#### CHAPTER 110--S.F.No. 3852

An act relating to labor; making policy and technical changes to programs and provisions relating to labor; modifying construction codes and licensing, labor standards, occupational safety and health regulations, apprenticeship regulations, minimum wage rates, and miscellaneous labor policy; modifying provisions related to the Bureau of Mediation Services; amending Minnesota Statutes 2022, sections 13.79, subdivision 1; 13.7905, by adding a subdivision; 177.23, by adding subdivisions; 177.24, subdivision 1, by adding a subdivision; 177.30; 178.011, subdivision 9; 178.012, subdivision 1; 178.035, subdivisions 2, 4, 6, 7; 178.036, subdivisions 3, 4, 5, 6, 7; 178.044, subdivision 3; 178.07, subdivisions 1, 3; 178.09, subdivision 2; 178.091, subdivisions 2, 4, by adding subdivisions; 178.10; 179.01, subdivisions 1, 9, 16; 179.06; 179.08; 179.11; 179.12; 179.254, subdivision 1; 179.256; 179.26; 179.27; 179.35, subdivision 1; 179.40; 179.43; 179A.02; 179A.03, subdivision 17; 179A.06, subdivisions 1, 2, 3; 179A.08, subdivision 2; 179A.10, subdivision 1; 179A.104, subdivision 1; 179A.12, subdivision 1; 179A.15; 179A.16, subdivisions 1, 7; 179A.18, subdivisions 2, 3; 179A.19, subdivision 6; 179A.20, subdivision 4; 179A.23; 181.941, subdivision 4; 181.943; 181.950, by adding a subdivision; 181.951, subdivision 1; 181A.08; 181A.12, subdivision 1, by adding subdivisions; 182.664, subdivisions 3, 5; 182.665; 182.666, subdivision 6; 182.667, by adding a subdivision; 326.02, subdivision 5; 326B.0981, subdivisions 3, 4, 8; 326B.33, subdivisions 7, 21; 326B.36, subdivision 2; 326B.46, subdivision 6; 626.892, subdivision 12; Minnesota Statutes 2023 Supplement, sections 177.27, subdivisions 2, 4, 7; 177.42, subdivision 2; 178.01; 181.212, subdivision 7; 181.213, subdivision 1; 181.531, subdivision 3; 181.939, subdivision 2; 181.953, subdivisions 1, 3, by adding a subdivision; 182.6526, subdivision 1; 182.677, subdivisions 1, 2; 204B.19, subdivision 6; 326B.36, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 178; 181; 182; repealing Minnesota Statutes 2022, section 178.036, subdivision 10; Minnesota Rules, parts 5200.0080, subpart 7; 5200.0400; 5510.0310, subpart *13*.

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

#### **ARTICLE 1**

#### CONSTRUCTION CODES AND LICENSING

Section 1. Minnesota Statutes 2022, section 326.02, subdivision 5, is amended to read:

Subd. 5. **Limitation.** The provisions of sections 326.02 to 326.15 shall not apply to the preparation of plans and specifications for the erection, enlargement, or alteration of any building or other structure by any person, for that person's exclusive occupancy or use, unless such occupancy or use involves the public health or safety or the health or safety of the employees of said person, or of the buildings listed in section 326.03, subdivision 2, nor to any detailed or shop plans required to be furnished by a contractor to a registered engineer, landscape architect, architect, or certified interior designer, nor to any standardized manufactured product, nor to any construction superintendent supervising the execution of work designed by an architect, landscape architect, engineer, or certified interior designer licensed or certified in accordance with section 326.03, nor to the planning for and supervision of the construction and installation of work by an electrical or elevator contractor or master plumber as defined in and licensed pursuant to chapter 326B, nor to the planning for and supervision of the construction and installation of work by a licensed well contractor as defined and licensed pursuant to chapter 103I, where such work is within the scope of such licensed activity

and not within the practice of professional engineering, or architecture, or where the person does not claim to be a certified interior designer as defined in subdivision 2, 3, or 4b.

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

- Sec. 2. Minnesota Statutes 2022, section 326B.0981, subdivision 3, is amended to read:
- Subd. 3. **Content.** (a) Continuing education consists of approved courses that impart appropriate and related knowledge in the regulated industries pursuant to this chapter and other applicable federal and state laws, rules, and regulations. Courses may include relevant materials that are included in licensing exams subject to the limitations imposed in subdivision 11. The burden of demonstrating that courses impart appropriate and related knowledge is upon the person seeking approval or credit.
- (b) Except as required for Internet continuing education, course examinations will not be required for continuing education courses.
- (c) If textbooks are not used as part of the course, the sponsor must provide students with a syllabus containing the course title; the times and dates of the course offering; the name, address, and telephone number of the course sponsor; the name and affiliation of the instructor; and a detailed outline of the subject materials to be covered. Any written or printed material given to students must be of readable quality and contain accurate and current information.
- (d) Upon completion of an approved course, licensees shall earn one hour of continuing education credit for each classroom hour approved by the commissioner. Each continuing education course must be attended in its entirety in order to receive credit for the number of approved hours. Courses may be approved for full or partial credit, and for more than one regulated industry.
- (e) Continuing education credit in an approved course shall be awarded to presenting instructors on the basis of one credit for each hour of the initial presentation. Continuing education credits for completion of an approved course may only be used once for renewal of a specific license.
  - (f) Courses will be approved using the following guidelines:
- (1) course content must demonstrate significant intellectual or practical content and deal with matters directly related to the practice in the regulated industry, workforce safety, or the business of running a company in the regulated industry. Courses may also address the professional responsibility or ethical obligations of a licensee related to work in the regulated industry;
- (2) the following courses may be approved if they are specifically designed for the regulated industry and are in compliance with paragraph (g):
  - (i) courses approved by the Minnesota Board of Continuing Legal Education; or
- (ii) courses approved by the International Code Council, National Association of Home Building, or other nationally recognized professional organization of the regulated industry; and
- (3) courses must be presented and attended in a suitable classroom or construction setting, except for Internet education courses which must meet the requirements of subdivision  $\frac{5a}{4}$ . Courses presented via video recording, simultaneous broadcast, or teleconference may be approved provided the sponsor is available at all times during the presentation, except for Internet education courses which must meet the requirements of subdivision  $\frac{5a}{4}$ .
  - (g) The following courses will not be approved for credit:

(1) courses designed solely to prepare students for a license examination;

3

- (2) courses in mechanical office skills, including typing, speed reading, or other machines or equipment. Computer courses are allowed, if appropriate and related to the regulated industry;
- (3) courses in sales promotion, including meetings held in conjunction with the general business of the licensee;
  - (4) courses in motivation, salesmanship, psychology, or personal time management;
- (5) courses that are primarily intended to impart knowledge of specific products of specific companies, if the use of the product or products relates to the sales promotion or marketing of one or more of the products discussed; or
- (6) courses where any of the educational content of the course is the State Building Code that include code provisions that have not been adopted into the State Building Code unless the course materials clarify that the code provisions have been officially adopted into a future version of the State Building Code and the effective date of enforcement.
- (h) Nothing in this subdivision shall limit an authority expressly granted to the Board of Electricity, Board of High Pressure Piping Systems, or Plumbing Board.
  - Sec. 3. Minnesota Statutes 2022, section 326B.0981, subdivision 4, is amended to read:
- Subd. 4. **Internet continuing education.** (a) The design and delivery of an Internet continuing education course must be approved by the International Distance Education Certification Center (IDECC) or the International Association for Continuing Education and Training (IACET) before the course is submitted for the commissioner's approval. The approval must accompany the course submitted.
- (b) Paragraphs (a) and (e) (d) do not apply to approval of an Internet continuing education course for manufactured home installers. An Internet continuing education course for manufactured home installers must be approved by the United States Department of Housing and Urban Development or by the commissioner of labor and industry. The approval must accompany the course completion certificate issued to each student by the course sponsor.
- (c) Paragraph (a) does not apply to approval of an Internet continuing education course for elevator constructors. An Internet continuing education course for elevator constructors must be approved by the commissioner of labor and industry. The approval must accompany the course completion certificate issued to each student by the course sponsor.
  - (e) (d) An Internet continuing education course must:
  - (1) specify the minimum computer system requirements;
- (2) provide encryption that ensures that all personal information, including the student's name, address, and credit card number, cannot be read as it passes across the Internet;
  - (3) include technology to guarantee seat time;
  - (4) include a high level of interactivity;
  - (5) include graphics that reinforce the content;

- (6) include the ability for the student to contact an instructor or course sponsor within a reasonable amount of time;
  - (7) include the ability for the student to get technical support within a reasonable amount of time;
- (8) include a statement that the student's information will not be sold or distributed to any third party without prior written consent of the student. Taking the course does not constitute consent;
- (9) be available 24 hours a day, seven days a week, excluding minimal downtime for updating and administration, except that this provision does not apply to live courses taught by an actual instructor and delivered over the Internet:
- (10) provide viewing access to the online course at all times to the commissioner, excluding minimal downtime for updating and administration;
  - (11) include a process to authenticate the student's identity;
  - (12) inform the student and the commissioner how long after its purchase a course will be accessible;
- (13) inform the student that license education credit will not be awarded for taking the course after it loses its status as an approved course;
  - (14) provide clear instructions on how to navigate through the course;
  - (15) provide automatic bookmarking at any point in the course;
- (16) provide questions after each unit or chapter that must be answered before the student can proceed to the next unit or chapter;
  - (17) include a reinforcement response when a quiz question is answered correctly;
  - (18) include a response when a quiz question is answered incorrectly;
  - (19) include a final examination in which the student must correctly answer 70 percent of the questions;
  - (20) allow the student to go back and review any unit at any time, except during the final examination;
- (21) provide a course evaluation at the end of the course. At a minimum, the evaluation must ask the student to report any difficulties caused by the online education delivery method;
- (22) provide a completion certificate when the course and exam have been completed and the provider has verified the completion. Electronic certificates are sufficient and shall include the name of the provider, date and location of the course, educational program identification that was provided by the department, hours of instruction or continuing education hours, and licensee's or attendee's name and license, certification, or registration number or the last four digits of the licensee's or attendee's Social Security number; and
- (23) allow the commissioner the ability to electronically review the class to determine if credit can be approved.
- $\frac{\text{(d)}(e)}{\text{(e)}}$  The final examination must be either an encrypted online examination or a paper examination that is monitored by a proctor who certifies that the student took the examination.

