

Subject Workforce, Labor, Energy, and Commerce Omnibus

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Overview

This is the 2022 omnibus workforce, labor, energy, and commerce bill with the language of H.F. 4355, the second engrossment, substituted. Appropriates money and sets policy within the jurisdiction of the Workforce and Business Development Finance and Policy Committee, the Labor and Industry Finance and Policy Committee, the Climate and Energy Finance and Policy Committee, and the Commerce Finance and Policy Committee.

Article 1: Economic Development Appropriations

Appropriates money for economic and workforce development programs, including paid medical and family leave. Details provided in the fiscal spreadsheet.

Article 2: Economic Development Policy

Establishes economic and workforce development policy.

Section Article 2: Economic Development Policy

1 [116J.015] Review of report mandates.

Directs the commissioner of employment and economic development to submit a list to the legislative committees with jurisdiction by January 15 each year, beginning in 2023, of reports mandated by law at least three years previously that no longer serve a useful purpose, along with suggested legislation for eliminating those mandated reports.

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Effective date: This section is effective the day following final enactment.

2 [116J.4231] Office of New Americans.

Creates an Office of New Americans within the Department of Employment and Economic Development, run by an executive director appointed by the governor, to serve immigrants and refugees in Minnesota by assisting with access to economic and workforce development programs and services and coordinating those efforts across state agencies to facilitate integration of new Americans into the workforce. Allows the executive director to hire necessary staff and promulgate rules. Requires an annual report on the office's activities to the legislature beginning on January 15, 2024. Establishes an interdepartmental Coordinating Council on Immigrant and Refugee Affairs to advise the Office of New Americans, composed of representatives from all relevant agencies. Clarifies that this section creates no right of action. Allows the office to apply for grants to carry out its duties.

3 Municipality.

Adds federally recognized Tribes to the definition of municipalities that may participate in the contamination cleanup program.

4 [116J.8747] Job training program grant.

Modifies the pay for performance job training grant structure. Allows up to ten percent of money appropriated to the program to be used for administrative expenses and up to 20 percent for direct service expenses. Changes the incentive from \$11,000 per qualified graduate placed in employment and \$11,000 per qualified graduate retained in employment for at least one year to a different schedule of incentives for placing and retaining graduates of training programs:

- \$2,500 for placement in part-time employment at 150 percent of the state minimum wage or more;
- \$2,500 for placement in full-time employment at at least the state minimum wage but no more than 150 percent of that wage;
- \$5,000 for placement in full-time employment at 150 percent of the state minimum wage or more;
- \$5,000 for one year of retained part-time employment at 150 percent of the state minimum wage or more;
- \$5,000 for one year of retained full-time employment at at least the state minimum wage but no more than 150 percent of that wage; and
- \$10,000 for one year of retained full-time employment at 150 percent of the state minimum wage or more.

Creates new requirements for employment to qualify for the incentives, including that the job be permanent, unsubsidized, private or public sector, and eligible for

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unemployment insurance. Limits programs to receiving only one placement and one retention incentive for the same qualified graduate within two years. Makes technical changes, including requiring reporting on average hours per week of placements.

5 [116J.8749] Main street economic revitalization program.

Modifies the main street economic revitalization program to add a capitalized loan option, where the state provides up to 20 percent of the loan funding with the state funds payment subordinate in the event of default.

Adds “low-income area” to the definitions for the main street revitalization grant program. Defines it as a census tract with a poverty rate of at least 20 percent as reported in the most recent census.

Allows the commissioner of employment and economic development to waive the main street revitalization grant program’s matching fund requirement for projects located in low-income areas. Sets terms for capitalized loans.

Effective date: This section is effective retroactive to July 1, 2021.

6 [116J.8751] Spark small business loan program.

Creates the spark small business loan program to award five-year renewable grants through a competitive process to community development financial institutions and nonprofits to make loans statewide to businesses employing no more than 50 full-time workers. Stipulates that loans should go to businesses inside and outside the metropolitan area, in approximate proportion to each region's share of state population to the extent there is sufficient eligible demand. Allows the nonprofit partners to use up to ten percent of grants for administrative costs, including providing specialized technical and legal assistance to businesses applying for loans. Requires lenders under the program to have a commissioner-approved plan for making loans at zero or low interest for a maximum loan term of seven years. Allows, with commissioner approval, up to one year of deferred payments or forgiveness of up to ten percent of loan principal. Limits loan amounts to no less than \$5,000 and no more than:

- \$35,000 for retail development projects;
- \$600,000 for loans to community businesses; and
- \$150,000 for all other loans.

Defines “community business” as a cooperative, employee-owned business, or commercial land trust that is at least 51 percent owned by people who are Black, Indigenous, People of Color, immigrants, low-income, women, veterans, or people with disabilities. Directs all repayments of interest to the lender’s revolving loan fund

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for making further loans under the program and all repayments of principal to the spark small business loan fund account, created in the special revenue fund, for the same purpose. Allows the commissioner to use an amount equal to no more than four percent of the value of grants made in the previous year for program administrative costs, except \$500,000 is allowed in fiscal year 2023, the first year of the program. Requires annual reports and independent audits from participating lenders and an annual report to the legislature from the commissioner on the program.

7 [116J.8770] Equity investments.

Permits the commissioner of employment and economic development to make equity investments in early stage and venture capital funds for small and emerging businesses.

8 Grant amount; project phasing.

Increases the maximum grant amount for the targeted community capital project grant program from \$1,500,000 to \$3,000,000.

9 [116J.9926] Emerging developer fund program.

Creates the emerging developer fund program, with the proposed coding 116J.9926, to make grants to qualified nonprofit partners to make loans to less established developers from targeted groups to pursue development projects that are intended to reduce racial and socioeconomic disparities. Includes minorities, women, people with disabilities, and low-income people as the groups potentially eligible for loans under the program. Limits predevelopment loans to \$50,000 and all other types of loans to \$500,000. Sets loan duration as six months to five years, all at low or zero interest, depending on the commissioner of employment and economic development's analysis of project risk. Mandates flexible collateral requirements, and allows both personal guaranty requirements and largely unsecured loans. Anticipates repayment of loans once permanent financing or a conventional loan is secured, with no prepayment penalty. Allows the commissioner to require a recipient to work with a more experienced developer or professional services consultant as the project develops. Directs all loan repayments to the emerging developer fund account in the special revenue fund, also created in this bill, which will fund additional loans. Defines what expenses are eligible uses of the various types of loans. Requires annual reports to the legislature on loans made under the program. Makes a onetime appropriation of an unspecified amount in fiscal year 2023 from the general fund to the emerging developer fund account and allows up to five percent of the appropriation to be used for the agency's administrative expenses of the program though partner organizations may use up to ten percent of grant funds for the organization's administrative costs.

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10 Business subsidy.

Defines federal loan funds provided through the Department of the Treasury as not business subsidies, just as loans from the United States Department of Commerce and the Economic Development Administration are not.

11 Pathways program.

Makes a technical change to the pathways program, broadening from private businesses to participating businesses.

12 Definitions.

Makes a technical change to the state dislocated worker program.

13 Definitions.

Makes technical modifications to the definition of “credential” for the purposes of the uniform outcome report cards.

14 Uniform outcome report card; reporting by commissioner.

Removes program cost items from the list of what must be reported on the uniform outcome report cards.

15 Canadian border counties economic relief program.

Creates a relief program for businesses in counties that share a border with Canada.

Subd. 1. Relief program established. Directs the Northland Foundation and the Northwest Minnesota Foundation to create a relief program to assist businesses harmed by closures affecting northern Minnesota in the last two years.

Subd. 2. Available relief. Sets requirements for making grants under the program and requires approval from the commissioner of employment and economic development for those plans. Limits grants to \$50,000 per business.

Subd. 3. Qualification requirements. Establishes eligibility criteria for grants. Requires that businesses:

- 1) be located in a county along the Canadian border;
- 2) be able to document a reduction in gross receipts of at least 20 percent in 2021 compared to 2019; and
- 3) provide a written explanation for how the recent closures resulted in that loss in revenue.

Subd. 4. Monitoring. Stipulates that the grant-making entity must establish performance measures for the grants, including information about awards and the jobs, revenue, and taxes those awards result in. Requires cooperation with

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the commissioner of employment and economic development who will monitor these performance measures.

Subd. 5. Business subsidy requirements. Exempts the program from most state statutes that normally apply when state funds are given to private businesses.

Subd. 6. Administrative costs. Allows the commissioner of employment and economic development to use up to three percent of the appropriation for the program on administrative costs.

Effective date: This section is effective July 1, 2022, and expires June 30, 2023.

16 Small business recovery grant program.

Creates the small business recovery grant program.

Subd. 1. Definitions. Defines terms, including that “business” includes both for-profit businesses and nonprofit organizations that earn revenue in ways similar to businesses and that “partner organization” means the Minnesota Initiative Foundations and nonprofit corporations on the certified lenders list.

Subd. 2. Establishment. Establishes the small business recovery grant program to provide grants to small businesses directly or indirectly impacted by the COVID-19 pandemic and other economic challenges.

Subd. 3. Grants to partner organizations. Directs the commissioner to create a process for making grants to partner organizations to make grants to businesses. Requires a roughly equal amount of funds to go to partner organizations serving businesses outside the metropolitan area, as inside it. Allows partner organizations to use up to four percent of grant funds for administrative costs. Returns any funds not spent by December 31, 2023, to the general fund.

Subd. 4. Grants to businesses. Sets criteria for businesses to be eligible for grants, including that the business employ the equivalent of 50 full-time workers or less and be in one of the industries listed under subdivision 5. Awards grants of up to \$25,000 to businesses through a lottery after applications are collected over a period of no more than ten calendar days, with a maximum of one grant per business. Allows grant funds to be used for working capital for expenses in the regular course of business.

Subd. 5. Eligible industries. Limits eligibility for grants to businesses in the following industries:

- Serving food or beverages;
- personal services;

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- indoor entertainment;
- indoor fitness and recreational sports centers;
- wellness and recreation;
- catering services;
- temporary lodging, such as hotels and motels; and
- performance venues.

Subd. 6. Distribution of awards. Requires a minimum amount of awards to members of targeted groups:

- \$5,000,000 to businesses employing the equivalent of six full-time workers or less;
- \$3,500,000 to minority business enterprises;
- \$1,000,000 to businesses owned and operated by veterans; and
- \$1,000,000 to businesses owned and operated by women.

Subd. 7. Exemptions. Exempts the program from state statutes related to giving funds to private businesses until December 31, 2023.

Subd. 8. Reports. Requires reports from partner organizations to the commissioner and the commissioner to the legislature on use of grant funds.

17 Encumbrance exception.

Allows grant recipients of the Minnesota investment fund, job creation fund, and border-to-border broadband programs to incur eligible expenses for up to 90 days prior to an encumbrance being established in the accounting system.

Effective date: This section is effective the day following final enactment and expires on June 30, 2025.

18 Repealer.

Makes the provisions of chapter 16A that apply to general fund appropriations for capital projects no longer apply to projects under the targeted community capital project grant program. Strips language making grants under the program available until the project is completed or abandoned subject to section 16A.642.

Article 3: Family and Medical Benefits

Article 3 provides the substance of the new family and medical insurance program under chapter 268B.

Section Article 3: Family and Medical Benefits

- 1 Family and medical insurance data. [§ 13.719, subd. 7]**
Classifies data under chapter 268B as private or nonpublic under the Minnesota Government Data Practices Act, and allows sharing of the data between the Department of Employment and Economic Development and the Department of Labor and Industry.
- 2 Compliance orders. [§ 177.27, subd. 4]**
Gives enforcement powers over chapter 268B to the commissioner of labor and industry. Authorizes the commissioner to issues orders to comply.
- 3 Required statement of earnings by employer. [§ 181.032]**
Requires that employers include the amount charged back to employees and deducted from their paychecks for premiums under section 268B.14, subdivision 3, and the amount paid by employers as premiums, be included on employee statement of earnings, which must be kept for review for three years.
- 4 Use of data. [§ 268.19, subd. 1]**
Allows data gathered under the administration of Minnesota’s unemployment insurance statute to be used by the Family and Benefits Division of the Department of Employment and Economic Development as necessary to administer chapter 268B.
- 5 Definitions. [§ 268B.01]**
Provides a number of definitions of terms used throughout chapter 268B. Several definitions model Minnesota’s unemployment insurance statute.
- 6 Family and Medical Benefit Insurance Program creation. [§ 268B.02]**

 - Subd. 1. Creation.** Creates the program and assigns responsibility for administration to the commissioner of employment and economic development.
 - Subd. 2. Creation of division.** Creates the Family and Medical Benefits Insurance Division within the Department of Employment and Economic Development for administration of the program and requires the commissioner to appoint a director of the division.
 - Subd. 3. Rulemaking.** Requires the commissioner of employment and economic development to adopt rules to implement the provisions of the program under the normal, note and comment, rulemaking procedures that typically take 18 months to two years.
 - Subd. 4. Account creation; appropriation.** Creates the family and medical benefit insurance account in the special revenue fund and appropriates all money in the

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account to the commissioner of employment and economic development to pay benefits under and administer the program, including outreach.

