

Presented to the governor April 22, 1994

Signed by the governor April 25, 1994, 12:00 p.m.

### CHAPTER 503—H.F.No. 2893

*An act relating to unemployment compensation; extending benefits for certain employees; providing for a shared work plan; requiring a study; amending Minnesota Statutes 1992, section 268.073, subdivisions 1, 5, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 1992, section 268.073, subdivision 6.*

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

Section 1. Minnesota Statutes 1992, section 268.073, subdivision 1, is amended to read:

Subdivision 1. **ADDITIONAL BENEFITS; WHEN AVAILABLE.** Additional unemployment compensation benefits are authorized under this section only if the commissioner determines that:

(1) an employer has reduced operations at a facility employing 100 or more individuals for at least six months during the preceding year resulting in the reduction of at least 50 percent of the employer's work force and the layoff of at least 50 employees at that facility;

(2) the employer ~~does not intend~~ has no expressed plan to resume operations which would lead to the reemployment of those employees at any time in the immediate future; and

(3) the unemployment rate for the county in which the facility is located was ten percent during the month of the reduction or any of the three months preceding or succeeding the reduction.

Sec. 2. Minnesota Statutes 1992, section 268.073, subdivision 5, is amended to read:

Subd. 5. **MAXIMUM BENEFITS PAYABLE.** A claimant's maximum amount of additional benefits payable in the individual's benefit year shall be ~~six~~ 13 times the individual's weekly benefit amount. Unemployment compensation benefits paid to an individual under any state or federal law other than regular benefits payable under section 268.07 shall be deducted from that individual's maximum amount of additional benefits.

Sec. 3. Minnesota Statutes 1992, section 268.073, is amended by adding a subdivision to read:

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 7. BENEFIT CHARGES. (a) Except as otherwise provided, benefits paid to an individual under this section shall be charged to the employment experience record of the base period employer of the individual to the extent regular benefits were charged to the base period employer under sections 268.06, subdivision 5, and 268.09, subdivision 1, paragraph (e).

(b) With respect to an employer who has elected to be a contributing employer under the provisions of section 268.06, subdivision 31, all benefits paid under this section which are based upon services for the contributing employer shall be charged to the contributing employer's account.

**Sec. 4. [268.074] SHARED WORK PLAN.**

Subdivision 1. SHARED WORK PLAN; DEFINITIONS. For purposes of this section, the following terms have the meanings given:

(a) "Affected employee" means an individual who was continuously employed as a member of the affected group, by the shared work employer, for at least six months prior to application, on a full-time basis.

(b) "Affected group" means five or more employees designated by the employer to participate in a shared work plan.

(c) "Shared work employer" means an employer with a shared work plan in effect.

(d) "Shared work plan" or "plan" means an employer's voluntary, written plan for reducing unemployment, under which a specified group of employees shares the work remaining after their normal weekly hours of work are reduced.

(e) "Approved shared work plan" or "approved plan" means an employer's shared work plan which meets the requirement of this section.

(f) "Normal weekly hours of work" means the number of hours in a week that the employee normally would work for the shared work employer or 40 hours, whichever is less.

Subd. 2. PARTICIPATION. (a) An employer wishing to participate in the shared work unemployment benefit program shall submit a signed, written shared work plan to the commissioner for approval. The commissioner may give written approval of a shared work plan only if it:

(1) specifies the employees in the affected group;

(2) applies to only one affected group;

(3) includes a certified statement by the employer that each individual specified in the affected group is an affected employee;

(4) includes a certified statement by the employer that for the duration of the plan the reduction in normal weekly hours of work of the employees in the affected group is instead of layoffs which otherwise would result in at least a large a reduction in the total normal weekly hours of work;

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(5) specifies an expiration date which is no more than one year from the date the employer submits the plan for approval;

(6) specifies that fringe benefits, such as health and retirement, available to the employees in the affected group are not reduced beyond the percentage of reduction in hours of work; and

(7) is approved in writing by the collective bargaining agent for each collective bargaining agreement which covers any employee in the affected group.

(b) The commissioner shall establish the beginning and ending dates of an approved shared work plan.

(c) The commissioner shall approve or disapprove the plan within 15 days of its receipt. The commissioner shall notify the employer of the reasons for disapproval of a shared work plan within ten days of the determination. Determinations of the commissioner are final.

(d) Disapproval of a plan may be reconsidered upon application of the employer or at the discretion of the commissioner. Approval of a shared work plan may be revoked by the commissioner when it is established that the approval was based, in whole or in part, upon information in the plan which is either false or substantially misleading.

Subd. 3. ELIGIBILITY. (a) Notwithstanding any other provision of this chapter, an individual is unemployed and eligible to receive shared work benefits with respect to any week if the commissioner finds that:

(1) during the week the individual is employed as a member of an affected group in an approved plan which was approved prior to the week and is in effect for the week; and

(2) during the week the individual's normal weekly hours of work were reduced, in accordance with an approved plan, at least 20 percent but not more than 40 percent, with a corresponding reduction in wages.

(b) Shared work benefits shall not be paid to an eligible individual beyond one benefit year under an approved plan or modification of an approved plan.

(c) The total amount of regular benefits and shared work benefits paid to an individual in a benefit year shall not exceed the maximum benefit amount established.

(d) An otherwise eligible individual shall not be denied benefits under this section because of the application of any provision of this chapter relating to availability for work, active search for work, or refusal to apply for or accept work from other than the individual's shared work employer.

Subd. 4. WEEKLY BENEFIT AMOUNT. (a) An individual who is eligible for shared work benefits under this section shall be paid, with respect to any

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week of unemployment, a weekly shared work unemployment insurance benefit amount. The amount shall be equal to the individual's regular weekly benefit amount multiplied by the nearest full percentage of reduction of the individual's regular weekly hours of work as set forth in the employer's plan. The benefit payment, if not a multiple of \$1 shall be rounded to the next lower dollar.

(b) The provisions of section 268.07, subdivision 2, paragraph (g), shall not apply to earnings from the shared work employer of an individual eligible for payments under this section unless the resulting payment would be less than the regular benefit payment for which the individual would otherwise be eligible without regard to shared work unemployment insurance benefits.

(c) An individual shall be disqualified for benefits payable under this section for any week in which paid work is performed for the shared work employer in excess of the reduced hours set forth in the approved plan.

Sec. 5. **EFFECTIVE DATE; SUNSET.**

Section 268.074 is effective July 1, 1994. Benefits shall not be paid for any weeks of unemployment before that date, although proposals to participate under the plan may be submitted for approval before that date. The program shall terminate and no benefits shall be paid for weeks after June 30, 1996.

Sec. 6. **STUDY.**

The reemployment insurance advisory committee shall study results of the program and make recommendations to the legislature by February 15, 1996, as to the continuation or modification of the program.

Sec. 7. **REPEALER.**

Minnesota Statutes 1992, section 268.073, subdivision 6, is repealed.

Sec. 8. **EFFECTIVE DATE.**

Sections 1 and 2 are effective the day following final enactment.

Presented to the governor April 22, 1994

Signed by the governor April 25, 1994, 1:02 p.m.

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**CHAPTER 504—H.F.No. 2175**

*An act relating to the city of Saint Paul; authorizing a program for the replacement of lead pipes and the charging or assessment of costs for the program and the issuance of general or special obligations to pay the costs of the program.*

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

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