- Sec. 4. Minnesota Statutes 2022, section 326B.0981, subdivision 8, is amended to read:
- Subd. 8. Facilities. Except for Internet education offered pursuant to subdivision  $\frac{5a}{4}$ , each course of study must be conducted in a classroom or other facility that is adequate to comfortably accommodate the instructors and the number of students enrolled. The sponsor may limit the number of students enrolled in a course.
  - Sec. 5. Minnesota Statutes 2022, section 326B.33, subdivision 7, is amended to read:
- Subd. 7. **Power limited technician.** (a) Except as otherwise provided by law, no individual shall install, alter, repair, plan, lay out, or supervise the installing, altering, repairing, planning, or laying out of electrical wiring, apparatus, or equipment for technology circuits or systems unless:
  - (1) the individual is licensed by the commissioner as a power limited technician; and
  - (2) the electrical work is:

- (i) for a licensed contractor and the individual is an employee, partner, or officer of, or is the licensed contractor; or
- (ii) performed under the direct supervision of a master electrician or power limited technician also employed by the individual's employer on technology circuits, systems, apparatus, equipment, or facilities that are owned or leased by the employer and that are located within the limits of property operated, maintained, and either owned or leased by the employer.
- (b) An applicant for a power limited technician's license shall (1) be a graduate of a four-year electrical course offered by an accredited college or university; or (2) have had at least 36 months' experience, acceptable to the commissioner, in planning for, laying out, supervising, installing, altering, and repairing wiring, apparatus, or equipment for power limited systems, provided however, that up to 12 months (2,000 hours) of experience credit for successful completion of a two-year post high school electrical course or other technical training approved by the commissioner may be allowed.
  - (c) Licensees must attain 16 hours of continuing education acceptable to the board every renewal period.
- (d) A company holding an alarm and communication license as of June 30, 2003, may designate one individual who may obtain a power limited technician license without passing an examination administered by the commissioner by submitting an application and license fee of \$30.
- (e) A person who has submitted an application by December 30, 2007, to take the power limited technician examination administered by the department is not required to meet the qualifications set forth in paragraph (b).
  - Sec. 6. Minnesota Statutes 2022, section 326B.33, subdivision 21, is amended to read:
- Subd. 21. **Exemptions from licensing.** (a) An individual who is a maintenance electrician is not required to hold or obtain a license under sections 326B.31 to 326B.399 if:
- (1) the individual is engaged in the maintenance and repair of electrical equipment, apparatus, and facilities that are owned or leased by the individual's employer and that are located within the limits of property operated, maintained, and either owned or leased by the individual's employer;
  - (2) the individual is supervised by:

- (i) the responsible master electrician for a contractor who has contracted with the individual's employer to provide services for which a contractor's license is required; or
- (ii) a licensed master electrician, a licensed maintenance electrician, an electrical engineer, or, if the maintenance and repair work is limited to technology circuits or systems work, a licensed power limited technician; and
- (3) the individual's employer has on file with the commissioner a current certificate of responsible person, signed by the responsible master electrician of the contractor, the licensed master electrician, the licensed maintenance electrician, the electrical engineer, or the licensed power limited technician, and stating that the person signing the certificate is responsible for ensuring that the maintenance and repair work performed by the employer's employees complies with the Minnesota Electrical Act and the rules adopted under that act. The employer must pay a filing fee to file a certificate of responsible person with the commissioner. The certificate shall expire two years from the date of filing. In order to maintain a current certificate of responsible person, the employer must resubmit a certificate of responsible person, with a filing fee, no later than two years from the date of the previous submittal.
- (b) Employees of a licensed electrical or technology systems contractor or other employer where provided with supervision by a master electrician in accordance with subdivision 1, or power limited technician in accordance with subdivision 7, paragraph (a), clause (1), are not required to hold a license under sections 326B.31 to 326B.399 for the planning, laying out, installing, altering, and repairing of technology circuits or systems except planning, laying out, or installing:
- (1) in other than residential dwellings, class 2 or class 3 remote control circuits that control circuits or systems other than class 2 or class 3, except circuits that interconnect these systems through communication, alarm, and security systems are exempted from this paragraph;
- (2) class 2 or class 3 circuits in electrical cabinets, enclosures, or devices containing physically unprotected circuits other than class 2 or class 3; or
- (3) technology circuits or systems in hazardous classified locations as covered by <del>chapter 5 of</del> the National Electrical Code.
- (c) Companies and their employees that plan, lay out, install, alter, or repair class 2 and class 3 remote control wiring associated with plug or cord and plug connected appliances other than security or fire alarm systems installed in a residential dwelling are not required to hold a license under sections 326B.31 to 326B.399.
- (d) Heating, ventilating, air conditioning, and refrigeration contractors and their employees are not required to hold or obtain a license under sections 326B.31 to 326B.399 when performing heating, ventilating, air conditioning, or refrigeration work as described in section 326B.38.
- (e) Employees of any electrical, communications, or railway utility, cable communications company as defined in section 238.02, or a telephone company as defined under section 237.01 or its employees, or of any independent contractor performing work on behalf of any such utility, cable communications company, or telephone company, shall not be required to hold a license under sections 326B.31 to 326B.399:
- (1) while performing work on installations, materials, or equipment which are owned or leased, and operated and maintained by such utility, cable communications company, or telephone company in the exercise of its utility, antenna, or telephone function, and which:

- (i) are used exclusively for the generation, transformation, distribution, transmission, or metering of electric current, or the operation of railway signals, or the transmission of intelligence and do not have as a principal function the consumption or use of electric current or provided service by or for the benefit of any person other than such utility, cable communications company, or telephone company; and
- (ii) are generally accessible only to employees of such utility, cable communications company, or telephone company or persons acting under its control or direction; and
  - (iii) are not on the load side of the service point or point of entrance for communication systems;
- (2) while performing work on installations, materials, or equipment which are a part of the street lighting operations of such utility; or
- (3) while installing or performing work on outdoor area lights which are directly connected to a utility's distribution system and located upon the utility's distribution poles, and which are generally accessible only to employees of such utility or persons acting under its control or direction.
- (f) An owner shall not be individual who physically performs electrical work on a residential dwelling that is located on a property the individual owns and actually occupies as a residence or owns and will occupy as a residence upon completion of its construction is not required to hold or obtain a license under sections 326B.31 to 326B.399 if the residential dwelling has a separate electrical utility service not shared with any other residential dwelling.
- (g) Companies and their employees licensed under section 326B.164 shall not be required to hold or obtain a license under sections 326B.31 to 326B.399 while performing elevator work.
  - Sec. 7. Minnesota Statutes 2022, section 326B.36, subdivision 2, is amended to read:
- Subd. 2. **Technology systems.** (a) The installation of the technology circuits or systems described in paragraph (b), except:
  - (1) minor work performed by a contractor;

- (2) work performed by a heating, ventilating, or air conditioning contractor as described in section 326B.38; and
- (3) work performed by cable company employees when installing cable communications systems or telephone company employees when installing telephone systems,

must be inspected as provided in this section for compliance with the applicable provisions of the National Electrical Code and the applicable provisions of the National Electrical Safety Code, as those codes were approved by the American National Standards Institute.

- (b) The inspection requirements in paragraph (a) apply to:
- (1) class 2 or class 3 remote control circuits that control circuits or systems other than class 2 or class 3, except circuits that interconnect these systems exempted by section 326B.33, subdivision 21, paragraph (b), other than fire alarm; class 2 or class 3 circuits in electrical cabinets, enclosures, or devices containing physically unprotected circuits other than class 2 or class 3; or technology circuits and systems in hazardous classified locations as covered by chapter 5 of the National Electrical Code;
- (2) fire alarm systems, other than in one- or two-family dwellings, as defined in articles 100 and 760 of the National Electrical Code:

- (3) technology circuits and systems contained within critical care areas of health care facilities as defined by the safety standards identified in section 326B.35, including, but not limited to, anesthesia and resuscitative alarm and alerting systems, medical monitoring, and nurse call systems; and
  - (4) physical security systems within detention facilities; and.
- (5) circuitry and equipment for indoor lighting systems as defined in article 411 of the National Electrical Code.
- (c) For the purposes of this subdivision "minor work" means the adjustment or repair and replacement of worn or defective parts of a technology circuit or system. Minor work may be inspected under this section at the request of the owner of the property or the person doing the work.
- (d) Notwithstanding this subdivision, if an electrical inspector observes that a contractor, employer, or owner has not complied with accepted standards when the work was performed, as provided in the most recent editions of the National Electrical Code and the National Electrical Safety Code as approved by the American National Standards Institute, the inspector may order the contractor, employer, or owner who has performed the work to file a request for electrical inspection an electrical permit, pay an inspection fee, and make any necessary repairs to comply with applicable standards and require that the work be inspected.
  - Sec. 8. Minnesota Statutes 2023 Supplement, section 326B.36, subdivision 7, is amended to read:
- Subd. 7. **Exemptions from inspections.** Installations, materials, or equipment shall not be subject to inspection under sections 326B.31 to 326B.399:
- (1) when owned or leased, operated and maintained by any employer whose maintenance electricians are exempt from licensing under sections 326B.31 to 326B.399, while performing electrical maintenance work only as defined by rule;
- (2) when owned or leased, and operated and maintained by any electrical, communications, or railway utility, cable communications company as defined in section 238.02, or telephone company as defined under section 237.01, in the exercise of its utility, antenna, or telephone function; and
- (i) are used exclusively for the generations, transformation, distribution, transmission, load control, or metering of electric current, or the operation of railway signals, or the transmission of intelligence, and do not have as a principal function the consumption or use of electric current by or for the benefit of any person other than such utility, cable communications company, or telephone company; and
- (ii) are generally accessible only to employees of such utility, cable communications company, or telephone company or persons acting under its control or direction; and
  - (iii) are not on the load side of the service point or point of entrance for communication systems;
  - (3) when used in the street lighting operations of an electrical utility;
- (4) when used as outdoor area lights which are owned and operated by an electrical utility and which are connected directly to its distribution system and located upon the utility's distribution poles, and which are generally accessible only to employees of such utility or persons acting under its control or direction;
- (5) when the installation, material, and equipment are in facilities subject to the jurisdiction of the federal Mine Safety and Health Act; or

- (6) when the installation, material, and equipment is part of an elevator installation for which the elevator contractor, licensed under section 326B.164, is required to obtain a permit from the authority having jurisdiction as provided by section 326B.184, and the inspection has been or will be performed by an elevator inspector certified and licensed by the department. This exemption shall apply only to installations, material, and equipment permitted or required to be connected on the load side of the disconnecting means required for elevator equipment under the National Electrical Code Article 620, and elevator communications and alarm systems within the machine room, car, hoistway, or elevator lobby.
  - Sec. 9. Minnesota Statutes 2022, section 326B.46, subdivision 6, is amended to read:
- Subd. 6. **Well contractor exempt from licensing and bond; conditions.** No license, registration, or bond under sections 326B.42 to 326B.49 is required of a well contractor or a limited well/boring contractor who is licensed and bonded under section 103I.525 or 103I.531 and is engaged in the work or business of designing and installing:
  - (1) water service pipe from a well to a pressure tank;

- (2) a frost-free water hydrant with an antisiphon device on a well water service pipe located entirely outside of a building requiring potable water;
  - (3) a control valve, located outside the building, on a well water service pipe; or
  - (4) a main control valve located within two feet of the pressure tank on the distribution supply line.

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

#### **ARTICLE 2**

#### LABOR STANDARDS

Section 1. Minnesota Statutes 2022, section 13.79, subdivision 1, is amended to read:

Subdivision 1. **Identity of employees making complaints complainants.** Data that identify employees and that appear on complaint forms received by individuals who have complained to the Department of Labor and Industry concerning alleged violations of the Fair Labor Standards Act, section 181.75 or 181.9641, chapter 177; chapter 181; sections 179.86 to 179.877; chapter 181A; or rules adopted pursuant to these statutes, are classified as private data. The commissioner may disclose this data to other government entities with written consent from the complainant if the commissioner determines that the disclosure furthers an enforcement action of the Department of Labor and Industry or another government entity.

- Sec. 2. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 2, is amended to read:
- Subd. 2. **Submission of records; penalty.** (a) The commissioner may require the employer of employees working in the state to submit to the commissioner photocopies, certified copies, or, if necessary, the originals of employment records which the commissioner deems necessary or appropriate. The records which may be required include full and correct statements in writing, including sworn statements by the employer, containing information relating to wages, hours, names, addresses, and any other information pertaining to the employer's employees and the conditions of their employment as the commissioner deems necessary or appropriate.

- (b) Employers and persons requested by the commissioner to produce records shall respond within the time and in the manner specified by the commissioner.
- (c) The commissioner may require the records to be submitted by certified mail delivery or, if necessary, by personal delivery by the employer or a representative of the employer, as authorized by the employer in writing.
- (d) The commissioner may fine the employer up to \$10,000 for each failure to submit or deliver records as required by this section. This penalty is in addition to any penalties provided under section 177.32, subdivision 1. In determining the amount of a civil penalty under this subdivision, the appropriateness of such penalty to the size of the employer's business and the gravity of the violation shall be considered.
  - Sec. 3. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 4, is amended to read:
- Subd. 4. Compliance orders. The commissioner may issue an order requiring an employer to comply with sections 177.21 to 177.435, 179.86, 181.02, 181.03, 181.031, 181.032, 181.10, 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.165, 181.172, paragraph (a) or (d), 181.214 to 181.217, 181.275, subdivision 2a, 181.635, 181.64, 181.722, 181.79, 181.85 to 181.89, 181.939 to 181.943, 181.9445 to 181.9448, 181.987, 181.991, 268B.09, subdivisions 1 to 6, and 268B.14, subdivision 3, with any rule promulgated under section 177.28, 181.213, or 181.215. The commissioner shall issue an order requiring an employer to comply with sections 177.41 to 177.435, 181.165, or 181.987 if the violation is repeated. For purposes of this subdivision only, a violation is repeated if at any time during the two years that preceded the date of violation, the commissioner issued an order to the employer for violation of sections 177.41 to 177.435, 181.165, or 181.987 and the order is final or the commissioner and the employer have entered into a settlement agreement that required the employer to pay back wages that were required by sections 177.41 to 177.435. The department shall serve the order upon the employer or the employer's authorized representative in person or by certified mail at the employer's place of business. An employer who wishes to contest the order must file written notice of objection to the order with the commissioner within 15 calendar days after being served with the order. A contested case proceeding must then be held in accordance with sections 14.57 to 14.69 or 181.165. If, within 15 calendar days after being served with the order, the employer fails to file a written notice of objection with the commissioner, the order becomes a final order of the commissioner. For the purposes of this subdivision, an employer includes a contractor that has assumed a subcontractor's liability within the meaning of section 181.165.
  - Sec. 4. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 7, is amended to read:
- Subd. 7. **Employer liability.** If an employer is found by the commissioner to have violated a section identified in subdivision 4, or any rule adopted under section 177.28, 181.213, or 181.215, and the commissioner issues an order to comply, the commissioner shall order the employer to cease and desist from engaging in the violative practice and to take such affirmative steps that in the judgment of the commissioner will effectuate the purposes of the section or rule violated. The commissioner shall order the employer to pay to the aggrieved parties back pay, gratuities, and compensatory damages, less any amount actually paid to the employee by the employer, and for an additional equal amount as liquidated damages. The commissioner may also order reinstatement and any other appropriate relief to the aggrieved parties. Any employer who is found by the commissioner to have repeatedly or willfully violated a section or sections identified in subdivision 4 shall be subject to a civil penalty of up to \$10,000 for each violation for each employee. In determining the amount of a civil penalty under this subdivision, the appropriateness of such penalty to the size of the employer's business and the gravity of the violation shall be considered. In addition, the commissioner may order the employer to reimburse the department and the attorney general for all appropriate

litigation and hearing costs expended in preparation for and in conducting the contested case proceeding, unless payment of costs would impose extreme financial hardship on the employer. If the employer is able to establish extreme financial hardship, then the commissioner may order the employer to pay a percentage of the total costs that will not cause extreme financial hardship. Costs include but are not limited to the costs of services rendered by the attorney general, private attorneys if engaged by the department, administrative law judges, court reporters, and expert witnesses as well as the cost of transcripts. Interest shall accrue on, and be added to, the unpaid balance of a commissioner's order from the date the order is signed by the commissioner until it is paid, at an annual rate provided in section 549.09, subdivision 1, paragraph (c). The commissioner may establish escrow accounts for purposes of distributing damages.

Sec. 5. Minnesota Statutes 2022, section 177.30, is amended to read:

## 177.30 KEEPING RECORDS; PENALTY.

- (a) Every employer subject to sections 177.21 to 177.44 must make and keep a record of:
- (1) the name, address, and occupation of each employee;
- (2) the rate of pay, and the amount paid each pay period to each employee;
- (3) the hours worked each day and each workweek by the employee, including for all employees paid at piece rate, the number of pieces completed at each piece rate;
- (4) a list of the personnel policies provided to the employee, including the date the policies were given to the employee and a brief description of the policies;
- (5) a copy of the notice provided to each employee as required by section 181.032, paragraph (d), including any written changes to the notice under section 181.032, paragraph (f);
- (6) for each employer subject to sections 177.41 to 177.44, and while performing work on public works projects funded in whole or in part with state funds, the employer shall furnish under oath signed by an owner or officer of an employer to the contracting authority and the project owner every two weeks, a certified payroll report with respect to the wages and benefits paid each employee during the preceding weeks specifying for each employee: name; identifying number; prevailing wage master job classification; hours worked each day; total hours; rate of pay; gross amount earned; each deduction for taxes; total deductions; net pay for week; dollars contributed per hour for each benefit, including name and address of administrator; benefit account number; and telephone number for health and welfare, vacation or holiday, apprenticeship training, pension, and other benefit programs; and
- (7) <u>earnings</u> statements for each employee for each pay period as required by section 181.032, paragraphs (a) and (b); and
- (8) other information the commissioner finds necessary and appropriate to enforce sections 177.21 to 177.435. The records must be kept for three years in the premises where an employee works except each employer subject to sections 177.41 to 177.44, and while performing work on public works projects funded in whole or in part with state funds, the records must be kept for three years after the contracting authority has made final payment on the public works project.
- (b) All records required to be kept under paragraph (a) must be readily available for inspection by the commissioner upon demand. The records must be either kept at the place where employees are working or kept in a manner that allows the employer to comply with this paragraph within 72 hours.

