

CHAPTER 2--S.F.No. 192

An act relating to unemployment insurance; eliminating expiration date for exclusion of COVID-19-related unemployment claims in calculating future experience rating; adopting a temporary change to experience rating period; amending Laws 2020, chapter 71, article 2, section 24.

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

Section 1. Laws 2020, chapter 71, article 2, section 24, is amended to read:

Sec. 24. COMPUTATION OF FUTURE TAX RATE; EFFECT OF PAYMENT FROM TRUST FUND.

Notwithstanding Minnesota Statutes, section 268.047, subdivision 1, unemployment insurance benefits paid as a result of an applicant not being able to work directly or indirectly as a result of the COVID-19 pandemic will not be used in computing the future unemployment insurance tax rate of a taxpaying employer. This section expires December 31, 2020. Unemployment insurance benefits paid under this section must not be used in any experience rating computation required under Minnesota Statutes, section 268.051, subdivision 3, in any calendar year that occurs following enactment of this section.

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

Sec. 2. CALENDAR YEAR 2021 TEMPORARY EMPLOYER EXPERIENCE RATING.

For calendar year 2021, the experience rate computed for each taxpaying employer under Minnesota Statutes, section 268.051, subdivision 3, that was required to file wage detail reports for the 12-month period ending June 30, 2019, is the ratio obtained by dividing 125 percent of the total unemployment benefits required under Minnesota Statutes, section 268.047, to be used in computing the employer's tax rate during the 48 calendar months ending on June 30, 2019, by the employer's total taxable payroll for that same period. Any taxpaying employer that does not qualify for a calendar year 2021 experience rate under Minnesota Statutes, section 268.051, subdivision 3, must be assigned a tax rate in accordance with Minnesota Statutes, section 268.051, subdivision 5, except that the average experience rating for the employer's industry must use the period specified in this section.

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

Sec. 3. TAXABLE WAGES FOR CALENDAR YEAR 2021.

Notwithstanding Minnesota Statutes, section 268.035, subdivision 24, for calendar year 2021, "taxable wages" means those wages paid to an employee in covered employment for up to an amount equal to \$35,000.

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

Presented to the governor January 29, 2021

Signed by the governor January 29, 2021, 6:14 p.m.