Subd. 5. Information technology services and equipment. Exempts the new department created under the bill from existing statutory requirements that the Office of MN.IT services be responsible for information technology and services.

7 Payment of benefits. [§ 268B.03]

Subd. 1. Requirements. Provides applicant requirements for payment of family and medical leave benefits, including: (1) file an application and establish a benefit account; (2) meet all ongoing eligibility requirements; (3) have no outstanding overpayment; (4) not found to be ineligible; and (5) have wage credits during the base year with an employer covered by chapter 268B.

Subd. 2. Benefits paid from state funds. Specifies that family and medical leave benefits are paid from state funds out of the family and medical insurance account and gives the commissioner of employment and economic development responsibility for making proper payments.

8 Benefit account; benefits. [§ 268B.04]

Subd. 1. Application for benefits; determination of benefit account. Models state's unemployment insurance benefit account determination. Requires the commissioner of employment and economic development to determine an eligible applicant's weekly and maximum benefit amount based on their benefit year and wage information. Requires certification supporting leave request. Provides process and timeline for amended determination.

Subd. 2. Benefit account requirements. Requires an applicant to have earned at least 5.3 percent of the state's average annual wage rounded to the next lower \$100 increment (\$3,300 for 2022) in covered employment in their base period (the most recent four quarters, or as provided in section 268B.01, subdivision 4). Provides requirements for establishing a new benefit account after expiration.

Subd. 3. Weekly benefit amount; maximum amount of benefits available; prorated amount. Sets the formula for calculating weekly benefit amount under the program. That formula works as follows:

- An applicant's weekly wage is calculated by finding the quarter, out of the prior four completed quarters, in which the applicant earned the most wages and dividing that wage amount by 13.
- An applicant is entitled to a weekly benefit amount equal to (1) 90 percent of their weekly wages that do not exceed 50 percent of the state's average weekly wage (\$1,232 for 2022 and 50 percent is \$616, so

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the max amount is 90 percent of \$616 which is \$554.40); (2) plus benefits equal to 66 percent of weekly wages above 50 percent but below 100 percent of the state's average weekly wage (66 percent of \$616 for 2022, so \$406.56); (3) plus 55 percent of any weekly wages that exceed 100 percent of the state's average weekly wage (wages over \$1,232 for 2022).

- Weekly benefits are capped at a maximum of the state's average weekly wage (\$1,232 for 2022).
- As an example, an applicant earning \$40,000 per year (evenly divided into \$10,000 each quarter) has an average weekly wage of \$769.23 (\$10,000 divided by 13). The state's average weekly wage at the time of application is \$1,232 (with 50 percent equal to \$616). So, under the formula, the applicant would be entitled to \$655.53 $((0.9 \times \$616 = \$554.40) + (0.66 \times 153.23 = 101.13))$.
- Provides for prorated weekly benefit amounts for hourly workers or employees who use sick leave, paid time off, or other paid time off.

Subd. 4. Timing of payment. Requires benefits be paid weekly.

Subd. 5. Maximum length of benefits. Sets maximum duration an applicant may receive benefits in their 52-week benefit year. Allows up to 12 weeks of benefits to care for a family member with a serious health condition, for a qualifying exigency, for safety leave, or for bonding and up to 12 weeks of benefits for an applicant's own pregnancy or a serious health condition.

Subd. 6. Minimum period for which benefits are payable. Except for bonding leave, an applicant must accrue, at least seven days for which they are eligible for benefits before making a claim for benefits. After that, benefits may be paid out for a minimum duration of eight hours in a week.

Subd. 7. Right of appeal. Provides for appeal process for benefit account determinations or amended determinations. An applicant has 30 days to appeal, or 60 days with good cause shown.

Subd. 8. Limitations on applications and benefit accounts. Provides timing for the effective date, withdrawal, or expiration of a benefit account. An application is effective the Sunday of the week it is filed, unless backdated.

9 Continued request for benefits. [§ 268B.05]

Requires applicants to certify each week they are unable to work due to a qualifying event and meet ongoing eligibility requirements.

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10 Eligibility requirements; payments that affect benefits. [§ 268B.06]

Subd. 1. Eligibility conditions. Specifies that an applicant who meets criteria under the program is eligible for benefits. An applicant must: (1) file continued request for benefits; (2) request benefits for week in the applicant's benefit year; (3) be unable to work due to a family member's serious health condition, a qualifying exigency, safety leave, bonding leave, or applicant's own pregnancy, pregnancy recovery, or serious health condition for the time required under subdivision 2; (4) have earned enough money through covered employment in the prior four completed quarters to establish a benefit account (\$3,300 for 2022, other than a self-employed applicant); and (5) submit certification supporting request for benefits under subdivision 3.

Subd. 2. Seven-day qualifying event. Sets a requirement that benefits can only be paid for a qualifying event of, at least, seven days duration. The seven days need not be sequential. For example, if an otherwise eligible employee breaks their leg, and the injury requires three days of treatment in a hospital, two days recovery at home, and two follow-up visits to a doctor, that would count as a seven-day qualifying event. Leave and benefits for bonding with a child are not subject to this requirement. Provides for rulemaking to determine what serious health conditions and events qualify.

Subd. 3. Certification. Requires certification for a request for benefits. Sets certification requirements for each type of leave, including health provider review and signature for leaves other than safety or exigency leave.

Subd. 4. Not eligible. Provides that an applicant is ineligible for benefits for any portion of a week before their benefit account becomes effective or if the applicant has an overpayment balance, fails to provide information on ineligibility, or worked for pay.

Subd. 5. Vacation, sick leave, and supplemental benefit payments. Provides an applicant cannot receive benefits for any portion of a week they are receiving vacation, sick, or personal leave. Does not apply to supplemental benefit payments, which an employer provides as salary continuation or as paid time off to supplement family and medical leave benefits the employee is receiving.

Subds. 6 to 8. Offsets. Provides that an applicant is ineligible for benefits for any portion of a week the applicant is receiving workers' compensation benefits or separation, severance, or bonus payments as wages. Also provides a 50 percent deduction from benefits for an applicant who has received, is receiving, or has filed for Social Security disability benefits for a period of time other than their entire base period of employment.

Section Article 3: Family and Medical Benefits

11 Determination on issues of eligibility. [§ 268B.07]

Provides for content of notification to employer when an employee is granted benefits under the program. Requires commissioner to provide notice within two weeks. A determination or amended determination is final unless an applicant files an appeal within 30 days, or 60 days with good cause shown. The commissioner has four years to revisit a determination of eligibility for misrepresentation.

12 Appeal process. [§ 268B.08]

The structure created under this section is generally similar to the structure of appeals under the state's unemployment insurance program.

Subd. 1. Hearing. Requires the commissioner of employment and economic development to appoint a chief benefit judge, who, in turn, appoints a benefit judge to conduct a hearing each time an applicant or employer appeals a determination of benefits. This subdivision also allows the commissioner to adopt rules for appeals hearings and provides discretion for the commissioner over how those hearings are structured.

Subd. 2. Decision. Requires a benefit judge to send a written decision, including reasons and finding of facts, upon completion of an appeals hearing.

Subd. 3. Request for reconsideration. Allows any party or the commissioner to seek reconsideration of an appeals decision within 30 days of receipt of the decision.

Subd. 4. Appeal to court of appeals. Allows a final decision on a request for reconsideration to be appealed to the Minnesota Court of Appeals.

Subd. 5. Benefit judges. Requires the chief benefit judge and other benefit judges to be attorneys, licensed in Minnesota, and employees of the Department of Employment and Economic Development. Also grants the chief benefit judge power to assign and reassign hearings to benefit judges.

13 Leave. [§ 268B.085]

Subd. 1. Right to leave. Provides that an employee, 90 days after date of hire, has a right to leave for any day, or portion of a day, in which the employee would be eligible for benefits under the chapter.

Subd. 2. Notice to employer. Provides for notice to employers about the need for leave, modeled on similar provisions from the federal Family and Medical Leave Act. Notice can be provided orally, by telephone, or text message. Requires 30-day notice to employer for foreseeable leave. An employer may require certification of need for leave under section 268B.06, subdivision 3.

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Subd. 3. Bonding leave. Provides that bonding leave begins at a time chosen by the employee, but such leave must begin within 12 months of the birth, adoption, or foster care placement of the child. There is an exception for children who must remain in the hospital longer than the child's mother. In that case, the 12-month clock begins when the child leaves the hospital.

Subd. 4. Intermittent leave. Provides that leave may be taken on an intermittent or reduced-schedule basis if reasonable and appropriate to the needs of the individual's health condition.

14 **Employment protections. [§ 268B.09]**

Subd. 1. Retaliation prohibited. Prohibits retaliation for requesting or obtaining benefits or for exercising any right granted under chapter 268B.

Subd. 2. Interference prohibited. Prohibits employer interference with an employee application for benefits or with an employee exercising any right under chapter 268B.

Subd. 3. Waiver of rights void. Voids any agreement to waive, or otherwise give up the right to benefits under chapter 268B.

Subd. 4. No assignment of benefits. Voids any assignment of benefits under chapter 268B.

Subd. 5. Continued insurance. Requires employers to continue any insurance or health plan during an employee's leave under the program. Employees continue to be responsible to pay any employee share of such program.

Subd. 6. Employee right to reinstatement after leave. Entitles an employee on leave to reinstatement following the leave in a position with equivalent seniority, status, benefits, pay, duties, responsibilities, and other terms and conditions.

Subd. 7. Limitations on reinstatement after leave. An employee on leave is not entitled to better seniority, status, benefits, pay, duties, responsibilities, or other terms and conditions than if the employee had not taken leave. For example, if a continuously employed employee would have been laid off, the employee on leave is not entitled to reinstatement after leave.

Subd. 8. Remedies. Allows a person injured by a violation of the employment protections under section 268B.09 to bring a private lawsuit seeking damages, equitable remedies (such as reinstatement in a job), and attorney fees.

Section Article 3: Family and Medical Benefits

15 Substitution of other plan. [§ 268B.10]

Subd. 1. Application for substitution. Allows an employer to apply to the commissioner of employment and economic development to substitute a private plan for either paid family, or paid medical, or both benefit programs under chapter 268B. Any private plan must provide the same rights, protections, and benefits as those conferred under chapter 268B.

Subd. 2. Private plan requirements; medical benefit program. Sets requirements for a private, employer-provided medical benefit program that allows the employer to substitute a private plan under subdivision 1. Generally requires a private plan to meet the rights, protections, and benefits provided under chapter 268B. A private plan may provide shorter durations of leave and benefit eligibility if the total amount of wage replacement for a qualifying event is the same or better than under the public plan.

Subd. 3. Employer plan requirements; family benefit program. Sets requirements for a private, employer-provided family benefit program that would allow the employer to substitute the private plan under subdivision 1. Generally requires a private plan to meet or exceed the rights, protections, and benefits provided under chapter 268B. A private plan may provide shorter durations of leave and benefit eligibility if the total amount of wage replacement for a qualifying event is the same or better than under the public plan.

Subd. 4. Use of private insurance products. Clarifies that private insurance products may be used in the creation of a private plan.

Subd. 5. Private plan approval and oversight fee. Sets an annual oversight fee for employers utilizing approved private plans, based on the employer's number of employees. Requires the commissioner of employment and economic development to review the adequacy of the fee as part of the annual report under section 268B.25, starting December 1, 2024.

Subd. 6. Plan duration. Requires that private plans must be in effect for at least one year and continuously thereafter unless the commissioner approves a withdrawal. Employers can withdraw plans within 30 days of the effective date of a law increasing benefits under chapter 268B or a change in premium rates. If the plan is not withdrawn it must be amended to meet the new requirements.

Subd. 7. Appeals. Provides that employers may use the appeals process under section 268B.08 to appeal a decision by the commissioner regarding the use of a private plan.

Subd. 8. Employees no longer covered. Provides the condition under which an employee is no longer covered by a private plan (termination of the employment

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relationship with the private-plan employer or approval for the private plan ends) and that such an employee is thereafter immediately covered by the public insurance provisions of chapter 268B.

Subd. 9. Posting of notice regarding private plan. Requires an employer with a private plan to notify affected employees following the notice requirements of section 268B.26.

Subd. 10. Amendment. Provides the conditions under which the commissioner must approve an amendment to a private plan.

Subd. 11. Successor employer. Provides for private plan continuation and termination when a business acquires an employer with a private plan. Gives acquiring business a 90-day window after acquisition to terminate a private plan.

Subd. 12. Revocation of approval by commissioner. Provides that the commissioner may terminate a private plan if certain conditions are met.

Subd. 13. Employer penalties. Provides penalties that the Department of Labor and Industry may assess if an employer with a private plan violates chapter 268B.

Subd. 14. Reports, information, and records. Requires employers with private plans to keep all records relating to the plan for six years and give them to the commissioner of employment and economic development upon request.