- (c) The commissioner may fine an employer up to \$1,000 for each failure to maintain records as required by this section, and up to \$5,000 for each repeated failure. This penalty is in addition to any penalties provided under section 177.32, subdivision 1. In determining the amount of a civil penalty under this subdivision, the appropriateness of such penalty to the size of the employer's business and the gravity of the violation shall be considered.
- (d) If the records maintained by the employer do not provide sufficient information to determine the exact amount of back wages due an employee, the commissioner may make a determination of wages due based on available evidence.
  - Sec. 6. Minnesota Statutes 2023 Supplement, section 177.42, subdivision 2, is amended to read:
- Subd. 2. **Project.** "Project" means demolition, erection, construction, alteration, improvement, restoration, remodeling, or repairing of a public building, structure, facility, land, or other public work, which includes any work suitable for and intended for use by the public, or for the public benefit, financed in whole or part by state funds. Project also includes demolition, erection, construction, alteration, improvement, restoration, remodeling, or repairing of a building, structure, facility, land, or public work when the acquisition of property, predesign, design, or demolition is financed in whole or part by state funds.
  - Sec. 7. Minnesota Statutes 2023 Supplement, section 181.212, subdivision 7, is amended to read:
- Subd. 7. **Voting.** The affirmative vote of five board members is required for the board to take any action, including actions necessary to establish minimum nursing home employment standards under section 181.213. At least two of the five affirmative votes must be cast by the commissioner members or the commissioner's appointees.
  - Sec. 8. Minnesota Statutes 2023 Supplement, section 181.213, subdivision 1, is amended to read:
- Subdivision 1. Authority to establish minimum nursing home employment standards. (a) The board must adopt rules establishing minimum nursing home employment standards that are reasonably necessary and appropriate to protect the health and welfare of nursing home workers, to ensure that nursing home workers are properly trained about and fully informed of their rights under sections 181.211 to 181.217, and to otherwise satisfy the purposes of sections 181.211 to 181.217. Standards established by the board must include standards on compensation for nursing home workers, and may include recommendations under paragraph (c). The board may not adopt standards that are less protective of or beneficial to nursing home workers as any other applicable statute or rule or any standard previously established by the board unless there is a determination by the board under subdivision 2 that existing standards exceed the operating payment rate and external fixed costs payment rates included in the most recent budget and economic forecast completed under section 16A.103. In establishing standards under this section, the board must establish statewide standards, and may adopt standards that apply to specific nursing home occupations.
- (b) The board must adopt rules establishing initial standards for wages for nursing home workers no later than <u>August November</u> 1, 2024. The board may use the authority in section 14.389 to adopt rules under this paragraph. The board shall consult with the department in the development of these standards prior to beginning the rule adoption process.
- (c) To the extent that any minimum standards that the board finds are reasonably necessary and appropriate to protect the health and welfare of nursing home workers fall within the jurisdiction of chapter 182, the board shall not adopt rules establishing the standards but shall instead recommend the occupational health and safety standards to the commissioner. The commissioner shall adopt nursing home health and safety

standards under section 182.655 as recommended by the board, unless the commissioner determines that the recommended standard is outside the statutory authority of the commissioner, presents enforceability challenges, is infeasible to implement, or is otherwise unlawful and issues a written explanation of this determination.

- Sec. 9. Minnesota Statutes 2023 Supplement, section 181.939, subdivision 2, is amended to read:
- Subd. 2. **Pregnancy accommodations.** (a) An employer must provide reasonable accommodations to an employee for health conditions related to pregnancy or childbirth upon request, with the advice of a licensed health care provider or certified doula, unless the employer demonstrates that the accommodation would impose an undue hardship on the operation of the employer's business. A pregnant employee shall not be required to obtain the advice of a licensed health care provider or certified doula, nor may an employer claim undue hardship for the following accommodations: (1) more frequent or longer restroom, food, and water breaks; (2) seating; and (3) limits on lifting over 20 pounds. The employee and employer shall engage in an interactive process with respect to an employee's request for a reasonable accommodation. Reasonable accommodation may include but is not limited to temporary transfer to a less strenuous or hazardous position, temporary leave of absence, modification in work schedule or job assignments, seating, more frequent or longer break periods, and limits to heavy lifting. Notwithstanding any other provision of this subdivision, an employer shall not be required to create a new or additional position in order to accommodate an employee pursuant to this subdivision and shall not be required to discharge an employee, transfer another employee with greater seniority, or promote an employee.
- (b) Nothing in this subdivision shall be construed to affect any other provision of law relating to sex discrimination or pregnancy or in any way diminish the coverage of pregnancy, childbirth, or health conditions related to pregnancy or childbirth under any other provisions of any other law.
  - (c) An employer shall not require an employee to take a leave or accept an accommodation.
- (d) An employer shall not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee for asserting rights or remedies under this subdivision.
- (e) For the purposes of this subdivision, "employer" means a person or entity that employs one or more employees and includes the state and its political subdivisions.
- (f) During any leave for which an employee is entitled to benefits or leave under this subdivision, the employer must maintain coverage under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents as if the employee was not on leave, provided, however, that the employee must continue to pay any employee share of the cost of the benefits.
  - Sec. 10. Minnesota Statutes 2022, section 181.941, subdivision 4, is amended to read:
- Subd. 4. Continued insurance. The employer must continue to make coverage available to the employee while on leave of absence under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents. Nothing in this section requires the employer to pay the costs of the insurance or health care while the employee is on leave of absence. During any leave for which an employee is entitled to benefits or leave under this section, the employer must maintain coverage under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents as if the employee was not on leave, provided, however, that the employee must continue to pay any employee share of the cost of the benefits.

Sec. 11. Minnesota Statutes 2022, section 181.943, is amended to read:

## 181.943 RELATIONSHIP TO OTHER LEAVE.

- (a) The length of leave provided under section 181.941 may be reduced by any period of:
- (1) paid parental, disability, personal, medical, or sick leave, or accrued vacation provided by the employer so that the total leave does not exceed 12 weeks, unless agreed to by the employer; or
  - (2) leave taken for the same purpose by the employee under United States Code, title 29, chapter 28.
- (b) Nothing in sections 181.940 to 181.943 prevents any employer from providing leave benefits in addition to those provided in sections 181.940 to 181.944 or otherwise affects an employee's rights with respect to any other employment benefit.
- (c) Notwithstanding paragraphs (a) and (b), the length of leave provided under section 181.941 must not be reduced by any period of paid or unpaid leave taken for prenatal care medical appointments.

# Sec. 12. [181.9881] RESTRICTIVE EMPLOYMENT COVENANTS; VOID IN SERVICE CONTRACTS.

- Subdivision 1. **Definitions.** (a) "Customer" means an individual, partnership, association, corporation, business, trust, or group of persons hiring a service provider for services.
- (b) "Employee," as used in this section, means any individual who performs services for a service provider, including independent contractors. "Independent contractor" has the meaning given in section 181.988, subdivision 1, paragraph (d).
- (c) "Service provider" means any partnership, association, corporation, business, trust, or group of persons acting directly or indirectly as an employer or manager for work contracted or requested by a customer.
- Subd. 2. Restrictive employment covenants; void and unenforceable. (a) No service provider may restrict, restrain, or prohibit in any way a customer from directly or indirectly soliciting or hiring an employee of a service provider.
  - (b) Any provision of an existing contract that violates paragraph (a) is void and unenforceable.
- (c) When a provision in an existing contract violates this section, the service provider must provide notice to their employees of this section and the restrictive covenant in the existing contract that violates this section.
- <u>Subd. 3.</u> <u>Exemptions.</u> This section does not apply to workers providing professional business consulting for computer software development and related services who are seeking employment through a service provider with the knowledge and intention of being considered for a permanent position of employment with the customer as their employer at a later date.
- **EFFECTIVE DATE.** This section is effective July 1, 2024, and applies to contracts and agreements entered into on or after that date.

Sec. 13. Minnesota Statutes 2022, section 181A.08, is amended to read:

#### 181A.08 POWERS AND DUTIES OF THE DEPARTMENT.

15

Subdivision 1. **Inspections.** The commissioner, an authorized representative, or any truant officer may enter and inspect the place of business or employment and may interview any employees, of any employer of employees in any occupation in the state, all for the purpose of ascertaining whether any minors are employed contrary to the provisions of sections 181A.01 to 181A.12. Such authorized persons may require that employment certificates, age certificates, and lists of minors employed shall be produced for their inspection.

