

Subject Emergency Rehire and Retention Law

Authors Carlson

Analyst Marta James

Date March 24, 2021

Overview

This bill provides rehire and retention protections to employees in the hospitality industry who are laid off due to a declared emergency or ownership change.

Summary

Section	Description
---------	-------------

1	Definitions.
---	---------------------

Provides several definitions used in the bill.

Defines “enterprise” to include: hotels, airports, and event centers; the facilities attached to them, including restaurants, bars, and retail; as well as related services, including maintenance, security, ticketing, ground-handling, and food and beverage services. Also includes an enterprise providing maintenance and security services to office, retail, or commercial buildings, like a staffing agency.

Defines “declared emergency” as: a national security or peacetime emergency declared by the governor; a locally declared emergency; a federal public health emergency; or a major disaster or national emergency declared by the president.

2	Emergency rehire and retention of laid-off employees.
---	--

Provides rehire and retention protections for eligible laid-off employees in the hospitality industry due to a declared emergency or a change in control.

Subd. 1. Rehire and recall requirements. Requires employers to offer employees laid-off due to a declared emergency information about available job positions for which they qualify, and to rehire employees based on a preference system of qualifications and seniority. Applies to a “laid-off employee” of an enterprise who worked for the employer for at least six months in the year prior to January 31, 2020, and became unemployed after January 31, 2020, due to a declared emergency. Also includes an employer whose form of organization or location

Section	Description
---------	-------------

changed after a declared emergency, or a new employer conducting substantially similar operations after a change of ownership or acquisition.

Subd. 2. Successor employer and retention requirements. Applies to an employer subject to a change of ownership. Requires the previous or “incumbent employer” to provide the new or “successor employer” with information about eligible employees within 15 days of transfer to be used for preferential hiring. Requires the successor employer for the first six months after opening to hire eligible employees from the list for at least a 90-day transition period or to retain employees based on seniority if fewer employee are needed. After 90 days, the successor employer must consider retaining satisfactory employees. Applies to “eligible employees” who worked for the incumbent employer for at least one month before the change of control, excluding supervisors, managers, and confidential employees.

Subd. 3. Employment protections. Prohibits adverse action against any employee for asserting their rights or a complaint under these sections.

Subd. 4. Collective bargaining rights. Allows waivers or agreement to better rehiring or retention conditions for valid collective bargaining agreements.

3 **Enforcement and compliance.**

Provides for investigation and enforcement of complaints by the Department of Labor and Industry, Labor Standards and Apprenticeship Division, which may award hiring and reinstatement rights as provided under the bill, daily front or back pay, or missed benefits for violations. Authorizes a district court action for complaints and attorneys’ fees and costs for a prevailing employee. Authorizes the commissioner of labor and industry to issue an order to comply with the rehire and retention provisions as provided under Minnesota Statutes, section 177.27, subdivision 4. Does not limit local law from imposing greater standards.

4 **Citation.**

Refers to these sections as the Emergency Rehire and Retention Law.

5 **Appropriation.**

Provides appropriations to the Department of Labor and Industry for fiscal years 2022 and 2023 to implement the Emergency Rehire and Retention Law.

6 **Effective dates.**

Applies the day following final enactment until December 31, 2022.



**MN HOUSE
RESEARCH**

Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn/hrd | 651-296-6753 | 155 State Office Building | St. Paul, MN 55155