Subd. 15. Audit and investigation. Allows the commissioner to investigate and audit opt-out plans under this section.

This section is effective July 1, 2023, six months before premiums start.

16 Self-employed election of coverage. [§ 268B.11]

Allows for self-employed people and independent contractors to elect participation in the program. Requires net earnings of at least \$10,000 in the previous two taxable years. Those electing to participate pay half of the employer premium under the program and must elect to participate for a minimum of two years. A self-employed applicant's weekly wage is calculated based on their premium base (\$147,000 for 2022 or their estimated self-employment income and wages for the year, whichever is less).

17 Wage reporting. [§ 268B.12]

Requires employers to submit wage detail reports electronically each quarter listing certain information for each employee, including total wages paid and hours worked.

Section Article 3: Family and Medical Benefits

Provides for late fees and administrative service fees if information is missing or inaccurate.

18 Employer premium accounts. [§ 268B.13]

Establishes employer premium accounts with the commissioner of employment and economic development to pay family and medical benefit program premiums assessed under section 268B.14.

19 Premiums. [§ 268B.14]

Subd. 1. Payments. Requires all employers to pay a yearly premium on employee taxable wages, set in subdivision 4. Premiums are paid quarterly into the family and medical benefit insurance account and calculated based on the wage detail report submitted under section 268B.12.

Subd. 2. Payments by electronic payment required. Requires employers to pay premiums electronically.

Subd. 3. Employee charge back. Allows an employer to deduct up to 50 percent of the premiums paid by the employer from employee wages.

Subd. 4. Wages and payments subject to premium. Sets the maximum earnings or taxable wages on which premiums are assessed at the Social Security wage base (\$147,000 for 2022). Employers and employees pay the percentage premium set under this section on all earnings up to that amount. For example, 0.6 percent of \$147,000 or up to \$882 per employee for an employer participating in both family and medical benefits programs under this chapter.

Subd. 5. Annual premium rates. Provides initial annual percentage rates of premiums from January 1, 2024, through December 31, 2025.

Subd. 6. Premium rate adjustments. Sets the formula by which annual percentage rates of premiums increase or decrease each year starting January 1, 2026. Under the formula, the commissioner must calculate 1.45 times the amount disbursed under the program during the prior year, ending on September 30. The amount remaining in the program account is subtracted from the resulting sum. The resulting difference is divided by twice the total wages in covered employment (an amount determined currently by the Department of Employment and Economic Development). The resulting quotient is rounded down to the nearest one-hundredth of one percent. The result is the premium rate for the following year.

Section Article 3: Family and Medical Benefits

Subd. 7. Deposit of premiums. Requires all premiums collected be deposited in the family and medical benefit insurance account in the special revenue fund, established under section 268B.02, subdivision 4.

Subd. 8. Nonpayment of premiums by employer. Clarifies that nonpayment of premiums by an employer does not affect an employee's right to benefits under chapter 268B.

20 Income tax withholding. [§ 268B.145]

If the IRS finds benefits under the program to be taxable under federal law, and the applicant elects to have those federal taxes withheld, the commissioner of employment and economic development must withhold the tax.

21 Collection of premiums. [§ 268B.15]

Provides for treatment of premiums under chapter 268B, with language modeled from analogous sections under the state's unemployment insurance statute. Provides priority for how employer payments are applied. Allows for interest on past due amounts and judgments and credits or refunds for incorrect amounts assessed.

22 Child support deduction from benefits. [268B.155]

Requires the commissioner of employment and economic development to deduct child support owed from an applicant's leave amount to pay the child support agency. Related costs are paid by the child support agency.

23 Compromise. [268B.16]

Allows commissioner to compromise a premium or reimbursement due from an employer at any time, if it is in the state's best interest. Requires a compromise of more than \$10,000 to be approved by an attorney licensed in Minnesota, and employed by the Department of Employment and Economic Development.

24 Administrative costs. [§ 268B.17]

Allows the commissioner of employment and economic development to use up to seven percent of the premiums collected for administration from January 1, 2024, to December 31, 2024. Also allows the commissioner to use seven percent of projected benefit payments for a calendar year starting in January 2025 to administer the program in that year and allows interagency agreements with the Department of Labor and Industry for transferring funds for enforcement of chapter 268B.

25 Public outreach. [§ 268B.18]

Beginning January 1, 2024, requires the commissioner to use at least 0.5 percent of revenue collected under chapter 268B for outreach, education, and technical assistance about the program for employees and employers. Allows interagency

Section Article 3: Family and Medical Benefits

agreements with the Department of Labor and Industry for transferring funds for this purpose. At least half of the amount spent must be used for grants to community groups that will conduct the outreach, education, and technical assistance.

26 Benefit overpayments. [§ 268B.185]

Requires an applicant to repay overpaid benefits under chapter 268B, based on a determination or amended determination or a benefit law judge's decision. Provides for penalties and interest (after 30 days of nonpayment) for overpayments due to an applicant's intentional misrepresentation or omission to obtain benefits. An applicant has 30 days to appeal an overpayment penalty determination, or 60 days with good cause shown. Penalties or interest collected under this section are deposited into the family and medical leave enforcement account to be used for administering and enforcing this chapter. Provides for offset against future benefits for overpayments due to reasons other than misrepresentation and gives the commissioner of employment and economic development discretion in pursuing recovery of these amounts. Requires cancellation of unpaid overpayments after six to ten years.

27 Applicant administrative penalties. [§ 268B.19]

Sets administrative penalty of being ineligible for benefits for up to two years for applicants who intentionally misrepresent or omit facts in an effort to obtain benefits for which they do not qualify. Modeled on analogous language under the state's unemployment insurance statutes.

28 Employer misconduct; penalty. [§ 268B.20]

Sets circumstances and penalties for when an employer colludes with an employee to obtain benefits for which the employee was not eligible and for when an employer intentionally misrepresents or omits facts. Modeled on analogous language under the state's unemployment insurance statutes.

29 Records; audits. [§ 268B.21]

Requires employers to keep records related to the program that are prescribed by the commissioner of employment and economic development for a period of at least four years. This section also grants the commissioner power to conduct audits and investigations of employers, when necessary to administering chapter 268B, and sets penalties for failure to comply with such audits or requests for information.

30 Subpoenas; oaths. [§ 268B.22]

Grants the commissioner or benefit judge power to administer oaths, take depositions, certify official acts, and issue subpoenas when necessary for the administration of chapter 268B.

Section Article 3: Family and Medical Benefits

31 Lien; levy; setoff; and civil action. [§ 268B.23]

Provides that amounts due from an employer or applicant under chapter 268B may become a lien or level on property and requires setoff to the commissioner of employment and economic development for unpaid liability. Provides for a private civil action to collect amounts due under this chapter. Modeled on analogous language under the state's unemployment insurance statutes.

32 Conciliation services. [§ 268B.24]

Allows the Department of Labor and Industry to offer conciliation services to help settle disputes that arise under chapter 268B.

33 Annual reports. [§ 268B.25]

Beginning December 2024, requires the commissioner of employment and economic development to annually report, to the legislative and executive branches, a number of items regarding the operation and finances of the program under chapter 268B. Requires the commissioner to report on other items related to benefits starting December 1, 2025.

34 Notice requirements. [§ 268B.26]

Requires employers to post notices, prepared by the commissioner of employment and economic development, regarding rights and benefits under chapter 268B. Also requires employers to provide separate written notices about this chapter to individual employees and contractors respectively.

This section is effective December 1, 2023, one month before premiums start.

35 Relationship to other leave; construction. [§ 268B.27]

Subd. 1. Concurrent leave. Provides that an employer may require leave taken under chapter 268B run concurrently with leave taken for the same purpose under the federal Family and Medical Leave Act or section 181.941 (Pregnancy and parenting leave).

Subd. 2. Construction. Clarifies that nothing in chapter 268B is intended (1) to allow an employer to require an employee to exhaust accumulated employer-provided sick, vacation, or personal leave before taking leave under this chapter, or (2) to prohibit an employer or parties to a collective bargaining agreement from providing more generous benefits than those required under chapter 268B.

36 Severable. [§ 268B.28]

Clarifies that if a provision or part of a provision under chapter 268B is found to be inconsistent with federal law, it has no effect, but any remaining portion of the provision may remain in effect.

Section Article 3: Family and Medical Benefits

37 Small business assistance grants. [§ 268B.29]

Allows the commissioner to make grants to businesses with 50 or fewer employees to defray the cost of hiring replacement workers for employees on leave.

38 Effective dates.

The family and medical benefit insurance program is created effective July 1, 2022. Payment of employer premiums and sections related to premiums are effective January 1, 2024. Payment of benefits and sections related to benefits are effective January 1, 2025.

Article 4: Family and Medical Leave Benefit as Earnings

Article 4 provides for treatment of benefits under the Minnesota Family Investment Program (MFIP) and other programs.

Section Article 4: Family and Medical Leave Benefit as Earnings

1 Parents receiving family and medical leave benefits. [§ 256J.561, subd. 4]

Exempts a parent receiving benefits under chapter 268B and participating in MFIP from the employment services requirements of MFIP.

2 Eligibility for diversionary work program. [§ 256J.95, subd. 3]

Exempts single parents receiving benefits under chapter 268B from the diversionary work program requirements of MFIP.

3 Universal participation required. [§ 256J.95, subd. 11]

Exempts a parent, in a two-parent household, receiving benefits under chapter 268B from the MFIP diversionary work requirement, under certain circumstances.

4 Earned income. [§ 256P.01, subd. 3]

Defines benefits received under chapter 268B as earned income for the purposes of MFIP, general assistance, housing support services, and several other programs.

5 Effective dates.

This article is effective January 1, 2025.

Article 5: Unemployment Insurance for Hourly School Workers and Use of Data

Modifies unemployment eligibility for certain hourly school employees and adds provisions for use of unemployment insurance data.

Section Article 5: Unemployment Insurance for Hourly School Workers and Use of Data

- 1 Payment to unemployment insurance program trust fund by state and political subdivisions.**

Reduces a school district's unemployment levy amount by any amount of reimbursement received from the school reimbursement account under section 268.193.
- 2 School employees; between terms denial.**

Makes certain hourly school employees eligible for unemployment benefits between school terms if they otherwise meet unemployment eligibility requirements. Modifies section 268.085, subdivision 7, to allow this group to use their wages credits for unemployment insurance benefit purposes between school terms.

Applies to school employees performing functions that do not require licenses from the Professional Educator Licensing and Standards Board (PELSB) or the Board of School Administrators (BOSA), whose last employment was with a K-12 school district, charter school, or cooperative. Includes bus drivers, lunch workers, and other hourly employees.

Does not apply to professional licensed school staff such as teachers, principals, administrators, curriculum specialists, school nurses, librarians, or other school employees licensed by PELSB or BOSA.
- 3 Use of data.**

Includes SNAP, the SNAP employment and training program, and other cash assistance programs in the list of programs for which local and state welfare agencies may use unemployment insurance data to monitor and evaluate data subject eligibility. Adds provisions to allow the use of unemployment insurance data by: (1) the Minnesota Department of Education (MDE) for the purposes of the school reimbursement account under section 268.193; and (2) the attorney general for the purposes of wage theft and prevailing wage investigations.
- 4 School reimbursement account.**

Adds section 268.193, creating the school reimbursement account in the special revenue fund. Money in the account is appropriated to the commissioner of education for the purpose of reimbursing schools for the reimbursable costs charged for qualifying unemployment benefit payments for hourly school workers. The Department of Employment and Economic Development must determine and certify

Section Article 5: Unemployment Insurance for Hourly School Workers and Use of Data

the qualifying amounts charged to schools' reimbursable accounts and provide that data to MDE to issue quarterly reimbursement payments to schools. Allows MDE to use up to one percent of the amount appropriated to the account for administration.

5 Repealer.

Repeals Minnesota Statutes, section 268.085, subdivision 8, to remove any remaining limitation on school contractors receiving unemployment benefits. Unlike hourly school employees, many school contractors already qualify for unemployment between school terms, and their eligibility would not change.

6 Effective date.

Sections 1 to 5 are effective September 1, 2022.

Article 6: Labor and Industry Appropriations

Appropriates money to the Department of Labor and Industry, Workers' Compensation Court of Appeals, Bureau of Mediation Services, and others. See fiscal spreadsheet for details.

Article 7: Labor and Industry Policy and Technical

Makes several policy and technical changes to labor and industry provisions.

Section Article 7: Labor and Industry Policy and Technical

1, 2, 4- Division of Apprenticeship (multiple sections).

6, 8, 9 Create the Division of Apprenticeship, separate from the Division of Labor Standards. Remove obsolete language.

3 Compliance orders.

Adds section 11 [§ 181.991] to the list of statutes the commissioner of labor and industry may issue a compliance order to an employer about, effective for franchise agreements entered into or amended on or after the day following final enactment.