- Subd. 2. **Compliance orders.** The commissioner or an authorized representative may issue an order requiring an employer to comply with the provisions of sections 181A.01 to 181A.12 or with any rules promulgated under the provisions of section 181A.09. Any such order shall be served by the department upon the employer or an authorized representative in person or by certified mail at the employers place of business. If an employer wishes to contest the order for any reason, the employer shall file written notice of objection with the commissioner within ten 15 calendar days after service of said order upon said employer. Thereafter, a public hearing shall be held in accordance with the provisions of sections 14.57 to 14.69, and such rules consistent therewith as the commissioner shall make. If, within 15 calendar days after being served with the order, the employer fails to file a written notice of objection with the commissioner, the order becomes a final order of the commissioner.
- Subd. 2a. Employer liability. If an employer is found by the commissioner to have violated any provision of sections 181A.01 to 181A.12, or any rules promulgated under section 181A.09, and the commissioner issues an order to comply under subdivision 2, the commissioner shall order the employer to cease and desist from engaging in the violative practice and to take affirmative steps that in the judgment of the commissioner will effectuate the purposes of the section or rule violated. The commissioner may order the employer to reimburse the department and the attorney general for appropriate litigation and hearing costs expended in preparation for and in conducting the contested case proceeding, unless payment of costs would impose extreme financial hardship on the employer. If the employer is able to establish extreme financial hardship, then the commissioner may order the employer to pay a percentage of the total costs that will not cause extreme financial hardship. Costs include but are not limited to the costs of services rendered by the attorney general, private attorneys if engaged by the department, administrative law judges, court reporters, and expert witnesses as well as the cost of transcripts. Interest shall accrue on, and be added to, the unpaid balance of a commissioner's order from the date the order is signed by the commissioner until it is paid, at an annual rate provided in section 549.09, subdivision 1, paragraph (c).
- Subd. 3. **Restraining orders.** The commissioner or an authorized representative may apply to any court of competent jurisdiction for an order restraining the violation of an order issued by the commissioner pursuant to subdivision 2, or for an order enjoining and restraining violations of this chapter or rules adopted pursuant to section 181A.09.
  - Sec. 14. Minnesota Statutes 2022, section 181A.12, subdivision 1, is amended to read:

Subdivision 1. **Fines; penalty.** (a) Any employer who hinders or delays the department or its authorized representative in the performance of its duties under sections 181A.01 to 181A.12 or refuses to admit the commissioner or an authorized representative to any place of employment or refuses to make certificates or lists available as required by sections 181A.01 to 181A.12, or otherwise violates any provisions of sections 181A.01 to 181A.12 or any rules issued pursuant thereto shall be assessed a fine to be paid to the commissioner for deposit in the general fund. The fine may be recovered in a civil action in the name of the department

brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office. Fines are in up to the amounts as follows for each violation:

(1)	employment of minors under the age of 14 (each employee)	\$ 500
(2)	employment of minors under the age of 16 during school hours while school is in session (each employee)	500
(3)	employment of minors under the age of 16 before 7:00 a.m. (each employee)	500
(4)	employment of minors under the age of 16 after 9:00 p.m. (each employee)	500
(5)	employment of a high school student under the age of 18 in violation of section 181A.04, subdivision 6 (each employee)	1,000
(6)	employment of minors under the age of 16 over eight hours a day (each employee)	500
(7)	employment of minors under the age of 16 over 40 hours a week (each employee)	500
(8)	employment of minors under the age of 18 in occupations hazardous or detrimental to their well-being as defined by rule (each employee)	1,000
(9)	employment of minors under the age of 16 in occupations hazardous or detrimental to their well-being as defined by rule (each employee)	1,000
(10)	minors under the age of 18 injured in hazardous employment (each employee)	5,000
(11)	minors employed without proof of age (each employee)	250

- (b) An employer who refuses to make certificates or lists available as required by sections 181A.01 to 181A.12 shall be assessed a \$500 fine.
- (c) Notwithstanding the factors in section 14.045, subdivision 3, the commissioner need only consider the size of the business of the employer, the gravity of the violation, and the history of previous violations when determining the total amount of fines to issue under this subdivision.
  - Sec. 15. Minnesota Statutes 2022, section 181A.12, is amended by adding a subdivision to read:
- Subd. 4. **Liquidated damages.** An employer who employs a minor in violation of section 181A.04, subdivision 5, may be liable to the minor for an amount equal to the minor's regular rate of pay for all hours worked in violation of section 181A.04, subdivision 5, as liquidated damages, in addition to the wages earned by the minor.

Sec. 16. Minnesota Statutes 2022, section 181A.12, is amended by adding a subdivision to read:

Subd. 5. **Retaliation.** An employer shall not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee for asserting rights or remedies under sections 181A.01 to 181A.12 or any rules promulgated under section 181A.09, including but not limited to filing a complaint with the department, informing the employer of the employee's intention to file a complaint, or participating in an investigation by the department. In addition to any other remedies provided by law, the commissioner may order an employer in violation of this subdivision to provide back pay, compensatory damages, reinstatement, and any other appropriate relief to the aggrieved employee.

#### **ARTICLE 3**

#### OCCUPATIONAL SAFETY AND HEALTH

Section 1. Minnesota Statutes 2023 Supplement, section 182.6526, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The terms defined in this subdivision have the meanings given.

- (b) "Aggregated employee work speed data" means a compilation of employee work speed data for multiple employees, in summary form, assembled in full or in another form such that the data cannot be identified with any individual.
  - (c) "Commissioner" means the commissioner of labor and industry.
- (d)(1) Except as provided in clause (2), "employee" means an employee a person who meets the definition in section 182.651, subdivision 9, and who works at a warehouse distribution center.
- (2) For the purposes of subdivisions 2, 3, and 4 only, "employee" means a nonexempt employee performing person who: (i) meets the definition in section 182.651, subdivision 9; (ii) does not meet any of the exceptions under section 177.23, subdivision 7, clauses (1) to (19); and (iii) performs warehouse work occurring on the property of a warehouse distribution center and. Employee does not include a nonexempt employee any person performing solely manufacturing, administrative, sales, accounting, human resources, or driving work at, or to and from, a warehouse distribution center.
- (e) "Employee work speed data" means information an employer collects, stores, analyzes, or interprets relating to an individual employee's performance of a quota, including but not limited to quantities of tasks performed, quantities of items or materials handled or produced, rates or speeds of tasks performed, measurements or metrics of employee performance in relation to a quota, and time categorized as performing tasks or not performing tasks. Employee work speed data does not include itemized earnings statements pursuant to chapter 181, except for any content of those records that includes employee work speed data as defined in this paragraph.
- (f) "Employer" means a person who meets the definition in section 182.651, subdivision 7, and who directly or indirectly, or through an agent or any other person, including through the services of a third-party employer, temporary service, or staffing agency or similar entity, employs or exercises control over the wages, hours, or working conditions of 250 or more employees at a single warehouse distribution center or 1,000 or more employees at one or more warehouse distribution centers in the state. For purposes of this paragraph, all employees of an employer's unitary business, as defined in section 290.17, subdivision 4, shall be counted in determining the number of employees employed at a single warehouse distribution center or at one or more warehouse distribution centers in the state.

- (g) "Warehouse distribution center" means an establishment as defined by any of the following North American Industry Classification System (NAICS) codes:
  - (1) 493110 for General Warehousing and Storage;
  - (2) 423 for Merchant Wholesalers, Durable Goods;
  - (3) 424 for Merchant Wholesalers, Nondurable Goods;
  - (4) 454110 for Electronic Shopping and Mail-Order Houses; and
  - (5) 492110 for Couriers and Express Delivery Services.
  - (h) "Quota" means a work standard under which:
- (1) an employee or group of employees is assigned or required to perform at a specified productivity speed, or perform a quantified number of tasks, or handle or produce a quantified amount of material, or perform without a certain number of errors or defects, as measured at the individual or group level within a defined time period; or
- (2) an employee's actions are categorized and measured between time performing tasks and not performing tasks, and the employee's failure to complete a task performance standard may have an adverse impact on the employee's continued employment.
  - Sec. 2. Minnesota Statutes 2022, section 182.664, subdivision 3, is amended to read:
- Subd. 3. **Powers and duties of board.** The review board shall review and decide appeals from final decisions and orders of the commissioner, including decisions issued by administrative law judges, petitions to vacate final orders of the commissioner, and with the agreement of the parties, may review and decide petitions for decisions based on stipulated facts. The powers of the board in the conduct of hearings, including the power to sign decisions and orders, may be delegated to a member, members, or the board chair. The board may schedule a hearing for purposes of taking oral argument. A notice stating the time and place of the hearing must be given ten days in advance of such a hearing to the parties and copies of the notice of such hearing shall be served by the employer as rules of the board shall require. The hearings shall be open to the public and the board's decisions and orders shall be maintained and available for examination. Chapter 13D does not apply to meetings or hearings of the board when the board is deliberating to reach its decision on an appeal or petition under its jurisdiction.
  - Sec. 3. Minnesota Statutes 2022, section 182.664, subdivision 5, is amended to read:
- Subd. 5. Authority of board; standard scope of review. (a) For the purpose of carrying out its functions under this chapter, two members of the board shall constitute a quorum and official action can be taken only on the affirmative vote of at least two members. The decisions and orders of an administrative law judge, or final orders of the commissioner, may be appealed to the review board by the employer, employee, or their authorized representatives or any party, within 30 days following service by mail of the administrative law judge's decision and order, or final order of the commissioner.
- (b) The review board shall have authority to revise, confirm affirm, remand, or reverse the decision and order of administrative law judges, or.
- (c) The review board shall also have authority to affirm, or vacate and remand, final orders of the commissioner when a petition to vacate a final order is filed. The board shall only vacate and remand a final

order of the commissioner relating to a petition to vacate upon a showing of good cause. For purposes of this section, good cause is limited to fraud, mistake of fact or by the commissioner, mistake of law by the commissioner, or newly discovered evidence.

Sec. 4. Minnesota Statutes 2022, section 182.665, is amended to read:

#### 182.665 JUDICIAL REVIEW.

Any person aggrieved by a final order of the board in a contested case, by a final order of the board on a petition to vacate a final order of the commissioner, or by any standard, rule, or order promulgated by the commissioner, is entitled to judicial review thereof in accordance with the applicable provisions of chapter 14.

