation without a good faith  
102.3 belief as to the correctness of the statement or representation in order to obtain or in an  
102.4 attempt to obtain benefits may be assessed, in addition to any other penalties, an  
102.5 administrative penalty of being ineligible for benefits for 13 to 104 weeks.

102.6 (b) A determination of ineligibility setting out the weeks the applicant is ineligible must  
102.7 be sent to the applicant by mail or electronic transmission. The department is authorized to  
102.8 issue a determination of ineligibility under this subdivision within 48 months of the  
102.9 establishment of the benefit account upon which the benefits were obtained, or attempted  
102.10 to be obtained. Unless an appeal is filed within 20 calendar days of sending, the determination  
102.11 is final. Proceedings on the appeal are conducted in accordance with section 268B.08.

102.12 **Sec. 28. [268B.20] EMPLOYER MISCONDUCT; PENALTY.**

102.13 (a) The commissioner must penalize an employer if that employer or any employee,  
102.14 officer, or agent of that employer is in collusion with any applicant for the purpose of  
102.15 assisting the applicant in receiving benefits fraudulently. The penalty is \$500 or the amount  
102.16 of benefits determined to be overpaid, whichever is greater.

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

102.19 (1) made a false statement or representation knowing it to be false;

102.20 (2) made a false statement or representation without a good-faith belief as to the  
102.21 correctness of the statement or representation; or

102.22 (3) knowingly failed to disclose a material fact.

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

102.25 (1) the amount of any overpaid benefits to an applicant;

102.26 (2) the amount of benefits not paid to an applicant that would otherwise have been paid;

102.27 or

102.28 (3) the amount of any payment required from the employer under this chapter that was  
102.29 not paid.

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

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

103.4 Sec. 29. **[268B.21] RECORDS; AUDITS.**

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

103.9 (b) For the purpose of administering this chapter, the commissioner has the power to  
103.10 audit, examine, or cause to be supplied or copied, any books, correspondence, papers,  
103.11 records, or memoranda that are the property of, or in the possession of, an employer or any  
103.12 other person at any reasonable time and as often as may be necessary. Subpoenas may be  
103.13 issued under section 268B.22 as necessary, for an audit.

103.14 (c) An employer or other person that refuses to allow an audit of its records by the  
103.15 department or that fails to make all necessary records available for audit in the state upon  
103.16 request of the commissioner may be assessed an administrative penalty of \$500. The penalty  
103.17 collected is credited to the family and medical benefit insurance account.

103.18 (d) An employer, or other person, that fails to provide a weekly breakdown of money  
103.19 earned by an applicant upon request of the commissioner, information necessary for the  
103.20 detection of applicant misrepresentation under section 268B.185, subdivision 2, may be  
103.21 assessed an administrative penalty of \$100. Any notice requesting a weekly breakdown  
103.22 must clearly state that a \$100 penalty may be assessed for failure to provide the information.  
103.23 The penalty collected is credited to the family and medical benefit insurance account.

103.24 Subd. 2. **Department records; destruction.** (a) The commissioner may make summaries,  
103.25 compilations, duplications, or reproductions of any records pertaining to this chapter that  
103.26 the commissioner considers advisable for the preservation of the information.

103.27 (b) Regardless of any law to the contrary, the commissioner may destroy any records  
103.28 that are no longer necessary for the administration of this chapter. In addition, the  
103.29 commissioner may destroy any record from which the information has been electronically  
103.30 captured and stored.

104.1 Sec. 30. [268B.22] SUBPOENAS; OATHS.

104.2 (a) The commissioner or benefit judge has authority to administer oaths and affirmations,  
104.3 take depositions, certify to official acts, and issue subpoenas to compel the attendance of  
104.4 individuals and the production of documents and other personal property necessary in  
104.5 connection with the administration of this chapter.

104.6 (b) Individuals subpoenaed, other than applicants or officers and employees of an  
104.7 employer that is the subject of the inquiry, are paid witness fees the same as witness fees  
104.8 in civil actions in district court. The fees need not be paid in advance.

104.9 (c) The subpoena is enforceable through the district court in Ramsey County.