7 Labor education advancement grant program.

Modifies the labor education advancement grant program to focus on both recruiting and retaining people of color, Indigenous people, and women in registered apprenticeship programs. Allows grants to nonprofits and Tribal governments as well as community-based organizations.

Section Article 7: Labor and Industry Policy and Technical

10 Covenants not to compete void in employment agreements; substantive protections of Minnesota law apply. [§ 181.988]

Adds § 181.988, prohibiting non-compete agreements unless the exception applies.

Subd. 1. Definitions. Provides the definitions used in the bill. Defines a “covenant not to compete” as an employment agreement that restricts an employee’s ability to work for another employer after their termination for a certain time period, in a certain geographic area, or in a similar capacity.

Subd. 2. Covenants not to compete void and unenforceable. Makes covenants not to compete in contracts and employment agreements void and unenforceable. Clarifies that any remaining provisions of the contract or agreement remain in effect. Provides an exception for families earning above a certain amount if the employer pays 50% of the employee’s salary on a pro rata basis during the restricted period. Provides for injunctive relief plus attorney’s fees for violations.

Subd. 3. Choice of law; venue. Prohibits an employer from requiring an employee working and living in Minnesota from agreeing to resolve claims outside of Minnesota law or without the protection of Minnesota law. Provides an exception if the employee has legal counsel in negotiating their contract. Provides for injunctive relief plus attorney’s fees for violations.

Subd. 4. Severability. Clarifies that all remaining provisions in the bill remain valid and in force if any portion is found void or unconstitutional by a court.

Effective date. Effective the day following final enactment. Applies to contracts entered into on or after that date.

11 Restrictive Franchise Agreements prohibited. [§ 181.991]

Adds § 181.991, prohibiting and amending restrictive franchise agreements.

Subd. 1. Definitions. Provides the definitions used in the bill.

Subd. 2. Prohibition on restrictive franchise agreements. Prohibits restrictive franchise agreements. A franchisor cannot restrict, restrain, or prohibit a franchisee from soliciting or hiring employees of the same franchisor or the general franchisor.

Subd. 3. Franchise agreement amendment. Requires existing franchise agreements to be amended within one year to remove restrictive employment provisions.

Section Article 7: Labor and Industry Policy and Technical

Subd. 4. Civil action; penalties. Creates a civil cause of action for damages and injunctive relief for an aggrieved employee. An employee may be awarded actual damages plus injunctive relief, or a \$5,000 penalty, whichever is greater. If no civil action is brought in district court, the commissioner of labor and industry must impose a \$5,000 per employee penalty on the employer to be paid to the aggrieved employee.

Subd. 5. Severability. Provides that if any part of the section is found to be unconstitutional or void, the other provisions remain in effect.

Effective date. Effective the day following final enactment and applies to franchise agreements entered into or amended after that date.

12 License fees and license renewal fees.

Removes all contractor licensing fees for the period from July 1, 2022, through June 30, 2024, except that from October 1, 2021, through September 30, 2023, the base license fee for business licenses shall be \$120.

13 State licensed facility.

Designates assisted living facilities, including those with dementia care, as state licensed facilities where the commissioner of labor and industry is directly responsible for administration and enforcement of the State Building Code.

14 Adoption of code.

Directs the commissioner of labor and industry to adopt each new published edition of the model commercial energy code and amend it as necessary to achieve a minimum of eight percent additional energy efficiency.

15 Special requirements.

Alters the State Building Code requirements for window cleaning safety by obligating the commissioner of labor and industry to adopt rules using the expedited rulemaking process to require window cleaning safety features that comply with a nationally recognized standard for all windows on new buildings and existing buildings undergoing alterations if there are not currently safe window cleaning features and they can be added to the proposed alterations.

16 Annual report.

Changes the threshold for construction and development-related fee collections in municipal annual reports to the Department of Labor and Industry to fees collected in excess of \$7,000.

Section Article 7: Labor and Industry Policy and Technical

17 Building permits.

Reduces the total valuation and fee schedule used for setting building permit fees retroactively from October 1, 2021, through October 1, 2023, when these reductions will expire.

18 Valuation.

Requires the commissioner of labor and industry to establish a cost per square foot valuation of certain residential properties and associated accessory utility buildings for the purpose of setting building permit fees by municipalities.

19 Elevator.

Clarifies, with section 20, the definition of “platform lift.”

20 Platform lift.

Defines “platform lift” as a powered device for transporting mobility-impaired people on a guided platform.

21 Exemption from licensing.

Allows work to be performed on conveyors, platform lifts other than those carrying mobility-impaired people, and dock levelers without being a licensed elevator contractor.

22 Exemptions from inspections.

Exempts the replacement or repair of load control equipment owned and maintained by a utility company, other than a public utility, from the inspection requirement if done before December 31, 2027, by a licensed Class A electrical contractor.

23 Laws Chapter 32 effective date.

Clarifies the effective date for articles 1 (cleanup proposals) and 2 (filing location amendments), sections 1 to 12 of the Workers’ Compensation Advisory Council bill, Minnesota Laws 2022, chapter 32, was February 4, 2022.

Article 8: OSHA Penalty Conformance

Makes several conforming changes to OSHA penalties. Sections 1 to 5 increase the fine amounts for willful or repeat, serious, nonserious, failure to correct, and posting violations of occupational safety and health standards to conform to federal law. Section 6 provides that future yearly increases to fine amounts will be tied to inflation.

Article 9: Fair Labor Standards for Agricultural and Food Processing Workers

Makes various modifications and additions to labor standards for agricultural and food processing workers. Section 1 adds the Migrant Labor Law to the sections of law for which the commissioner of labor and industry can issue compliance orders. Sections 2 to 5 make changes to the Packinghouse Workers Bill of Rights (Minn. Stat. § 179.86). Section 6 makes a conforming change with the timing of payment required under the Migrant Labor Law. Sections 7 to 11 make changes to the Recruitment in Food Processing Law (Minn. Stat. § 181.635). Sections 12 to 20 make changes to the Migrant Labor Law (Minn. Stat. §§ 181.85 - 181.91).

Section Article 9: Fair Labor Standards for Agricultural and Food Processing Workers

- 1 Compliance orders.**
Adds provisions of the Migrant Labor Law to the list of statutes the commissioner of labor and industry may issue a compliance order to an employer about.
- 2 Definition.**
Expands the definition of “employer” under the Packinghouse Workers Bill of Rights to include the poultry processing industry.
- 3 Information provided to employee by employer.**
Modifies the requirements for the information that must be provided to packinghouse employees by the employer. Requires information to employees at the start of employment in person and in writing and provides that additional explanation must be provided, including information about workers’ compensation coverage. Clarifies that this information is additional to the notice required under Minn. Stat. § 181.032.
- 4 Civil action.**
Creates a civil action for damages for packinghouse employees for violations of the Packinghouse Workers Bill of Rights.
- 5 Fine.**
Creates a fine of \$400 to \$1000 on packinghouse employers for each violation of the information requirements.
- 6 Prompt payment required.**
Makes conforming change to require that migrant worker wages are due and payable within three days of quitting or resignation.

Section Article 9: Fair Labor Standards for Agricultural and Food Processing Workers

7 Definitions.

Modifies the definition of “recruits” to include inducing an employee to relocate for employment or the possibility of employment within Minnesota.

8 Recruiting; required disclosure.

Modifies the disclosure requirements for recruits by requiring that the disclosure be provided in the person’s preferred language, if it is not English or Spanish, and requiring that the signed disclosure be maintained by the employer for three years. Clarifies that this disclosure is additional to the notice required under Minn. Stat. § 181.032.

9 Civil action.

Increases the damage amounts available to plaintiffs in a civil action for violations of the Recruitment in Food Processing Employment Law.

10 Fine.

Increases the fine amount for each violation of the Recruitment in Food Processing Employment Law.

11 Standard disclosure form.

Provides that the standard disclosure form from the Department of Labor and Industry must be provided in languages other than English and Spanish upon request.

12 Agricultural labor.

Modifies the definition of “agricultural labor” to also include labor performed in agriculture, as defined in Minnesota Rules, part 5200.0260.

13 Employer.

Expands the definition of “employer” under the Migrant Labor Law to include an individual, partnership, association, corporation, business trust, or any person or group of persons who employs any number of migrant workers through a recruiter.

14 Terms.

Requires the written employment statement for migrant workers be provided in the worker’s preferred language, if it is not Spanish. Requires that additional information about workers’ compensation coverage be provided. Clarifies that the written employment statement under this section is additional to the notice required under Minn. Stat. § 181.032.

Section Article 9: Fair Labor Standards for Agricultural and Food Processing Workers

15 Biweekly pay.

Adds a cross reference to Minn. Stat. § 181.13, providing that migrant worker wages are immediately due and payable if discharged.

16 Guaranteed hours.

Modifies payment requirements for the 70 guaranteed hours for migrant workers. Requires payment of the highest wage rate applicable under state or federal minimum wage laws, or as provided in the employment statement.

17 Statement itemizing deductions from wages.

Requires migrant labor employers to comply with the earning statement requirements under Minn. Stat. § 181.032, part of the wage theft law, in addition to providing an itemized statement of deductions from wages.

18 Record keeping.

Requires migrant labor employers to comply with the recordkeeping requirements under Minn. Stat. § 177.30, part of the Minnesota Fair Labor Standards Act, and to maintain the written employment statement required for migrant worker recruits under Minn. Stat. § 181.86 for six years.

19 Judgment; damages.

Increases the damage amounts available to plaintiffs in a civil action for violations of the Migrant Labor Law.

20 Enforcement.

Allows the Department of Labor and Industry to assess penalties for violations of the Migrant Labor Law to be paid to aggrieved migrant workers.

Article 10: Combative Sports

Makes a variety of technical changes to the combative sports licensing system. Notable changes include:

- Exempting most martial arts events and amateur boxing from the chapter, but requiring regulation by the applicable sporting or school association (sections 1, 2, and 6).
- Redefining “tough person contest” (section 3).
- Reducing the advisory council from nine members to five, all of which must have knowledge of the combative sports industry, and exempting advisory council

- meetings on issues related to contest outcome challenges from the open meeting requirements of chapter 13D (section 4).
- Incorporating the most recent version of the Unified Rules of Boxing by reference as part of the chapter (sections 5 and 6).
 - Adjusting schedule for payment of fees, license expiration, and other pre-event requirements (sections 7-10).
 - Establishing procedures for event approval (section 11).
 - Stipulating that the promoter of an event supply an ambulance and two emergency medical technicians on site for all contests (section 12).
 - Requiring a negative pregnancy test from female combatants (section 13).
 - Setting rules for challenging the outcome of a combative sport contest (section 14).
 - Allowing the commissioner to impose civil penalties if a regulatory body for a martial arts or amateur boxing event does not submit bout results and any suspensions to the commissioner within 72 hours after the event (section 15).

Article 11: Public Employment Relations Board

Makes changes to Public Employment Relations Board (PERB) data and effective date.

Section Article 11: Public Employment Relations Board

- 1 Access by labor organizations, Bureau of Mediation Services, Public Employment Relations Board.**

Amends the Minnesota Government Data Practices Act (MGDPA) to allow the PERB access to personnel data if the labor organization responsible authority determines it is necessary or as ordered by the Bureau of Mediation Services or the PERB.
- 2 Public Employment Relations Board data.**

Adds a new provision to the MGDPA. Makes data maintained by the PERB related to an unfair labor practice charge, complaint, or appeal protected nonpublic or confidential data under the MGDPA that may be subject to protective order.

Makes other types of data related to the PERB public data, including the: (1) filing date of an unfair labor charge; (2) status of an unfair labor charge; (3) name and job class of the charging and charged party; (4) alleged provision of law violated; (5) complaint issued by the PERB and all data in the complaint; (6) full and complete record of an evidentiary hearing on the charge; (7) recommended decisions and orders; (8) exceptions to a recommended decision and order; (9) briefs filed with the PERB; and (10) decisions and orders issued by the PERB.

Section Article 11: Public Employment Relations Board

Also provides individuals with access to their own statements made to the PERB and allows the PERB to grant access to protected nonpublic or confidential data if it would aid in implementing chapters 179 and 179A.

3 Open meetings.

Provides that open meeting laws do not apply to certain meetings of the PERB, including those deliberating the merits of unfair labor charges, reviewing a recommended decision and order, or reviewing a decision by the Bureau of Mediations Services related to unfair labor practices.

4 PERB effective date.

Makes implementation of the PERB effective the day following final enactment. Unfair labor practice claims from July 1, 2021, until the day following final enactment remain subject to district court jurisdiction.

Article 12: Refinery Safety

Creates a new requirement that at least a certain percent of the employees of any contractor working at a petroleum refinery must have experience with a registered apprenticeship program in the applicable trade. Establishes fines and a private right of action to punish violators and allows the commissioner to issue compliance orders.

Section Article 12: Refinery Safety

1 Compliance orders. [§ 177.27, subd. 4]

Adds section 2 [§ 181.987] to the list of statutes the commissioner of labor and industry may issue a compliance order to an employer about, effective October 15, 2022.