- Sec. 5. Minnesota Statutes 2022, section 182.666, subdivision 6, is amended to read:
- Subd. 6. **Authority to assess fines; considerations.** Only the commissioner shall have authority to assess all proposed fines provided in this section, giving. Notwithstanding the factors in section 14.045, subdivision 3, the commissioner must give due consideration only to the following factors:
  - (1) appropriateness of the fine with respect to the size of the business of the employer;
  - (2) the gravity of the violation;
  - (3) the good faith of the employer; and
  - (4) the history of previous violations.
  - Sec. 6. Minnesota Statutes 2022, section 182.667, is amended by adding a subdivision to read:
- Subd. 4. Investigative data. The commissioner may share active and inactive civil investigative data pursuant to section 13.39 with a city or county attorney for purposes of enforcing this section. The commissioner may share complete data and need not withhold any data under the requirements of chapter 13 or 182 or any other state privacy law.
  - Sec. 7. Minnesota Statutes 2023 Supplement, section 182.677, subdivision 1, is amended to read:
- Subdivision 1. **Definitions.** (a) For purposes of this section, the definitions in this subdivision apply unless otherwise specified.
- (b) "Health care facility" means a hospital with a North American Industrial Classification system code of 622110, 622210, or 622310; an outpatient surgical center with a North American Industrial Classification system code of 621493; and a nursing home with a North American Industrial Classification system code of 623110.
- (c) "Warehouse distribution center" means an employer a site in Minnesota with 100 or more employees in Minnesota and a North American Industrial Classification system code of 493110, 423110 to 423990, 424110 to 424990, 454110, or 492110.
- (d) "Meatpacking site" means a meatpacking or poultry processing site in Minnesota with 100 or more employees in Minnesota and a North American Industrial Classification system code of 311611 to 311615, except 311613.

- (e) "Musculoskeletal disorder" or "MSD" means a disorder of the muscles, nerves, tendons, ligaments, joints, cartilage, blood vessels, or spinal discs.
  - Sec. 8. Minnesota Statutes 2023 Supplement, section 182.677, subdivision 2, is amended to read:
- Subd. 2. **Ergonomics program required.** (a) Every employer with employees at a licensed health care facility, warehouse distribution center, or meatpacking site in the state shall create and implement an effective written ergonomics program establishing the employer's plan to minimize the risk of its employees developing or aggravating musculoskeletal disorders. The ergonomics program shall focus on eliminating the risk. To the extent risk exists, the ergonomics program must include feasible administrative or engineering controls to reduce the risk.
  - (b) The program shall include:
  - (1) an assessment to identify and reduce musculoskeletal disorder risk factors in the facility;
- (2) an initial and ongoing training of employees on ergonomics and its benefits, including the importance of reporting early symptoms of musculoskeletal disorders;
- (3) a procedure to ensure early reporting of musculoskeletal disorders to prevent or reduce the progression of symptoms, the development of serious injuries, and lost-time claims;
- (4) a process for employees to provide possible solutions that may be implemented to reduce, control, or eliminate workplace musculoskeletal disorders;
- (5) procedures to ensure that physical plant modifications and major construction projects are consistent with program goals; and
  - (6) annual evaluations of the ergonomics program and whenever a change to the work process occurs.

#### **ARTICLE 4**

#### APPRENTICESHIP POLICY

- Section 1. Minnesota Statutes 2022, section 13.7905, is amended by adding a subdivision to read:
- Subd. 10. Apprentice data. Apprentice data reported to, maintained by, or collected by the department is governed by section 178.071.
  - Sec. 2. Minnesota Statutes 2023 Supplement, section 178.01, is amended to read:

## **178.01 PURPOSES.**

The purposes of this chapter are: to open to all people regardless of race, color, creed, religion, national origin, sex, creed, color or national origin, gender identity, sexual orientation, marital status, familial status, disability, status with regard to public assistance, or age the opportunity to obtain training and on-the-job learning that will equip them for profitable employment and citizenship; to establish as a means to this end, a program of voluntary apprenticeship under approved apprenticeship agreements providing facilities for their training and guidance in the arts, skills, and crafts of industry and trade or occupation, with concurrent, supplementary instruction in related subjects; to promote apprenticeship opportunities under conditions providing adequate training and on-the-job learning and reasonable earnings; to relate the supply of skilled workers to employment demands; to establish standards for apprentice training; to establish an Apprenticeship

Advisory Board and apprenticeship committees to assist in effectuating the purposes of this chapter; to provide for a Division of Apprenticeship within the Department of Labor and Industry; to provide for reports to the legislature regarding the status of apprentice training in the state; to establish a procedure for the determination of apprenticeship agreement controversies; and to accomplish related ends.

- Sec. 3. Minnesota Statutes 2022, section 178.011, subdivision 9, is amended to read:
- Subd. 9. **Journeyworker.** "Journeyworker" means a person who has attained a level of skill, abilities, and competencies recognized within an industry as having mastered the skills and competencies required for the trade or occupation. Use of the term may also refer to a mentor, technician, specialist, or other skilled worker who has documented sufficient skills and knowledge of an occupation, either through formal apprenticeship or through practical on-the-job experience and formal training.
  - Sec. 4. Minnesota Statutes 2022, section 178.012, subdivision 1, is amended to read:

Subdivision 1. **Apprenticeship rules.** Federal regulations governing apprenticeship in effect on January 18, 2017, as provided by Code of Federal Regulations, title 29, parts 29, sections 29.1 to 29.6 and 29.11, and 30, are the apprenticeship rules in this state, subject to amendment by this chapter or by rule under section 178.041.

- Sec. 5. Minnesota Statutes 2022, section 178.035, subdivision 2, is amended to read:
- Subd. 2. **Provisional approval.** The division shall grant a provisional approval period of one year to an applicant demonstrating that the standards submitted meet the requirements of this chapter. The division may review each program granted provisional approval for quality and for conformity with the requirements of this section and section 178.036 at any time, but not less than biannually, during the provisional approval period. After review:
  - (1) a program that conforms with the requirements of this chapter:
  - (i) may be approved made permanent; or

21

- (ii) may continue to be provisionally approved through the first full training cycle; and
- (2) a program not in operation or not conforming with the requirements of this chapter during the provisional approval period shall be deregistered.

The division shall inform the applicant of the results of its review in writing at least 30 days prior to the expiration of the provisional approval period.

- Sec. 6. Minnesota Statutes 2022, section 178.035, subdivision 4, is amended to read:
- Subd. 4. **Program modification.** To apply for modification of or change to a registered program, a sponsor shall submit a written request for modification to the division. The division shall approve or disapprove a modification request within 90 days from the date of receipt. If approved, the modification or change must be recorded and acknowledged within 90 days of its approval as an amendment to the registered program. If not approved, the division shall notify the sponsor in writing of the disapproval and the reasons for the disapproval. The division may provide technical assistance to a sponsor seeking to modify or change a registered program. The division may require program modification to ensure standards of apprenticeship that comply with the requirements of Code of Federal Regulations, title 29, part 29, section 29.5, and this chapter.

- Sec. 7. Minnesota Statutes 2022, section 178.035, subdivision 6, is amended to read:
- Subd. 6. **Certificate.** Upon registration provisional approval of a program, the commissioner shall issue a certificate of registration to the sponsor. Within 30 45 days after the certificate is mailed or otherwise delivered to the sponsor, the sponsor must submit to the commissioner a copy of at least one executed apprenticeship agreement.
  - Sec. 8. Minnesota Statutes 2022, section 178.035, subdivision 7, is amended to read:
- Subd. 7. **Policy requirement.** It must be the policy of the employer and sponsor that the recruitment, selection, employment, and training of apprentices during their apprenticeship must be without discrimination due to race, color, creed, religion, national origin, sex, gender identity, sexual orientation, marital status, physical or mental familial status, disability, receipt of status with regard to public assistance, or age. The employer and sponsor must take affirmative action to provide equal opportunity in apprenticeship and must operate the apprenticeship program as required under Code of Federal Regulations, title 29, part 30, and under the Minnesota plan for equal opportunity in apprenticeship.
  - Sec. 9. Minnesota Statutes 2022, section 178.036, subdivision 3, is amended to read:
- Subd. 3. **Related instruction.** A minimum of 144 hours of related instruction is required in each training cycle. At least 50 hours of related safety instruction is required during the term of apprenticeship. Time spent in related instruction cannot be considered as hours of work as required by the job work process schedule. Related instruction must be designated in hours for each individual trade or occupation included in the standards. Every apprenticeship instructor must meet the Department of Education's requirements for a vocational-technical career and technical education instructor or be a subject matter expert, which is an individual such as a journeyworker who is recognized within an industry as having expertise in a specific trade or occupation.
  - Sec. 10. Minnesota Statutes 2022, section 178.036, subdivision 4, is amended to read:
- Subd. 4. Job Work process schedule. Each time-based apprenticeship program must include not less than 2,000 hours of reasonably continuous employment.
  - Sec. 11. Minnesota Statutes 2022, section 178.036, subdivision 5, is amended to read:
- Subd. 5. **Ratios.** If the apprentice is covered by a collective bargaining agreement, the employer must follow the provisions of the collective bargaining agreement regarding the maximum number of apprentices to be employed at the work site for each journeyworker employed at the same work site. In the absence of a collective bargaining agreement, for the purposes of direct supervision and the safety and instruction of the apprentice, the ratio shall be:
- (1) one apprentice for the first each journeyworker employed at the work site plus one apprentice for each additional three journeyworkers employed at the work site; except that for occupations in the building and construction trades or any hazardous occupation as defined by section 181A.04, subdivision 5, one apprentice for the first journeyworker employed at the work site plus one apprentice for each additional three journeyworkers employed at the work site;
- (2) the work site ratio utilized by the majority of registered apprenticeship agreements in the same trade or occupation; or