104.10 Sec. 31. [268B.23] LIEN; LEVY; SETOFF; AND CIVIL ACTION.

104.11 Subdivision 1. Lien. (a) Any amount due under this chapter, from an applicant or an  
104.12 employer, becomes a lien upon all the property, within this state, both real and personal, of  
104.13 the person liable, from the date of assessment. For the purposes of this section, "date of  
104.14 assessment" means the date the obligation was due.

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

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

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

105.1 (e) The lien imposed on personal property, even though properly filed, is not enforceable  
105.2 against a purchaser of tangible personal property purchased at retail or personal property  
105.3 listed as exempt in sections 550.37, 550.38, and 550.39.

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

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

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

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

105.14 (h) The lien is enforceable by levy under subdivision 2 or by judgment lien foreclosure  
105.15 under chapter 550.

105.16 (i) The lien may be imposed upon property defined as homestead property in chapter  
105.17 510 but may be enforced only upon the sale, transfer, or conveyance of the homestead  
105.18 property.

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

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

105.30 (b) In addition to a direct levy, the commissioner may issue a warrant to the sheriff of  
105.31 any county who must proceed within 60 calendar days to levy upon the property or rights  
105.32 to property of the delinquent person within the county, except property exempt under section  
105.33 550.37. The sheriff must sell that property necessary to satisfy the total amount due, together

106.1 with the commissioner's and sheriff's costs. The sales are governed by the law applicable  
106.2 to sales of like property on execution of a judgment.

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

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

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

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

106.20 (1) the delinquent person consents in writing to the sale; or

106.21 (2) the commissioner determines that the property is perishable or may become greatly  
106.22 reduced in price or value by keeping, or that the property cannot be kept without great  
106.23 expense.

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

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

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

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

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

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

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

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

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

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

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

107.22 (2) an amount of money equal to the amount of money levied upon, at any time before  
107.23 the expiration of nine months from the date of levy.

107.24 (o) Regardless of section 52.12, a levy upon a person's funds on deposit in a financial  
107.25 institution located in this state, has priority over any unexercised right of setoff of the  
107.26 financial institution to apply the levied funds toward the balance of an outstanding loan or  
107.27 loans owed by the person to the financial institution. A claim by the financial institution  
107.28 that it exercised its right to setoff before the levy must be substantiated by evidence of the  
107.29 date of the setoff, and verified by an affidavit from a corporate officer of the financial  
107.30 institution. For purposes of determining the priority of any levy under this subdivision, the  
107.31 levy is treated as if it were an execution under chapter 550.

107.32 Subd. 3. **Right of setoff.** (a) Upon certification by the commissioner to the commissioner  
107.33 of management and budget, or to any state agency that disburses its own funds, that a person,

108.1 applicant, or employer has a liability under this chapter, and that the state has purchased  
108.2 personal services, supplies, contract services, or property from that person, the commissioner  
108.3 of management and budget or the state agency must set off and pay to the commissioner an  
108.4 amount sufficient to satisfy the unpaid liability from funds appropriated for payment of the  
108.5 obligation of the state otherwise due the person. No amount may be set off from any funds  
108.6 exempt under section 550.37 or funds due an individual who receives assistance under  
108.7 chapter 256.

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

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

108.11 Subd. 4. **Collection by civil action.** (a) Any amount due under this chapter, from an  
108.12 applicant or employer, may be collected by civil action in the name of the state of Minnesota.  
108.13 Civil actions brought under this subdivision must be heard as provided under section 16D.14.  
108.14 In any action, judgment must be entered in default for the relief demanded in the complaint  
108.15 without proof, together with costs and disbursements, upon the filing of an affidavit of  
108.16 default.

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

108.25 (c) No court filing fees, docketing fees, or release of judgment fees may be assessed  
108.26 against the state for actions under this subdivision.

108.27 Subd. 5. **Injunction forbidden.** No injunction or other legal action to prevent the  
108.28 determination, assessment, or collection of any amounts due under this chapter, from an  
108.29 applicant or employer, are allowed.