2 Use of skilled and trained contractor workforces at petroleum refineries. [§ 181.987]

Creates a new requirement that at least a certain percent of the employees of any contractor working at a petroleum refinery must have experience with a registered apprenticeship program in the applicable trade. Establishes fines and a private right of action to punish violators. Effective October 15, 2022.

Subd. 1. Definitions. Provides definitions, including defining “skilled and trained workforce” as a minimum percent of the employees of a contractor or subcontractor working at the site of the petroleum refinery either currently or previously being registered apprentices in the applicable trade. The minimum

Section Article 12: Refinery Safety

percentage begins at 65 percent by October 15, 2022, and steps up annually by 10 percent until reaching 85 percent by October 15, 2024.

Subd. 2. Use of contractors by owner, operator; requirement. Requires the owner or operator of a petroleum refinery to require that all contractors and subcontractors performing certain types of work on site to use a skilled and trained workforce as defined in subdivision 1, unless hired to perform OEM work necessary to comply with equipment warranty requirements.

Subd. 3. Penalties. Directs the commissioner of labor and industry to fine owners, operators, contractors, or subcontractors at least \$5,000, but no more than \$10,000 for every shift where the skilled and trained workforce requirement is violated, in addition to other penalties. Allows the size of the penalty to be scaled to the size of the violator's business and the gravity of the violation.

Subd. 4. Civil actions. Creates a private right of action for anyone injured by a violation of this section to sue the violator for damages in district court. Allows the court to award a successful plaintiff these damages, plus attorney fees, cost, disbursements, and other relief.

Effective date. This section is effective October 15, 2022.

Article 13: Agricultural Worker Wellness

Creates an ombudsperson of safety, health, and well-being of agricultural and food processing workers and agricultural worker wellness committee at the Department of Labor and Industry.

Section Article 13: Agricultural Worker Wellness

1 Ombudsperson for the safety, health, and well-being of agricultural and food processing workers. [§ 179.911]

Adds new section 179.911 establishing an ombudsperson of safety, health, and well-being of agricultural and food processing workers at the Department of Labor and Industry.

Subd. 1. Definitions. Defines "food processing" and "agricultural work" for the purposes of sections 179.911 and 179.912.

Subd. 2. Appointment. Requires the governor to appoint an ombudsperson to assist agricultural and food processing workers with housing, workplace safety, fair labor standards, and other challenges.

Section Article 13: Agricultural Worker Wellness

Subd. 3. Qualifications. Provides qualification requirements for the ombudsperson, including knowledge and competence in workplace safety, health, and well-being of agricultural and food-processing workers, as well as housing and fair labor standards. Requires the ombudsperson to have experience working with agricultural and food processing workers and to speak a language other than English common to those workers.

Subd. 4. Duties. Provides the duties of the ombudsperson, including outreach, education, and coordination of efforts and services to assist agricultural and food processing workers with workplace safety, housing, labor standards, and other concerns. Directs the ombudsperson to work with agencies and stakeholders, to make recommendations, and to report to the commissioner annually on the duties carried out.

Subd. 5. Complaints. Allows the ombudsperson to receive and review complaints from any agency, facility, or program.

Subd. 6. Access to records. Allows the ombudsperson access to any state agency data necessary to carry out their duties, including confidential data or private data on individuals, with the individual's consent.

Subd. 7. Staff support. Authorizes the ombudsperson to appoint and compensate support staff.

Subd. 8. Independence of action. Allows the ombudsperson to testify and periodically report to the legislature and to address concerns of agricultural and food processing workers.

Subd. 9. Civil actions. Provides that the ombudsperson or their designee are not civilly liable for any action taken in good faith within the scope of their authority under this section.

Subd. 10. Posting. Requires the commissioners of labor and industry, employment and economic development, health, administration, and human rights to post the contact information for the ombudsperson on their websites and provide it to agricultural stakeholders upon request.

2 Agricultural worker wellness committee. [§ 179.912]

Adds new section 179.912 creating an agricultural worker wellness committee at the Department of Labor and Industry.

Subd. 1. Agricultural worker wellness committee established. Establishes the committee to carry out the work of the committee established under [Executive](#)

Section Article 13: Agricultural Worker Wellness

[Order No. 21-14](#) and authorizes the commissioner of labor and industry to hire two full-time equivalent support staff.

Subd. 2. Definitions. Defines the terms “food processing” and “agricultural work” as defined in section 179.911, and defines “musculoskeletal disorders” as used in this section.

Subd. 3. Membership. Lists the 21 voting members of the committee, including the commissioners of labor and industry, employment and economic development, health, administration, and human rights as well as members to be appointed by the governor, including representatives of the Migrant Services Consortium, agricultural employers, public health, community-based organizations, agricultural sector geographic regions, and unions.

Subd. 4. Membership terms; compensation. Requires the governor to make initial appointments by October 1, 2022, and provides for compensation and staggered terms of members.

Subd. 5. Chairs; other officers. Provides that the commissioners of agriculture and labor and industry will serve as the co-chairs of the committee.

Subd. 6. Committee responsibilities. Provides responsibilities of the committee, including analyzing and recommending policies to address housing, workplace safety, including musculoskeletal disorders, and fair labor issues for agricultural and food processing workers. Also makes the committee responsible for acting as a forum for stakeholders on various issues impacting agricultural and food processing workers, and coordinating response and health and safety initiative efforts, including ergonomic hazard and risk prevention.

Subd. 7. Central inventory of reports and analyses on agricultural and food processing workers. Directs the committee to establish a central inventory of data reports and analyses regarding agricultural and food processing worker information and definitions.

Subd. 8. Report to legislature and governor. Requires an annual report to the governor and legislative committees with jurisdiction over labor and agriculture about the committee’s annual work plan and efforts.

Article 14: Earned Sick and Safe Time

Establishes earned sick and safe time requirements for workers who work at least 80 hours in a year for an employer.

Section Article 14: Earned Sick and Safe Time

1 Comparable position. [§ 181.942, subd. 1]

Makes conforming change; requires that an employee be able to return to their former position after using earned sick and safe time.

2 Definitions. [§ 181.9445]

Provides definitions for the article. Defines “employee” as anyone who has worked at least 80 hours in a year for an employer, but not an independent contractor.

3 Accrual of earned sick and safe time. (ESS) [§ 181.9446]

Requires employers to allow employees to earn, at a minimum, one hour of paid ESS time for every 30 hours worked, up to 48 hours per year. Allows employees to carry over up to 80 accrued but unused hours of ESS time from year to year. Total accrued but unused ESS cannot exceed 80 hours at any time unless agreed to by the employer. Accrual of ESS begins when a qualified employee begins employment, and may be used after working for the employer 90 calendar days. Salaried employees, who are exempt from the provisions of federal overtime laws, are considered to work 40 hours per week for purposes of ESS accrual.

4 Use of earned sick and safe. (ESS) time [§ 181.9447]

Subd. 1. Eligible use. Provides the eligible uses for ESS time. These include: (1) an employee’s mental or physical illness, treatment, or preventative care; (2) care of a sick family member or a family member in need of preventative care or treatment; (3) absence related to domestic abuse, sexual assault, or stalking of an employee or family member; (4) closure of an employee’s workplace due to weather or public emergency or closure of a family member’s school or care facility due to weather or public emergency; and (5) a determination by a health care provider that an employee or family member is at risk of infecting others with a communicable disease. Employees receive their regular hourly rate of pay for ESS time.

Subd. 2. Notice. Allows an employer to require reasonable notice of up to seven days when the need for ESS time is foreseeable, or as soon as practicable when the need is unforeseeable.

Subd. 3. Documentation. Allows an employer to require an employee to provide reasonable documentation justifying use of three or more consecutive days of ESS time. Provides examples of reasonable documentation.

Subd. 4. Replacement worker. Prohibits employers from making employees find replacement workers as a condition of using ESS time.

Section Article 14: Earned Sick and Safe Time

Subd. 5. Increment of time used. Allows employees to use ESS time in smaller increments of up to four hours, as tracked by the employer's payroll.

Subd. 6. Retaliation prohibited. Prohibits an employer from retaliating against an employee for requesting or taking ESS time or for exercising another right under the ESS provisions.

Subd. 7. Reinstatement to comparable position after leave. Requires an employer to reinstate an employee in the same or comparable position after return from use of ESS time.

Subd. 8. Pay and benefits after leave. Requires an employer to provide the same pay and benefits to an employee returning from ESS leave, including retaining seniority and accrued preleave benefits and any automatic pay adjustments.

Subd. 9. Part-time return from leave. Allows an employee to return to work on a part-time basis during a period of ESS leave with agreement from their employer, without forfeiting their right to reinstatement at the end of the ESS leave.

Subd. 10. Notice and posting by employer. Requires employers to provide notice of employee rights under the ESS provisions at the start of employment or the effective date of this bill, whichever is later. Effective notice includes posting the notice at workplace locations or providing a paper or electronic copy.

Subd. 11. Required statement to employee. Requires an employer, upon employee request, to provide a statement including the amount of ESS time available to the employee and the amount of ESS time used by the employee.

Subd. 12. Employer records. Requires an employer to keep records about hours worked and ESS accrual and use by employees, and allows an employee to view their own employee records.

Subd. 13. Confidentiality and nondisclosure. Sets requirements for confidential treatment of employee's health, medical, and other private records collected in relation to ESS time.

5 **Effect on other law or policy. [181.9448]**

Subd. 1. No effect on more generous sick and safe time policies. Clarifies that nothing prohibits an employer or collective bargaining agreement from providing more generous leave policies than the minimum ESS required by this bill. Permits collective bargaining agreements or paid time off policies that provide the same or better leave. Does not require employers to provide additional ESS if they are already providing the same or better leave. An employer may opt out of these

Section Article 14: Earned Sick and Safe Time

requirements for construction workers by paying prevailing wage or the rate established in a registered apprenticeship agreement.

Subd. 2. Termination; separation; transfer. Provides that employers are not required to pay out any accrued ESS time upon separation from employment. An employee transferred within a single employer retains accrued ESS time and an employee hired back by the same employer within 180 days of termination is entitled to reinstatement of accrued ESS time.

Subd. 3. Employer succession. Allows employees to retain earned but unused ESS time when ownership transfers to a different employer.

6 Repealer.

Repeals section 181.9413 that allows employees to use employer provided sick days to care for a sick relative or to provide or receive assistance for domestic abuse, sexual assault, or stalking.

7 Effective date.

Effective 180 days following final enactment.

Article 15: Earned Sick and Safe Time Enforcement

Establishes enforcement requirements for earned sick and safe time provisions.

Section Article 15: Earned Sick and Safe Time Enforcement

1 Submission of records; penalty. [§ 177.27, subd. 2]

Increases the maximum penalty for employers who fail to submit required records to the Department of Labor and Industry from \$1,000 to \$10,000 per violation. Removes penalty for repeated failure.

2 Compliance orders. [§ 177.27, subd. 4]

Adds earned sick and safe time provisions to the list of laws that the Department of Labor and Industry may enforce through compliance orders.

3 Employer liability. [§ 177.27, subd. 7]

Increases the maximum civil penalty, from \$1,000 to \$10,000 for employers who violate any of the sections over which the Department of Labor and Industry has enforcement authority under section 177.27, subdivision 4.

Section Article 15: Earned Sick and Safe Time Enforcement

4 Earned sick and safe time enforcement. [§ 177.50]

Subd. 1. Definitions. Provides the same definitions from article 1 apply to this article.

Subd. 2. Rulemaking authority. Allows the commissioner of labor and industry to adopt rules under this section as well as under the sections created by article 1.

Subd. 3. Individual remedies. Allows an employee injured by a violation of the ESS provisions to bring a civil lawsuit in court within three years of the violation.

Subd. 4. Grants to community organizations. Allows the Department of Labor and Industry to make grants to community organizations for outreach and education about the ESS provisions.

Subd. 5. Report to legislature. Requires an annual report to the legislature, from the Department of Labor and Industry, addressing violations of the ESS provisions and trends in violations by employer, industry, or geography.

Subd. 6. Contract for labor or services. Prohibits an employer knowingly contracting with an entity that has violated this section within the last two years and has not cured their noncompliance.

Effective date. Effective 180 days following final enactment.

Article 16: Warehouse Distribution Worker Safety

Establishes worker safety requirements for warehouse distribution centers.

Section Article 16: Warehouse Distribution Worker Safety

1 Warehouse distribution worker safety.

Provides several worker safety requirements for warehouse distribution centers.

Subd. 1. Definitions. Provides definitions used in the bill. Applies to employers with 250 or more employees at one warehouse distribution center or 1,000 or more employees at one or more warehouse distribution centers.

Subd. 2. Notice required. Requires written notice to employees in their preferred language of any quota they are required to meet. Notice must be given at the time of hire, or within 30 days of enactment, and at least two days before the quota will take effect. The notice must include how the work standards for the quota will be measured, such as a certain speed, certain output amount, or

Section Article 16: Warehouse Distribution Worker Safety

certain error or defect rate for a certain period of time or group, and any consequence for not meeting the quota. Prohibits adverse employment action against an employee for failing to meet a quota that was not disclosed.