- (3) a program-specific ratio that has been approved by the Apprenticeship Advisory Board.
- Sec. 12. Minnesota Statutes 2022, section 178.036, subdivision 6, is amended to read:

- Subd. 6. **Graduated schedule of wages.** The graduated schedule of wages for an apprenticeship program shall be calculated as a percentage of the journeyworker rate in the majority of registered apprenticeship agreements in the same trade or occupation in the state. If there are no registered apprenticeship agreements in the same trade or occupation, the graduated schedule of wages may be determined by the sponsor with the approval of the division.
  - Sec. 13. Minnesota Statutes 2022, section 178.036, subdivision 7, is amended to read:
- Subd. 7. **Probationary period.** The standards must provide a period of probation of not more than 500 hours of employment and instruction extending over not more than four months one year or 25 percent of the length of the program, whichever is shorter, during which time the apprenticeship agreement shall be terminated by the director upon written request of either party, and providing that after such probationary period the apprenticeship agreement may be terminated by the director by mutual agreement of all parties thereto, or terminated by the director for good and sufficient reason.
  - Sec. 14. Minnesota Statutes 2022, section 178.044, subdivision 3, is amended to read:
- Subd. 3. **Journeyworker wage rate.** If the apprentice is not covered by a collective bargaining agreement, the journeyworker wage rate upon which the apprenticeship agreement graduated schedule of wages is calculated shall be:
- (1) the most current Minnesota state prevailing wage rate determination for the same trade or occupation in the county in which the apprentice's employer is located. If an apprenticeship agreement entered into after January 1, 2015, does not specify fringe benefits, the journeyworker wage rate upon which the apprentice wage rate is calculated must be the total rate listed in the wage determination; or
- (2) if there is no Minnesota prevailing wage rate determination for the same trade or occupation in the county in which the apprentice's employer is located, the journeyworker wage may be determined by the sponsor with the approval of the division.
  - Sec. 15. Minnesota Statutes 2022, section 178.07, subdivision 1, is amended to read:
- Subdivision 1. **Approval required.** (a) The division shall approve, if it determines that it is in the best interest of the apprentice, an apprenticeship agreement <u>prepared by the sponsor on a form provided by the commissioner that meets the standards established in this section.</u>
- (b) All terminations, cancellations, and transfers of apprenticeship agreements shall be approved by the division in writing. The division must be notified in writing by the sponsor within 45 days of all terminations, cancellations, or transfer of apprenticeship agreements.
  - Sec. 16. Minnesota Statutes 2022, section 178.07, subdivision 3, is amended to read:
    - Subd. 3. Contents. Every apprenticeship agreement entered into under this chapter shall contain:
    - (1) the names of the contracting parties, and the signatures required by subdivision 2;

- (2) the date of birth, and information as to the race, ethnicity, and sex of the apprentice, and, on a voluntary basis, the apprentice's Social Security number, disability status, and veteran status;
  - (3) contact information of the sponsor and the division;
- (4) a statement of the trade or occupation which the apprentice is to be taught, the date on which the apprenticeship will begin, and the number of hours to be spent by the apprentice in work and the number of hours to be spent in concurrent, related instruction;
- (5) a statement of the wages to be paid the apprentice under sections 178.036, subdivision 6, and 178.044, as applicable;
  - (6) a statement listing any fringe benefits to be provided to the apprentice;
- (7) a statement incorporating as part of the agreement the registered standards of the apprenticeship program on the date of the agreement and as they may be amended during the period of the agreement;
- (8) a statement that the apprentice will be accorded equal opportunity in all phases of apprenticeship employment and training, without discrimination due to race, color, creed, religion, national origin, sex, gender identity, sexual orientation, marital status, physical or mental familial status, disability, receipt of status with regard to public assistance, or age; and
- (9) such additional terms and conditions as may be prescribed or approved by the commissioner not inconsistent with the provisions of this chapter.

## Sec. 17. [178.071] APPRENTICE DATA.

- Subdivision 1. **Definition.** "Apprentice data" means data on individuals collected, maintained, used, or disseminated because an individual has applied for or has been submitted for registration as an apprentice with the Division of Apprenticeship, or is currently or has been registered as an apprentice with the Division of Apprenticeship.
  - Subd. 2. Classification. Apprentice data are private data on individuals.
- Subd. 3. **Data sharing.** Apprentice data may be shared with a state agency for the purpose of determining compliance with section 116J.871 or 177.41 to 177.44. The division may provide apprentice data to the United States Department of Labor.
  - Sec. 18. Minnesota Statutes 2022, section 178.09, subdivision 2, is amended to read:
- Subd. 2. **Determination; appeal.** Within 90 days after the receipt of a complaint, the division must issue a determination. The determination of the division shall be filed with the commissioner and written notice shall be served on all parties affected by it. Any person aggrieved by any determination or action of the director may appeal to the commissioner. If no appeal is filed with the commissioner within ten 15 days of the date of service, the division's determination shall become the final order of the commissioner. If an appeal is filed, the commissioner shall appoint and convene a hearing board to be composed of three members of the Apprenticeship Advisory Board appointed under section 178.02, one member being a representative of an employer organization, one representative being a member of an employee organization, and one member representing the general public. The board shall hold a hearing on the appeal after due notice to the interested parties and shall submit to the commissioner findings of fact and a recommended decision accompanied by a memorandum of the reasons for it. Within 30 days after submission, the commissioner may adopt the recommended decision of the board, or disregard the recommended decision of the board and

prepare a decision based on the findings of fact and accompanied by a memorandum of reasons for that decision. Written notice of the commissioner's determination and order shall be served on all parties affected by it. Any person aggrieved by the commissioner's determination and order under this section is entitled to judicial review under sections 14.63 to 14.68 in the same manner that a person aggrieved by a final decision in a contested case is entitled to judicial review. The commissioner's determination and order under this section shall be a final decision and order of the department for purposes of sections 14.63 to 14.68.

- Sec. 19. Minnesota Statutes 2022, section 178.091, subdivision 2, is amended to read:
- Subd. 2. **Grounds.** (a) The commissioner may deregister a registered apprenticeship program or deny an application for registration if:
- (1) the program does not comply with any requirement of Code of Federal Regulations, title 29, part 29 or 32 30, this chapter, or any rule adopted pursuant to section 178.041;
- (2) the program does not have at least one registered apprentice in each trade or occupation, except for the following specified periods of time:
  - (i) within the first 30 45 days after the date a program is registered; or
- (ii) within one year of the date that a program graduates an apprentice in a trade or occupation and the date of registration for the next apprentice in that trade or occupation; or
- (3) the program is not conducted, operated, or administered in accordance with the program's registered standards or with the requirements of this chapter, including but not limited to:
  - (i) failure to provide on-the-job learning;

25

- (ii) failure to provide related instruction;
- (iii) failure of an employer to pay the apprentice a progressively increasing schedule of wages consistent with the apprentice's skills acquired; or
  - (iv) persistent and significant failure to perform successfully.
- (b) The commissioner may deregister an apprenticeship program at the written request of the sponsor in a manner consistent with the provisions of Code of Federal Regulations, title 29, part 29, section 29.8(a).
  - Sec. 20. Minnesota Statutes 2022, section 178.091, subdivision 4, is amended to read:
- Subd. 4. Orders; hearings related to orders Corrective action. (a) If the commissioner determines that a registered apprenticeship program should be deregistered or that an application for registration should be denied, the commissioner shall issue to and serve on the sponsor an order deregistering the program's registration or denying the application for registration. a notice to correct containing the following:
  - (b) An order issued under this subdivision must specify:
  - (1) the deficiency and the required remedy or corrective action;
- (2) the time period to effectuate the required remedy or corrective action, which shall be <u>no less than</u> 30 days and no more than 90 60 days; and
  - (3) any other requirement consistent with Code of Federal Regulations, title 29, part 29, section 29.8(b).

- (e) The sponsor to whom the commissioner issues an order under this subdivision may appeal to a hearing board appointed consistent with section 178.09, subdivision 2.
  - Sec. 21. Minnesota Statutes 2022, section 178.091, is amended by adding a subdivision to read:
- Subd. 5. **Denial of application.** If an applicant for registration does not take the required corrective action within the allotted time, the commissioner may deny the application for registration.
  - Sec. 22. Minnesota Statutes 2022, section 178.091, is amended by adding a subdivision to read:
- Subd. 6. Order of deregistration. If the registered apprenticeship program does not take the required corrective action within the allotted time, the commissioner may issue an order of deregistration containing the following:
- (1) that certain deficiencies were identified in the notice to correct and the registered apprenticeship program did not take the required corrective action;
- (2) based on the deficiencies stated in the notice to correct and the failure of the registered apprentice program to remedy those deficiencies, a determination has been made that there is reasonable cause to deregister the program;
- (3) that the registered apprenticeship program may appeal this determination within 15 days to the commissioner consistent with subdivision 7; and
- (4) that, if the registered apprenticeship program does not appeal the determination, the order becomes final.
  - Sec. 23. Minnesota Statutes 2022, section 178.091, is amended by adding a subdivision to read:
- Subd. 7. Appeal. Any person aggrieved by an order of deregistration may appeal to the commissioner. If no appeal is filed with the commissioner within 15 days of the date of service, the order of deregistration shall become the final order of the commissioner. If an appeal is filed, the commissioner shall appoint and convene a hearing board to be composed of three members of the Apprenticeship Advisory Board appointed under section 178.02, one member being a representative of an employer organization, one representative being a member of an employee organization, and one member representing the general public. The board shall hold a hearing on the appeal after due notice to the interested parties and shall submit to the commissioner findings of fact and a recommended decision accompanied by a memorandum of the reasons for the recommended decision. Within 30 days after submission, the commissioner may adopt the recommended decision of the board or disregard the recommended decision of the board and prepare a decision based on the findings of fact and accompanied by a memorandum of reasons for that decision. Written notice of the commissioner's determination and order shall be served on all parties affected by the commissioner's determination. Any person aggrieved by the commissioner's determination and order under this section is entitled to judicial review under sections 14.63 to 14.68 in the same manner that a person aggrieved by a final decision in a contested case is entitled to judicial review. The commissioner's determination and order under this section shall be a final decision and order of the department for purposes of sections 14.63 to 14.68.