108.30 Sec. 32. **[268B.24] CONCILIATION SERVICES.**

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

109.1 Sec. 33. [268B.25] ANNUAL REPORTS.

109.2 (a) Beginning on or before December 1, 2024, the commissioner must annually report  
109.3 to the Department of Management and Budget and the house of representatives and senate  
109.4 committee chairs with jurisdiction over this chapter on program administrative expenditures  
109.5 and revenue collection for the prior fiscal year, including but not limited to:

109.6 (1) total revenue raised through premium collection;

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

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

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

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

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

109.15 (7) an accounting of required outreach expenditures;

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

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

109.19 (b) Beginning on or before December 1, 2025, the commissioner must annually publish  
109.20 a publicly available report providing the following information for the previous fiscal year:

109.21 (1) total eligible claims;

109.22 (2) the number and percentage of claims attributable to each category of benefit;

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

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

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

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

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

110.1 (8) average duration for cases completed; and

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

110.3 Sec. 34. **[268B.26] NOTICE REQUIREMENTS.**

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

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

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

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

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

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

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

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

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

110.21 (8) any other information required by the department.

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

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

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

110.30 (2) any other information required by the department.

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

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

111.10 **Sec. 35. [268B.27] RELATIONSHIP TO OTHER LEAVE; CONSTRUCTION.**

111.11 Subdivision 1. **Concurrent leave.** An employer may require leave taken under this  
111.12 chapter to run concurrently with leave taken for the same purpose under section 181.941  
111.13 or the Family and Medical Leave Act, United States Code, title 29, sections 2601 to 2654,  
111.14 as amended.

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

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

111.18 (2) except as provided under section 268B.01, subdivision 37, prohibit an employer  
111.19 from providing additional benefits, including but not limited to covering the portion of  
111.20 earnings not provided under this chapter during periods of leave covered under this chapter;  
111.21 or

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

111.26 **Sec. 36. [268B.28] SEVERABLE.**

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

112.1 remainder of the provision and the application of the provision to other persons or  
112.2 circumstances are not affected.

112.3 **Sec. 37. [268B.29] SMALL BUSINESS ASSISTANCE GRANTS.**

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

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

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

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

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

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

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

112.23 (h) The commissioner may award grants under this section only up to a maximum of  
112.24 \$5,000,000 per calendar year.

112.25 **Sec. 38. EFFECTIVE DATES.**

112.26 (a) Sections 1, 4, 5, 6, and 36 are effective July 1, 2022.

112.27 (b) Section 15 is effective July 1, 2023.

112.28 (c) Section 34 is effective December 1, 2023.

112.29 (d) Sections 2, 3, 16 to 19, 21, 23 to 25, 28 to 31, and 33 are effective January 1, 2024.

112.30 (e) Sections 7 to 14, 20, 22, 26 to 27, 32, 35, and 37 are effective January 1, 2025.

113.1

**ARTICLE 4**

113.2

**FAMILY AND MEDICAL LEAVE BENEFIT AS EARNINGS**

113.3 Section 1. Minnesota Statutes 2020, section 256J.561, is amended by adding a subdivision  
113.4 to read:

113.5 Subd. 4. Parents receiving family and medical leave benefits. A parent who meets  
113.6 the criteria under subdivision 2 and who receives benefits under chapter 268B is not required  
113.7 to participate in employment services.

113.8 Sec. 2. Minnesota Statutes 2020, section 256J.95, subdivision 3, is amended to read:

113.9 Subd. 3. **Eligibility for diversionary work program.** (a) Except for the categories of  
113.10 family units listed in clauses (1) to (8), all family units who apply for cash benefits and who  
113.11 meet MFIP eligibility as required in sections 256J.11 to 256J.15 are eligible and must  
113.12 participate in the diversionary work program. Family units or individuals that are not eligible  
113.13 for the diversionary work program include:

113.14 (1) child only cases;

113.15 (2) single-parent family units that include a child under 12 months of age. A parent is  
113.16 eligible for this exception once in a parent's lifetime;

113.17 (3) family units with a minor parent without a high school diploma or its equivalent;

113.18 (4) family units with an 18- or 19-year-old caregiver without a high school diploma or  
113.19 its equivalent who chooses to have an employment plan with an education option;

113.20 (5) family units with a caregiver who received DWP benefits within the 12 months prior  
113.21 to the month the family applied for DWP, except as provided in paragraph (c);

113.22 (6) family units with a caregiver who received MFIP within the 12 months prior to the  
113.23 month the family applied for DWP;

113.24 (7) family units with a caregiver who received 60 or more months of TANF assistance;  
113.25 ~~and~~

113.26 (8) family units with a caregiver who is disqualified from the work participation cash  
113.27 benefit program, DWP, or MFIP due to fraud; and

113.28 (9) single-parent family units where a parent is receiving family and medical leave  
113.29 benefits under chapter 268B.