Subd. 3. Breaks. Prohibits employers from requiring employees to meet quotas that would interfere with compliance of required meal, rest, restroom break, or prayer periods, or otherwise prevent compliance with any Occupational Safety and Health Administration (OSHA) workplace safety standard. Also prohibits employers from taking adverse employment action against employees who do not meet such a quota.

Subd. 4. Work speed data. Allows employees to request their work speed data from their employer for the most recent 90 days orally or in writing up to four times a year. Requires employers to provide the data within 72 hours and when an employee is disciplined or fired for failing to meet a quota.

Subd. 5. High rates of injury. Requires the commissioner of labor and industry to investigate violations under this section if OSHA data shows a 30 percent higher than the year's average incidence rate for nonfatal occupational injuries and illnesses. Requires monthly safety meetings until the incidence rates fall below 30 percent higher than the average for two years.

Subd. 6. Enforcement. Provides enforcement by the commissioner of labor and industry, as provided under existing law. The commissioner may inspect and investigate and issue written citations for violations, set a reasonable timeline to correct violations, and impose a penalty. Citations, penalties, and remedies are set under existing law. Also creates a private civil cause of action for an employee aggrieved by violations of this section. An employee may receive damages and costs, an injunction to comply, and other equitable relief determined by the district court, including reinstatement with back pay.

2 **Severability.**

Provides that if any provision or application of the bill is found to be void by a court that the remaining provisions will remain in effect.

Article 17: Commerce Appropriations

Appropriates money from the general fund.

Article 18: Renewable Development Account Appropriations

Appropriates money from the renewable development account.

Article 19: Energy Conservation

Section Article 19: Energy Conservation

- 1 State supplementary weatherization grants account.**
Establishes the state supplementary weatherization grant account.
- 2 Grant allocation.**
Expands the uses of state supplementary weatherization grants to include addressing physical deficiencies in a residence that prohibit eligibility for federal weatherization assistance, installing preweatherization measures, and addressing shortages of trained workers.
- 3 Weatherization training grant program.**
Establishes a program to award grants to nonprofits, labor organizations, and worker training centers to train workers for weatherization careers.
- 4 Energy benchmarking.**
Requires owners of commercial and institutional buildings over 50,000 square feet to report energy use annually to the Department of Commerce via a U.S. Department of Energy software program.
- 5 Adoption of code.**
Authorizes cities to adopt the most recently published ASHRAE commercial energy code prior to adoption of a more energy efficient code by the commissioner of the Department of Labor and Industry.

Article 20: Commission Proceedings

Section Article 20: Commission Proceedings

- 1 Investigation.**
Authorizes the commission to investigate a complaint made under the dispute resolution process established in section 2.

Section Article 20: Commission Proceedings

- 2 Consumer disputes.**
Establishes a consumer dispute process at the Minnesota Public Utilities Commission that allows complaints to be appealed to the commission.
- 3 Transmission planning in advance of generation retirement.**
Requires discussion in a utility's integrated resource plan of plans to upgrade transmission or other grid resources for a generating plant that is to be retired within 15 years.
- 4 – 12 Securitization.**
Establishes a process under which, after an extraordinary event that imposes significant costs on customers, a natural gas utility may, with commission approval, sell low-interest bonds to raise capital to pay those costs, at a savings to ratepayers compared with traditional methods of financing.
- 13 Commission approval required.**
Raises from \$100,000 to \$1,000,000 the price at which a utility may sell or rent facilities without commission approval.
- 14 Compensation for participants in proceedings.**
Revises the conditions under which nonprofit or individual participants in commission proceedings may seek compensation from utilities, including allowing compensation in proceedings other than a general rate case.
- 15 Department of Commerce to provide technical expertise and other assistance.**
Authorizes the Department of Commerce to take actions—with respect to environmental review of electric generating plants, wind energy conversion systems, and high voltage transmission lines—based on commission decisions, but prior to issuance of the commission's written order concerning the issue.
- 16 Applicable projects.**
Increases from five to 30 miles in length the size of a high voltage transmission line authorized to utilize an expedited review process of the proposed route by the commission that does not require analysis of an alternate route.
- 17 Repealer.**
Repeals section 216B.16, subdivision 10, the existing statute governing participant compensation that is replaced by section 14.

Article 21: Energy Storage

Section Article 21: Energy Storage

1 Energy storage capacity; treatment.

Establishes conditions under which, for interconnection purposes, the capacity of a distributed energy facility operating in conjunction with an energy storage system is to be calculated as the capacity of the distributed energy facility alone.

2 Value of on-site energy storage.

Requires the commission to initiate a docket by September 15, 2022, to determine compensation for owners of energy storage systems for the voluntary discharge of energy and capacity during peak demand periods or when requested by a utility.

3 Energy storage systems assessment.

Requires analysis in a public utility's integrated resource plan of how energy storage systems could help meet the utility's renewable and solar energy standard goals, and the state's greenhouse gas emissions reduction goal.

4 Distribution study for distributed generation.

Requires a utility's distribution study to assess the deployment of energy storage systems that could support the development of distributed generation resources on the system.

5 Storage rewards incentive program.

Requires Xcel Energy to establish a program providing grants to customers who install energy storage systems.

Article 22: Renewable Energy

Section Article 22: Renewable Energy

1 Alternative energy sources.

Specifies that if the incorporation of all cost-effective energy efficiency measures in the design, materials, and operation of a state building is insufficient to meet the required Sustainable Building 2030 energy standards, cost-effective renewable energy, or solar thermal energy systems also must be deployed for that purpose.

2 Onsite energy generated from renewable sources.

Limits the capacity of renewable energy sources in a state building to 120 percent of the building's average annual electricity demand.

Section Article 22: Renewable Energy

- 3 Solar energy production incentive program.**
Increases Xcel Energy’s 10-year production incentives for customer-installed small solar energy generating systems by \$5 million in both 2023 and 2024, and extends the program to 2025 at a level of \$10 million.
- 4 Solar energy; contingency account.**
Establishes a contingency account to pay the installer of a solar energy generating system on the site of the former Ford plant in St. Paul if the Minnesota Pollution Control Agency orders remediation of contaminated land underneath the system that requires the solar array to be temporarily removed and later reinstalled.
- 5 Community solar garden.**
Increases the maximum capacity of a solar garden from one to three megawatts. Exempts a solar garden that is located 100 feet or more from the nearest residential property from the requirement that subscribers and the generating facility be located in the same county or a contiguous county. Provides various consumer protection provisions for solar garden subscribers. Allows a community access solar garden project—one in which at least 50 percent of capacity is subscribed by residential customers—to receive the retail rate for electricity generated by the solar garden.
- 6 Exemptions.**
Exempts a solar or wind project from the requirement to obtain a certificate of need from the Minnesota Public Utilities Commission if the commission ordered the utility to develop those generation sources in response to the utility’s most recent integrated resource plan.
- 7 Definitions.**
Expands eligibility for the Solar for Schools program to include a Tribal contract school.
- 8 Solar grant program; public buildings.**
Establishes a program in the Department of Commerce to award grants to local units of government or municipal electric utilities that install solar energy generating systems on public buildings.
- 9 Solar energy generating system.**
For the purpose of issuing a site permit, expands the definition of solar energy generating system to include transmission lines below 100kV capacity that interconnect the system with a high-voltage transmission line.

Section Article 22: Renewable Energy

10 Environmental review.

Prohibits the commissioner of commerce from evaluating an alternative site in addition to the one proposed by an applicant seeking to build an electric generating plant 50 MW or greater in capacity.

11 Limits on certain residential solar energy systems prohibited.

Specifies conditions that a homeowners association may require regarding the installation of a solar energy generating system by a unit owner.

12 Photovoltaic demand credit rider.

Requires a public utility that has not already done so to submit a proposal to the commission for a demand credit rider to reimburse demand-metered customers with solar energy generating systems of 40kW or more capacity for any overbilling that may have occurred.

13 Repealer.

Repeals statutes regarding the deployment of solar energy generating systems on state buildings.

Article 23: Electric Vehicles

Section Article 23: Electric Vehicles

1 Vehicle purchases.

Establishes a hierarchy of preferences for the types of motor vehicles purchased by the Department of Administration for the state fleet, naming electric vehicles as most preferred.

2 Goals and actions.

Requires vehicle purchases by other state agencies to utilize the purchasing hierarchy established in section 1.

3 No commercial establishment within right-of-way; exceptions.

Authorizes the installation of electric vehicle charging stations at safety rest areas.

4 Dealer training; electric vehicles.

Requires licensed vehicle dealers selling electric vehicles under an agreement or franchise with a manufacturer to have at least one employee who has completed a training course developed by a motor vehicle dealership association in Minnesota that addresses certain issues regarding electric vehicles.

Section Article 23: Electric Vehicles

- 5 Electric vehicle deployment program.**
Requires a public utility to submit for commission approval by June 1, 2023, a transportation electrification plan designed to promote the deployment of electric vehicles and electric vehicle infrastructure. Specifies contents of the plan.
- 6 Electric school bus deployment program.**
Authorizes a public utility to file a proposal for commission approval to provide rebates to school districts for the incremental cost of electric school buses over fossil-fuel powered school buses.
- 7 Grant program; manufacturers' certification of auto dealers to sell electric vehicles.**
Establishes a program in the Department of Commerce to award grants up to \$40,000 to auto dealers to defray the costs of employee training programs required by electric vehicle manufacturers in order to certify auto dealers to sell electric vehicles.
- 8 – 12 State Building Code; electric vehicles; parking facilities.**
Amends the state building code to require a minimum number of spaces in on-site commercial and multifamily parking facilities to enable electric vehicle charging.
- 13 Electric vehicle charging stations; installations in state and regional parks.**
Requires the commissioner of natural resources to develop and fund the installation of electric vehicle charging stations in state parks.
- 14 Electric vehicle charging stations; installations at county government centers.**
Requires the commissioner of commerce to develop and fund the installation of electric vehicle charging stations at county government centers.

Article 24: Renewable Economic Development

Section Article 24: Renewable Economic Development

- 1 Renewable development account.**
Requires construction projects funded from the account to pay workers no less than prevailing wage.
- 2 Grant awards; limitations.**
Allows submission of community energy transition grants to DEED on an ongoing basis.

Section Article 24: Renewable Economic Development

- 3 Economic and community development.**
Allows recovery by a utility of the cost of employing local workers to construct and maintain generation facilities.
- 4 Cost recovery.**
Specifies that costs of employing local workers to construct and maintain generation facilities are recoverable if the commission deems them to be reasonable.
- 5 Local benefits.**
Specifies that commission decisions regarding the Renewable Energy Standard must maximize local economic impacts.
- 6 Definitions.**
Defines “local workers” and “local job impacts.”
- 7 Preference for local job creation.**
Requires a utility to report in its integrated resource plan on actions it has taken to maximize construction opportunities for local workers.
- 8 Bidding; exemption from certificate of need processing.**
Requires a utility seeking additional generating resources under a bidding process to consider local job impacts when evaluating bids.
- 9 – 11 Commercial Property Assessed Clean Energy projects.**
Expands PACE-eligible projects to include those that promote water conservation or that make permanent improvements to farmland that increase profitability and reduce environmental impacts.
- 12 Minnesota Innovation Finance Authority.**
Establishes a nonprofit organization to use innovative financing tools to assist energy conservation, renewable energy, and regenerative agriculture projects.
- 13 Energy Alley Startup Fund.**
Establishes a program in the Department of Commerce to provide grants and loans to Minnesota businesses to develop decarbonization technologies.
- 14 Grants for renewable integration and demonstration.**
Establishes a program in the Department of Commerce to provide grants to support grid modernization and grid integration of renewable energy technologies.

Section Article 24: Renewable Economic Development

15 Consideration in designating sites and routes.

Adds factors the commission must consider in evaluating sites and routes for electric generating plants and high-voltage transmission lines, including impacts on environmental quality, energy reliability, socioeconomic factors, and local employment.

16 Final decision.

Prohibits the issuance of a site permit for construction of an electric generating plant of 50 MW or greater capacity unless the project applicant certifies that construction workers will be paid at least the prevailing wage rate.

17 Site permit.

Prohibits the issuance of site permits for wind energy conversion systems of 25 MW or greater capacity unless the project applicant certifies that construction workers will be paid at least the prevailing wage rate.

Article 25: Greenhouse Gas Emissions

Section Article 25: Greenhouse Gas Emissions

1 Environmental costs.

Specifies that the commission, in evaluating future resource options, must employ the social cost of carbon estimates, range of discount rates, and time horizon developed by the federal interagency working group released in February 2021, as updated.

