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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 3000

02/01/2022

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The bill was read for the first time and referred to the Committee on Workforce and Business Development Finance and Policy

1.1 A bill for an act

1.2 relating to unemployment insurance; modifying unemployment insurance for

1.3 certain school workers; replenishing the unemployment trust fund; freezing the

1.4 base tax rate for employers; eliminating the additional assessment for calendar

1.5 years 2022 and 2023; authorizing redetermination of the special assessment rate;

1.6 appropriating money; amending Minnesota Statutes 2020, section 268.085,

1.7 subdivision 7; repealing Minnesota Statutes 2020, section 268.085, subdivision 8.

1.8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.9 Section 1. Minnesota Statutes 2020, section 268.085, subdivision 7, is amended to read:

1.10 Subd. 7. **School employees; between terms denial.** (a) Wage credits from employment

1.11 with an educational institution or institutions may not be used for unemployment benefit

1.12 purposes for any week during the period between two successive academic years or terms

1.13 if:

1.14 (1) the applicant had employment for an educational institution or institutions in the

1.15 prior academic year or term; and

1.16 (2) there is a reasonable assurance that the applicant will have employment for an

1.17 educational institution or institutions in the following academic year or term.

1.18 This paragraph applies to a vacation period or holiday recess if the applicant was

1.19 employed immediately before the vacation period or holiday recess, and there is a reasonable

1.20 assurance that the applicant will be employed immediately following the vacation period

1.21 or holiday recess. This paragraph also applies to the period between two regular but not

1.22 successive terms if there is an agreement for that schedule between the applicant and the

1.23 educational institution.

2.1 This paragraph does not apply if the subsequent employment is substantially less
2.2 favorable than the employment of the prior academic year or term, or the employment prior
2.3 to the vacation period or holiday recess.

2.4 (b) Paragraph (a) does not apply to:

2.5 (1) an applicant who, at the end of the prior academic year or term, had an agreement
2.6 for a definite period of employment between academic years or terms in other than an
2.7 instructional, research, or principal administrative capacity and the educational institution
2.8 or institutions failed to provide that employment; or

2.9 (2) an applicant in a position for which no license is required by the Professional Educator
2.10 Licensing and Standards Board or the Board of School Administrators.

2.11 (c) If unemployment benefits are denied to any applicant under paragraph (a) who was
2.12 employed in the prior academic year or term in other than an instructional, research, or
2.13 principal administrative capacity and who was not offered an opportunity to perform the
2.14 employment in the following academic year or term, the applicant is entitled to retroactive
2.15 unemployment benefits for each week during the period between academic years or terms
2.16 that the applicant filed a timely continued request for unemployment benefits, but
2.17 unemployment benefits were denied solely because of paragraph (a).

2.18 (d) This subdivision applies to employment with an educational service agency if the
2.19 applicant performed the services at an educational institution or institutions. "Educational
2.20 service agency" means a governmental entity established and operated for the purpose of
2.21 providing services to one or more educational institutions.

2.22 (e) This subdivision applies to employment with Minnesota, a political subdivision, or
2.23 a nonprofit organization, if the services are provided to or on behalf of an educational
2.24 institution or institutions.

2.25 (f) Paragraph (a) applies beginning the Sunday of the week that there is a reasonable
2.26 assurance of employment.

2.27 (g) Employment and a reasonable assurance with multiple education institutions must
2.28 be aggregated for purposes of application of this subdivision.

2.29 (h) If all of the applicant's employment with any educational institution or institutions
2.30 during the prior academic year or term consisted of on-call employment, and the applicant
2.31 has a reasonable assurance of any on-call employment with any educational institution or
2.32 institutions for the following academic year or term, it is not considered substantially less
2.33 favorable employment.

3.1 (i) A "reasonable assurance" may be written, oral, implied, or established by custom or
3.2 practice.

3.3 (j) An "educational institution" is a school, college, university, or other educational entity
3.4 operated by Minnesota, a political subdivision or instrumentality thereof, or a nonprofit
3.5 organization.

3.6 (k) An "instructional, research, or principal administrative capacity" does not include
3.7 an educational assistant.

3.8 **Sec. 2. UNEMPLOYMENT BASE TAX RATE AND ASSESSMENT FOR**
3.9 **CALENDAR YEARS 2022 AND 2023.**

3.10 Subdivision 1. **Tax rate.** Notwithstanding Minnesota Statutes, section 268.051,
3.11 subdivision 2, in calendar years 2022 and 2023, the base tax rate under Minnesota Statutes,
3.12 section 268.051, subdivision 2, paragraph (b), is one-tenth of one percent.

3.13 Subd. 2. **Additional assessment.** Notwithstanding Minnesota Statutes, section 268.051,
3.14 subdivision 2, in calendar years 2022 and 2023, the additional assessment under Minnesota
3.15 Statutes, section 268.051, subdivision 2, paragraph (c), is zero percent.

3.16 Subd. 3. **Special assessment.** Notwithstanding Minnesota Statutes, section 268.051,
3.17 subdivision 8, the commissioner of employment and economic development, in consultation
3.18 with the commissioner of management and budget, may redetermine the special assessment
3.19 rate in calendar year 2022 so long as the redetermination occurs before April 1, 2022.

3.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.21 **Sec. 3. APPROPRIATION.**

3.22 \$2,730,000,000 in fiscal year 2022 is appropriated from the general fund to the
3.23 commissioner of employment and economic development for transfer to Minnesota's account
3.24 in the Unemployment Trust Fund in the United States Treasury, for the purpose of
3.25 replenishing the Unemployment Trust Fund.

3.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.27 **Sec. 4. REPEALER.**

3.28 Minnesota Statutes 2020, section 268.085, subdivision 8, is repealed.

268.085 ELIGIBILITY REQUIREMENTS; PAYMENTS THAT AFFECT BENEFITS.

Subd. 8. **Services for school contractors.** (a) Wage credits from an employer are subject to subdivision 7, if:

(1) the employment was provided under a contract between the employer and an elementary or secondary school; and

(2) the contract was for services that the elementary or secondary school could have had performed by its employees.

(b) Wage credits from an employer are not subject to subdivision 7 if:

(1) those wage credits were earned by an employee of a private employer performing work under a contract between the employer and an elementary or secondary school; and

(2) the employment was related to food services provided to the school by the employer.