114.1 (b) A two-parent family must participate in DWP unless both caregivers meet the criteria  
114.2 for an exception under paragraph (a), clauses (1) through (5), or the family unit includes a  
114.3 parent who meets the criteria in paragraph (a), clause (6), (7), or (8).

114.4 (c) Once DWP eligibility is determined, the four months run consecutively. If a participant  
114.5 leaves the program for any reason and reapplies during the four-month period, the county  
114.6 must redetermine eligibility for DWP.

114.7 Sec. 3. Minnesota Statutes 2020, section 256J.95, subdivision 11, is amended to read:

114.8 Subd. 11. **Universal participation required.** (a) All DWP caregivers, except caregivers  
114.9 who meet the criteria in paragraph (d), are required to participate in DWP employment  
114.10 services. Except as specified in paragraphs (b) and (c), employment plans under DWP must,  
114.11 at a minimum, meet the requirements in section 256J.55, subdivision 1.

114.12 (b) A caregiver who is a member of a two-parent family that is required to participate  
114.13 in DWP who would otherwise be ineligible for DWP under subdivision 3 may be allowed  
114.14 to develop an employment plan under section 256J.521, subdivision 2, that may contain  
114.15 alternate activities and reduced hours.

114.16 (c) A participant who is a victim of family violence shall be allowed to develop an  
114.17 employment plan under section 256J.521, subdivision 3. A claim of family violence must  
114.18 be documented by the applicant or participant by providing a sworn statement which is  
114.19 supported by collateral documentation in section 256J.545, paragraph (b).

114.20 (d) One parent in a two-parent family unit ~~that has a natural born child under 12 months~~  
114.21 ~~of age is not required to have an employment plan until the child reaches 12 months of age~~  
114.22 ~~unless the family unit has already used the exclusion under section 256J.561, subdivision~~  
114.23 ~~3, or the previously allowed child under age one exemption under section 256J.56, paragraph~~  
114.24 ~~(a), clause (5).~~ if that parent:

114.25 (1) receives family and medical leave benefits under chapter 268B; or

114.26 (2) has a natural born child under 12 months of age until the child reaches 12 months  
114.27 of age unless the family unit has already used the exclusion under section 256J.561,  
114.28 subdivision 3, or the previously allowed child under age one exemption under section  
114.29 256J.56, paragraph (a), clause (5).

114.30 (e) The provision in paragraph (d) ends the first full month after the child reaches 12  
114.31 months of age. This provision is allowable only once in a caregiver's lifetime. In a two-parent  
114.32 household, only one parent shall be allowed to use this category.

115.1 (f) The participant and job counselor must meet in the month after the month the child  
115.2 reaches 12 months of age to revise the participant's employment plan. The employment plan  
115.3 for a family unit that has a child under 12 months of age that has already used the exclusion  
115.4 in section 256J.561 must be tailored to recognize the caregiving needs of the parent.

115.5 Sec. 4. Minnesota Statutes 2021 Supplement, section 256P.01, subdivision 3, is amended  
115.6 to read:

115.7 Subd. 3. **Earned income.** "Earned income" means income earned through the receipt  
115.8 of wages, salary, commissions, bonuses, tips, gratuities, profit from employment activities,  
115.9 net profit from self-employment activities, payments made by an employer for regularly  
115.10 accrued vacation or sick leave, severance pay based on accrued leave time, benefits paid  
115.11 under chapter 268B, royalties, honoraria, or other profit from activity that results from the  
115.12 client's work, effort, or labor for purposes other than student financial assistance,  
115.13 rehabilitation programs, student training programs, or service programs such as AmeriCorps.  
115.14 The income must be in return for, or as a result of, legal activity.

115.15 Sec. 5. **EFFECTIVE DATES.**

115.16 Sections 1 to 4 are effective January 1, 2025.