2 Environmental standards procurement task force.

Directs the commissioner of the Departments of Administration and Transportation to appoint and convene a task force by June 30, 2022, to examine and make recommendations regarding: (1) requiring vendors of certain construction materials used in state construction projects to submit environmental product declarations that assess the lifecycle environmental impacts of those products; and (2) the establishment by the commissioner of administration of maximum greenhouse gas emissions for certain products.

3 Local climate action grant program.

Establishes a program in the Pollution Control Agency to award grants to political subdivisions to develop plans to reduce greenhouse gas emissions and to mitigate climate change impacts.

Article 26: Miscellaneous

Section Article 26: Miscellaneous

- 1 **Renewable development account.**
Requires reports on workforce diversity from projects funded from the account.

- 2 **Minnesota State Competitiveness fund.**
Establishes a program in the Department of Commerce to increase the state's ability to compete successfully for federal energy funds, including providing funds to match federal awards.

- 3 **Residential electric panel upgrade grants; pilot program.**
Establishes a program in the Department of Commerce to award grants to upgrade electrical panels in single-family and multifamily homes to advance electrification.

- 4 **Utility diversity reporting.**
Requires annual reports from utilities on their efforts to increase workplace diversity.

- 5 **Site permit.**
Technical; corrects terminology.

- 6 **Decommissioning and demolition plan for coal-fired plant.**
Requires Xcel Energy to file a plan and schedule with the commission before 2026 to decommission its Oak Park Heights generating plant. The plan must also be filed with the city, and must address remediating any contamination at the site.

- 7 **Tribal advocacy council on energy; Department of Commerce support.**
Requires the Department of Commerce to provide technical support to assist in the establishment and operation of a council of Minnesota's Indian Tribes to advocate on energy issues.

- 8 **Repealer.**
Repeals a 2017 session law allowing Xcel Energy to construct a natural gas plant on the site of its Sherburne County facility without obtaining a certificate of need or site permit from the Public Utilities Commission.

Article 27: Supplemental Appropriations

Section Article 27: Supplemental Appropriations

1 Appropriations.

Inserts boilerplate language regarding interpretation of the appropriation format used in this article.

2 Department of Commerce.

Subd. 1. Total appropriations. Appropriates general fund and other fund dollars to the Department of Commerce for specific purposes.

Subd. 2. Administrative services. Appropriates general fund money for the senior fraud prevention program.

Subd. 3. Financial services. Appropriates general fund money for additional securities staff and to establish and operate a student loan advocate.

Subd. 4. Insurance. Appropriates general fund money for a study and report on the disparities in geographic rating areas for individual and small group health plans. Appropriates general fund money for insurance division staff in the area of property and casualty insurance products.

Subd. 5. Enforcement. Appropriates general fund money for the automobile theft prevention program. Appropriates money from the auto theft prevention account in the special revenue fund to the commissioner of commerce to reimburse law enforcement agencies for certain activities related to auto theft.

3 Board of Accountancy.

Appropriates general fund money to the Board of Accountancy for the licensing and preliminary application requirements under article 2, section 52.

4 Attorney general.

Appropriates general fund money to the attorney general for the licensing and preliminary application requirements under article 2, section 52.

5 Professional Educator Licensing and Standards Board.

Appropriates general fund money to the Professional Educator Licensing and Standards Board for the licensing and preliminary application requirements under article 2, section 52.

6 Department of Revenue.

Appropriates general fund money to the Department of Revenue for the licensing and preliminary application requirements under article 2, section 52.

Section Article 27: Supplemental Appropriations

- 7 **Gambling Control Board.**
Appropriates money from the lawful gambling regulation account in the special revenue fund to the Gambling Control Board for the licensing and preliminary application requirements under article 2, section 52.
- 8 **Department of Education**
Appropriates general fund money to the Department of Education for the licensing and preliminary application requirements under article 2, section 52.
- 9 **Transfer.**
Transfers money from the general fund to the insurance fraud prevention account for five additional peace officers in the Commerce Fraud Bureau.

Article 28: Commerce Policy

Section Article 28: Commerce Policy

- 1 **Authorization.**
(a) States that the primary jurisdiction of the Commerce Fraud Bureau are offenses with a nexus to insurance-related crimes or investment fraud.

(b) Allows the Commerce Fraud Bureau to respond to a law enforcement agency's request to exercise law enforcement duties with the agency that has primary jurisdiction.
- 2 **Duties.**
Requires the Commerce Fraud Bureau to take actions within its primary jurisdiction.
- 3 **Live course.**
Defines "live course" for purposes of commerce-regulated professions continuing education.
- 4 **On-demand course.**
Defines "on-demand course."
- 5 **Proctor.**
Lists the requirements a proctor must meet.
- 6 **Professional designation.**
Defines "professional designation."

Section Article 28: Commerce Policy

- 7 **[45.301] On-demand continuing education; requirements.**
 Subd. 1. On-demand course requirements. Lists the technological and structural requirements for an on-demand course.

 Subd. 2. Final examination. Requires that the final examination be encrypted online or a monitored paper examination.
- 8 **Approval.**
 Makes changes to the requirements a person must meet to be approved by the commissioner as a course coordinator.
- 9 **Responsibilities.**
 Makes technical correction.
- 10 **Assessment authority.**
 Changes the assessment authority to include all financial institutions, excluding student loan services and collection agencies.
- 11 **General assessment basis.**
 Allows the commissioner to make assessments on financial institutions based on business volume, as well as total assets.
- 12 **Financial institutions account; appropriation.**
 Deposits funds received from assessments on all financial institutions into the financial institutions account.
- 13 **Articles of incorporation filed with commissioner.**
 Requires financial corporations to file their proposed articles of incorporation with the commissioner of commerce.
- 14 **Filing.**
 Requires financial corporation to file their certificate of corporation with the commissioner of commerce.
- 15 **Certificate of authority.**
 Makes conforming changes regarding filings made by financial corporations with the commissioner of commerce.
- 16 **Effect.**
 Makes conforming changes regarding filings made by financial corporations with the commissioner of commerce.

Section Article 28: Commerce Policy

- 17 **Recording.**
Makes conforming changes regarding filings made by financial corporations with the commissioner of commerce.
- 18 **Recording.**
Makes conforming changes regarding filings made by financial corporations with the commissioner of commerce.
- 19 **Authorization.**
Requires assessments against a trust company or state bank and trust to be deposited in the financial institutions account instead of the general fund.
- 20 **Application, fee, notice.**
Requires assessments against an industrial loan and thrift to be deposited in the financial institutions account instead of the general fund.
- 21 **Place of business.**
Requires all money collected by the commissioner under chapter 53 (Industrial Loan and Thrift Companies) to be deposited in the financial institutions account.
- 22 **Sales finance company; license, fees, refund.**
Requires assessments against a sales finance company to be deposited in the financial institutions account instead of the general fund.
- 23 **Permitting access, removal, or delivery.**
Makes technical update.
- 24 **Application Fee.**
Requires all money collected by the commissioner under chapter 56 (Regulated Loans) to be deposited in the financial institutions account.
- 25 **Costs.**
Requires the commissioner to make the due date for a bill to an insurer for an examination at least 60 days from receipt of the bill.
- 26 **Completion of examination.**
Requires the commissioner to advise an insurer in writing of specific instances demonstrating a lack of cooperation when determining there has been a material lack of cooperation by an insurer during an examination

Section Article 28: Commerce Policy

27 Informal disposition.

Requires the commissioner to attempt to informally resolve alleged violations of law during an examination of investigation of an insurer. This can be done via a consent order, nonpublic letter of reprimand, or other information resolution or disposition.

28 Report to the legislation.

Requires the commissioner to report to the committees of the legislature having jurisdiction over commerce issues regarding the number of pending market examinations, closed exams, exams being conducted by a third-party, or other information the legislature may request.

29 Establishment.

Requires an insurer to submit an antifraud plan to the commissioner within 30 days of materially modifying it.

30 Program described; commissioner's duties; appropriation.

Allows the commissioner to spend 7.5% (originally 10%) of the money in the automobile fraud prevention account to administer and operate the program.

31 Annual report.

Changes the date of the automobile theft prevention program report to the legislature from January 15 to September 30 of each year.

32 80A.61 Section 406; registration by broker-dealer, agent, funding portal, investment adviser, and investment adviser representative.

Makes technical change.

33 Commissioner's powers.

Makes technical change.

34 Filing; fee.

Makes technical changes regarding registration of franchise.

Effective date; applicability. This section is effective January 1, 2023, and applies to initial registrations filed on or after that date.

35 Dealer.

Changes the definition of "dealer" in bullion products to those who conduct Minnesota transactions.

Section Article 28: Commerce Policy

- 36 **Minnesota transaction.**
Defines “Minnesota transaction” for purposes of a bullion product transaction.
- 37 **Registration required.**
Makes conforming changes regarding dealer in bullion products.
- 38 **Notice of change in registration information.**
Makes conforming changes regarding Minnesota transactions and bullion products.
- 39 **Dealer responsibility for actions of dealer representatives.**
Makes conforming changes regarding Minnesota transactions and bullion products.
- 40 **Dealer registration precluded.**
Makes technical change.
- 41 **Screening process required.**
Makes conforming changes regarding Minnesota transactions and bullion products.
- 42 **Surety bond requirement.**
Makes conforming changes regarding Minnesota transactions and bullion products.
Changes the amount of transactions within the preceding 12 months that requires registration of a dealer.
- 43 **Action on bond permitted.**
Makes conforming changes regarding Minnesota transactions and bullion products.
- 44 **Sales practice.**
Makes conforming changes regarding Minnesota transactions and bullion products.
- 45 **Notification to commissioner.**
Makes conforming changes regarding Minnesota transactions and bullion products.
- 46 **Minimum damage acquisition report.**
Clarifies that when a real estate appraiser provides a minimum damage acquisition report they are not engaged in real estate appraisal activity.

Effective date. This section is effective September 1, 2022.
- 47 **Out-of-state continuing education credit.**
Defines terms and lists requirements in order for real estate appraiser continuing education credits taken out-of-state to be counted as credits in this state.

Section Article 28: Commerce Policy

Effective date. This section is effective September 1, 2022.

48 **Education.**

Clarifies that an appraiser licensed after September 1, 2021, must complete the course required by this section prior to their first license renewal.

Effective date. This section is effective September 1, 2022.

49 **Evidence.**

Removes the ability of the commissioner to establish a fee schedule for use by an appraisal management company.

Effective date. This section is effective September 1, 2022.

50 **Licensing disqualifications; preliminary applications; reports.**

Subd. 1. Definition. Establishes a definition of the terms “conviction,” “criminal record,” and “state licenser” or “licenser” for purposes of this bill.

Subd. 2. Scope. Establishes that this section does not apply to applications for licensure, registration, or certification that do not require an applicant to report on the applicant’s criminal record or require a background check of the person’s criminal history. Further provides that the preliminary application process may only be used by a person with a criminal record. Establishes that this section does not apply to applications, licensure, registration, or certificates that are issued by the Department of Health, Department of Human Services, or any health-related board.

Subd. 3. Preliminary applications. Requires state licensers to permit individuals to submit a preliminary application related to a license, registration, or certificate, for the purpose of determining whether a criminal record or conviction would disqualify the person from receiving that credential. Specific details about the process for submitting the preliminary application are provided, including requirements related to documentation of the record, authorization for the licenser to charge a fee for expenses, and a deadline for the licenser to make a decision on the preliminary application.

Subd. 4. Reports. Requires each state licenser to submit an annual report to the Department of Employment and Economic Development (DEED) that contains statistics on implementation of this section and related outcomes. The annual report is due January 15 of each year. The commissioner of DEED is required to compile the reports and submit them to the legislature no later than February 15 of each year.

Section Article 28: Commerce Policy

51 Gasoline.

Makes technical change.

52 Gasoline blended with ethanol; general.

Makes technical change.

53 Federal Clean Air Act waivers; conditions.

Makes technical change.

54 Gasoline.

Makes technical change.

55 Term.

Allows an individual debt collector to work from home without requiring an additional branch license.

Effective date. This section is effective July 1, 2022.

56 Work from home.

Allows the employee of a licensed debt collection agency to work from home if all other requirements of this section are met.

Effective date. This section is effective July 1, 2022.

57 [336.9-510] Effectiveness of filed record.

Makes conforming changes.

58 [336.9-5135] Termination of wrongfully filed financing statement; reinstatement.

(a) Defines "intent to harass."

(b) Allows the person named as a debtor in a filed financing statement to provide the filing office with a notarized affidavit including certain information and stating that the filing was communicated with the intent to harass or defraud the person. Allows the office to reject an affidavit that is incomplete or if the office believes the affidavit was delivered with the intent to harass or defraud the secured party. Requires the secretary of state to provide a form affidavit.

(c) Requires the office to promptly file a termination statement for the financing statement identified in the affidavit. A termination must state that it was filed under this section and is not effective until 20 days from filing.

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(d) The filing office cannot charge a fee to file an affidavit or termination under this section. The office must not return the initial financing statement filing fee.

(e) The office must send a notice to the secured party for the financing statement that is being terminated within two business days of the filing of the termination. The notice must contain certain information.

(f) If a secured party believes that the initial financing statement or amendment was authorized and not filed with the intent to harass or defraud, the secured party may request the filing office complete an expedited review of the termination or commence an action against the filing office for reinstatement.

(g) Requires the office to file a notice that the action has been commenced under paragraph (f) within ten days of service of process.

(h) If an action for reinstatement is successful the office must promptly file a record stating so.

(i) Upon filing a reinstatement, the effectiveness of the financing statement is considered never to have been terminated. A continuation statement after the effective date of a termination becomes effective if the financing statement is reinstated.

(j) If the court determines that the financing statement was appropriated terminated under this section, but the secured party brought suit pursuant to paragraph (f), then secured party may be liable to the person named as the debtor for the action costs and expenses including reasonable attorneys' fees.

59 **[336.9-516] What constitutes filing; effectiveness of filing.**

(b)(8) Provides filing does not occur if an initial financing statement, or amendment to a financing statement names a new debtor, and the office reasonably believes the record was communicated with the intent to harass or defraud the debtor or for an another unlawful purpose.

The office has no duty to form a belief as to whether a filing was communicated with the intent to harass or defraud the person identified as the debtor and has no duty to investigate or ascertain facts relevant to whether the intent or purpose was present. The secretary of state is not required to return an image of a filing rejected under this clause.

(e) A record that the filing office initially refuses to accept under paragraph (b), clause (8), but later accepts after receiving additional information, is effective as if the office had not initially refused to accept the record, except against a purchaser of

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the collateral that gives value in reasonable reliance upon the absence of the record from the files.

60 Powers of unit owners' associations.

Requires the association to provide notice to unit owners 15 days before levying a fine for failing to pay a prior assessment, levying a limited assessment (an assessment that is specific to the unit owner), or initiating a foreclosure. The notice must provide information about the fines or assessments, inform the owner of possible attorney's fees that could be charged, provide information about their rights under the bylaws, and provide information about foreclosure assistance. This bill would prohibit the accumulations of attorney's fees to be charged to the unit owner before the 15-day notice period.

61 Applicable law.

Clarifying which laws apply in structured settlement transfers.

62 Assignee.

Adding a definition for assignee to the laws on structured settlement transfers.

63 Effective equivalent annual interest rate.

Adding a definition to explain how to calculate the interest rate for the structured settlement so it can be explained as an annual rate.

64 Independent professional advice.

Adds financial adviser to the list of independent professional advisors and clarifies that the advisor must be a disinterested person.

65 Structured settlement payment rights.

Clarifies the definition of structured settlement payment rights.

66 Transferee.

Clarifies the definition of transferee.

67 Conditions to transfers of structured settlement payment rights and structured settlement agreements.

Adds a requirement that a notice and hearing date be sent out and the notice be provided to an attorney and financial advisor advising the payee; the notice explain that the fees should be shown to not be more than two percent of the total compensation to the payee; that it must show the annual interest rate; and must tell the payee about options to see financial advice. This section also provides guidelines for the court to determine if the transfer is fair and reasonable and in the payee's

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best interest, and also provides that the transfer agreement cannot require predispute arbitration.

This section adds a new subdivision that allows the court to appoint an attorney to do an independent assessment of the transfer and advise the court on whether or not the transfer is fair and reasonable and in the best interest of the payee, with the costs of the evaluation to be paid by the transferee. This section also assigns liabilities for proper transfer of the structured settlement.

68 Discount rate.

Requires the discount rate under the transfer agreement to be under the annual percentage rate of prime plus five percentage points and provides for how to calculate that amount.

69 Application; procedure for approval of transfer.

Clarifies the venue and requires the payee to appear in person and provides requirements for what the notice of the hearing must include.

70 [549.325] Prohibited practices.

Prohibits transferee from representing the payee, intervene in a structured settlement transfer proceeding if not a party to the proceeding, offer incentives or gifts to transfer, communicate excessively to payees, solicit payees with false check advertisements, or solicit payees who are minors or their guardians. This section provides that violations of these prohibitions are considered violations of the fair trade practices act and can be enforced by the attorney general.

71 Construction.

Adds a provision on how a transfer can affect life contingent payments.

72 Revisor instruction.

Instructs the revisor of statutes to change the term “self-study course” to “on-demand course” and “classroom course” to “live course” wherever they appear in chapter 45.

73 Repealer.

Minnesota Statutes, section 45.25, subdivisions 2a and 14 are repealed.

Article 29: Insurance

Section Article 29: Insurance

1 **Regulatory flexibility.**

Allows the commissioner of commerce to authorize long-term care insurance to be sold as part of a life insurance policy if the policy meets certain requirements.

2 **Evaluation process and content.**

Prohibits the commissioner from making public trade secret information provided by a health plan company or proponent or opponent of a mandated health benefit proposal. Creates a system for disagreements about whether information is trade secret.

3 **Applicability.**

Makes technical change.

4 **Contract disclosures.**

Removes language regarding a health plan company's duty to disclose information regarding an individual contracted provider's expected reimbursement.

5 **Fee schedules.**

Makes conforming changes.

6 **[62Q.7391] Health care provider contract termination.**

Subd. 1. Termination for cause. (a) Allows a health plan company to terminate a contract with a provider for cause only if the contract includes an appeal process for the provider. The health plan company must give the provider written notice of termination that includes certain information.

(b) The appeal process must allow the provider to present relevant documents and arguments against termination and include an internal and external review if the termination is upheld. The external review must meet certain requirements and is final.

(c) Requires health plan companies to submit their appeal process to the Department of Commerce or the Department of Health, depending on their regulator. Failure to submit the process for review may result in the commissioner taking regulatory action.

Subd. 2. Termination not for cause. Prohibits a health plan company from terminating a contract with a health care provider without cause.

Section Article 29: Insurance

7 Third party.

Defines “third-party” for purposes of dental organizations.

Effective date. This section is effective January 1, 2023.

8 Network leasing.

(a) Allows a dental organization to give a third-party access to a dental provider contract, services, or discounts if certain requirements are met.

(b) Allows a dental organization to grant a third-party access to the dental provider contract, services, or discounts if certain information is disclosed and certain provisions are included in the dental provider contract.

9 Method of payment.

Requires a dental provider contract to include a method of payment for services where no fee was incurred by the provider. Requires that fees related to receiving payment for services be disclosed to the provider by the dental organization before the provider contract is executed.

10 Discrimination based on status as a living organ or bone marrow donor prohibited.

Prohibits life insurance, long-term care insurance, or disability insurance carriers from declining or limiting coverage or otherwise discriminating against a person based solely on their status as a living organ or bone marrow donor.

Effective date. This section is effective August 1, 2022.

11 Cash compensation.

Defines “cash compensation” for purposes of recommending or selling an annuity.

12 Consumer profile information.

Defines “consumer profile information.”

13 Insurance producer.

Defines “insurance producer” for purposes of sections 72A.203 to 72A.2036.

14 Intermediary.

Defines “intermediary.”

15 Material conflict of interest.

Defines “material conflict of interest.”

Section Article 29: Insurance

- 16 **Noncash compensation.**
Defines “noncash compensation.”
- 17 **Nonguaranteed elements.**
Defines “nonguaranteed elements.”
- 18 **Recommendation.**
Defines “recommendation.”
- 19 **Replacement.**
Defines “replacement.”
- 20 **Best interest obligations.**
Requires an insurance producer to act in the best interest of the consumer when recommending an annuity. Requires an insurance producer to meet the obligations regarding care, disclosure, conflict of interest, and documentation.
- 21 **Care obligation.**
Requires an insurance producer to exercise reasonable diligence, care, and skill when making a recommendation. Provides information on how to meet these requirements.
- 22 **Disclosure obligation.**
Requires an insurance producer to disclose certain information to a consumer before recommending and selling an annuity. The commissioner will provide a form for this information
- 23 **Conflict of interest obligation.**
Requires an insurance producer to identify and avoid or reasonably manage and disclose material conflicts of interest.
- 24 **Documentation obligation.**
Requires an insurance producer, at the time of recommending or selling an annuity, to provide certain documentation to the consumer.
- 25 **Application of best interest obligation.**
Clarifies that any requirement applicable to an insurance producer under this section applies to all insurance producers who exercise control or influence in making recommendations and those who receive direct compensation pursuant to the sale.

Section Article 29: Insurance

- 26 **Transactions not based on recommendation.**
Clarifies that insurance producers do not have an obligation to a consumer when no recommendation for the purchase of an annuity is made or the consumer decides to enter into a transaction not based on the insurance producer’s recommendation.
- 27 **Insurer duties.**
Prohibits an insurer from recommending an annuity to a consumer unless there is a reasonable basis to believe the annuity meets the consumer’s needs. Lists requirements relating to the assessment of the consumer’s needs and the structure of the insurer’s compensation system in relation to annuities.
- 28 **Prohibited practices.**
Makes conforming changes.
- 29 **Comparable standards; compliance.**
Makes conforming changes. Defines “comparable standards” with respect to broker-dealers, investment advisors, and fiduciaries
- 30 **Insurance producer training.**
Makes conforming changes and adjusts dates.
- 31 **Penalties.**
Makes conforming changes. Clarifies that whether corrective action was taken can be considered when determining an applicable penalty.
- 32 **Duration.**
Requires insurers and insurance producers to make available to the commissioner disclosures made to a consumer, including summaries of oral disclosures.
- 33 **Relationship to other laws; enforcement.**
Makes conforming changes.
- 34 **Study and report on disparities between geographic rating areas in individual and small group market health insurance rates.**
Requires the commissioner of commerce to study disparities in Minnesota’s nine geographic rating areas for the individual and small group market health insurance rates and recommend ways to reduce or eliminate such disparities.

Lists requirements relating to the study, allows the commissioner to contract with an outside entity to complete the report, and requires the report to the legislature by January 1, 2023.

Section Article 29: Insurance

35 Repealer.

(a) Minnesota Statutes, sections 62Q 56, subdivision 1a is repealed.

(b) Minnesota Statutes 2020, sections 72A.2031, subdivisions 3, 9, and 11; and 72A.2032, subdivisions 1, 2, 3, and 5, are repealed.

Article 30: Consumer Protection

Section Article 30: Consumer Protection

1 [58B.011] Student loan advocate.

Creates a student loan advocate within the Department of Commerce. Lists duties of the student loan advocate, including resolving complaints, monitoring current law, and establishing a borrower education course.

Requires a report to the legislature by January 15 in every odd-numbered year.

2 Program described; commissioner's duties; appropriation.

Requires the commissioner to establish a library of equipment to combat automobile-related theft offenses. Requires the equipment be available to all law enforcement agencies upon request.

3 Purchase ore acquisition record required.

Makes a conforming change related to permitting only scrap metal dealers to purchase catalytic converters. Amends the information scrap metal dealers must record when purchasing catalytic converters to include an identification number to connect the catalytic converter to the vehicle from which it was removed and the identity of the employee who purchases the catalytic converter.

4 Retention required.

Makes a conforming change adding to the records that must be retained by scrap metal dealers.

5 Training.

Requires that employees of scrap metal dealers who engage in transactions involving the purchase of catalytic converters must be trained and familiar with the requirements governing those transactions.

Section Article 30: Consumer Protection

6 Criminal penalty.

Establishes that violations of subdivisions involving the illegal possession or purchase of catalytic converters are a misdemeanor for a first offense and a gross misdemeanor for a second or subsequent offense.

Effective date. This section is effective August 1, 2022.

7 Prohibition on possessing catalytic converters; exception.

Prohibits the possession of a used catalytic converter that is not attached to a motor vehicle under certain circumstances.

Effective date. This section is effective August 1, 2022.

8 Prohibition.

Prohibits a person who is not a registered scrap metal dealer to purchase a used catalytic converter under certain circumstances.

Effective date. This section is effective August 1, 2022.

9 Purchase of catalytic converters.

Prohibits scrap metal dealers from removing a catalytic converter from the dealer's premises for seven days after acquisition of the catalytic converter.

Effective date. This section is effective August 1, 2022.

10 [325F.6945] Unlawful social media activities.

Defines terms, including "social media algorithm" and "social media platform." Prohibits a social media platform with more than 1,000,000 account holders from using a social media algorithm to target user-generated content at an account holder under the age of 18, except under certain circumstances.

11 [332.365] Credit counseling organizations; debtors.

Requires the commissioner of commerce to develop and maintain a document, for distribution by debt collection agencies that includes information for nonprofit credit counseling services in Minnesota. Requires a disclosure to be written in English, Spanish, Somali, Hmong, Vietnamese, and Chinese.

Effective date. This section is effective July 1, 2022.

Section Article 30: Consumer Protection

12 **Weapons, telephone cloning paraphernalia, automated sales suppression devices, catalytic converters, and bullet-resistant vests.**

Defines catalytic converter possessed in violation of section 325E.21 as contraband that is forfeited to the appropriate agency upon certain convictions.

Effective date. This section is effective August 1, 2022.



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