Sec. 24. Minnesota Statutes 2022, section 178.10, is amended to read:

#### 178.10 LIMITATION.

- (a) The provisions of this chapter shall have no application to those individuals who are apprenticed by the commissioner of corrections pursuant to sections 242.43 and 242.44.
  - (b) Nothing in this chapter or any apprenticeship agreement operates to invalidate:
- (1) any apprenticeship provision in any collective bargaining agreement between employers and employees establishing higher apprenticeship standards; or
- (2) any special provision for veterans, minority persons people of color, individuals with a disability, or women, in the standards, apprentice qualifications, or operation of the program or in the apprenticeship agreement which is not otherwise prohibited by law.

## Sec. 25. REPEALER.

- (a) Minnesota Rules, part 5200.0400, is repealed.
- (b) Minnesota Statutes 2022, section 178.036, subdivision 10, is repealed.

#### **ARTICLE 5**

#### **BUREAU OF MEDIATION SERVICES**

Section 1. Minnesota Statutes 2022, section 179.01, subdivision 1, is amended to read:

- Subdivision 1. Words, terms, and phrases Scope. Unless the language or context clearly indicates that a different meaning is intended, the following words, terms, and phrases, for the purposes of sections 179.01 to 179.17, shall be given the meanings subjoined to them defined in this section have the meanings given them for purposes of sections 179.01 to 179.17.
  - Sec. 2. Minnesota Statutes 2022, section 179.01, subdivision 9, is amended to read:
- Subd. 9. **Lockout.** "Lockout" is means the refusal of the employer to furnish work to employees as a result of a labor dispute.
  - Sec. 3. Minnesota Statutes 2022, section 179.01, subdivision 16, is amended to read:
    - Subd. 16. **Professional strikebreaker.** (a) "Professional strikebreaker" means any person who:
- (a) (1) makes an offer to an employer at whose place of business a labor dispute is presently in progress to work as a replacement for an employee or employees involved in such labor dispute; and
- (b) (2) during a period of five years immediately preceding such offer, has, on more than one occasion, made an offer to employers to work as a temporary employee to personally replace employees involved in labor disputes.
  - (b) For the purposes of this subdivision;:
- (1) "work" shall mean means the rendering of services for wages or other consideration. For the purposes of this subdivision; and

- (2) "offer" shall include includes arrangements made for or on behalf of employers by any person.
- Sec. 4. Minnesota Statutes 2022, section 179.06, is amended to read:

#### 179.06 COLLECTIVE BARGAINING AGREEMENTS.

Subdivision 1. Notices. (a) When any employee, employees, or representative of employees, or labor organization shall desire to negotiate a collective bargaining agreement, or make any change in any existing agreement, or shall desire any changes in the rates of pay, rules or working conditions in any place of employment, it shall give written notice to the employer of its demand, which notice shall follow the employer if the place of employment is changed, and it shall thereupon be the duty of the employer and the representative of employee or labor organization to endeavor in good faith to reach an agreement respecting such demand. An employer shall give a like notice to employees, representative, or labor organizations of any intended change in any existing agreement. If no agreement is reached at the expiration of ten days after service of such notice, any employees, representative, labor organization, or employer may at any time thereafter petition the commissioner of mediation services to take jurisdiction of the dispute and it shall be unlawful for any labor organization or representative to institute or aid in the conduct of a strike or for an employer to institute a lockout, unless such petition has been served by the party taking such action upon the commissioner and the other parties to the labor dispute at least ten days before the strike or lockout becomes effective. Unless the strike or lockout is commenced within 90 days from the date of service of the petition upon the commissioner, it shall be unlawful for any of the parties to institute or aid in the conduct of a strike or lockout without serving a new petition in the manner prescribed for the service of the original petition, provided that the 90-day period may be extended by written agreement of the parties filed with the commissioner.

- (b) A petition by the employer shall be signed by the employer or a duly authorized officer or agent; and a petition by the employees shall be signed by their representative or its officers, or by the committee selected to negotiate with the employer. In either case the petition shall be served by delivering it to the commissioner in person or by sending it by certified mail addressed to the commissioner at the commissioner's office. The petition shall state briefly the nature of the dispute and the demands of the party who serves it. Upon receipt of a petition, the commissioner shall fix a time and place for a conference with the parties to the labor dispute upon the issues involved in the dispute, and shall then take whatever steps the commissioner deems most expedient to bring about a settlement of the dispute, including assisting in negotiating and drafting a settlement agreement. It shall be the duty of all parties to a labor dispute to respond to the summons of the commissioner for joint or several conferences with the commissioner and to continue in such conference until excused by the commissioner, not beyond the ten-day period heretofore prescribed except by mutual consent of the parties.
- Subd. 2. Commissioner, powers and duties. The commissioner may at the request of either party to a labor dispute render assistance in settling the dispute without the necessity of filing the formal petition referred to in under subdivision 1. If the commissioner takes jurisdiction of the dispute as a result of such a request, the commissioner shall must then proceed as provided in according to subdivision 1.
  - Sec. 5. Minnesota Statutes 2022, section 179.08, is amended to read:

#### 179.08 POWERS OF COMMISSION APPOINTED BY COMMISSIONER.

(a) The commission appointed by the commissioner pursuant to the provisions of section 179.07 shall have the power to issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence which relates to any matter involved in any such hearing, and may by its chair administer oaths

and affirmations, and may examine witnesses. Such attendance of witnesses and the production of such evidence may be required from any place in the state at any designated place of hearing, but whenever practical hearings shall be held in a county where the labor dispute has arisen or exists.

- (b) In case of contumacy or refusal to obey a subpoena issued under paragraph (a), the district court of the state for the county where the proceeding is pending or in which the person guilty of such contumacy or refusal to obey is found, or resides, or transacts business, or application by the commission shall have jurisdiction to issue to such person an order requiring such person to appear before the commission, there to produce evidence as so ordered, or there to give testimony touching the matter under investigation or in question, and any failure to obey such order of the court may be punished by the court as a contempt thereof.
- (c) Any party to or party affected by the dispute may appear before the commission in person or by attorney or by their representative, and shall have the right to offer competent evidence and to be heard on the issues before the report of the commission is made.
- (d) Any commissioners so appointed shall commission members appointed under section 179.07 must be paid a per diem allowance not to exceed that established for arbitrators in section 179A.16, subdivision 8, and their necessary expenses while serving.
  - Sec. 6. Minnesota Statutes 2022, section 179.11, is amended to read:

## 179.11 EMPLOYEE UNFAIR LABOR PRACTICES.

(a) It shall be is an unfair labor practice:

29

- (1) for any employee or labor organization to institute a strike if such strike is a violation of any valid collective agreement between any employer and its employees or labor organization and the employer is, at the time, in good faith complying with the provisions of the agreement, or to violate the terms and conditions of such bargaining agreement;
- (2) for any employee or labor organization to institute a strike if the calling of such strike is in violation of sections 179.06 or 179.07;
  - (3) for any person to seize or occupy property unlawfully during the existence of a labor dispute;
- (4) for any person to picket or cause to be picketed a place of employment of which place the person is not an employee while a strike is in progress affecting the place of employment, unless the majority of persons engaged in picketing the place of employment at these times are employees of the place of employment;
- (5) for more than one person to picket or cause to be picketed a single entrance to any place of employment where no strike is in progress at the time;
- (6) for any person to interfere in any manner with the operation of a vehicle or the operator thereof when neither the owner nor operator of the vehicle is at the time a party to a strike;
- (7) for any employee, labor organization, or officer, agent, or member thereof, to compel or attempt to compel any person to join or to refrain from joining any labor organization or any strike against the person's will by any threatened or actual unlawful interference with the person, or immediate family member, or physical property, or to assault or unlawfully threaten any such person while in pursuit of lawful employment;
- (8) unless the strike has been approved by a majority vote of the voting employees in a collective bargaining unit of the employees of an employer or association of employers against whom such strike is

primarily directed, for any person or labor organization to cooperate in engaging in, promoting, or inducing a strike. Such vote shall be taken by secret ballot at an election called by the collective bargaining agent for the unit, and reasonable notice shall be given to all employees in the collective bargaining unit of the time and place of election; or

(9) for any person or labor organization to hinder or prevent by intimidation, force, coercion or sabotage, or by threats thereof, the production, transportation, processing or marketing by a producer, processor or marketing organization, of agricultural products, or to combine or conspire to cause or threaten to cause injury to any processor, producer or marketing organization, whether by withholding labor or other beneficial intercourse, refusing to handle, use or work on particular agricultural products, or by other unlawful means, in order to bring such processor or marketing organization against its will into a concerted plan to coerce or inflict damage upon any producer; provided that nothing in this subsection shall prevent a strike which is called by the employees of such producer, processor or marketing organization for the bona fide purpose of improving their own working conditions or promoting or protecting their own rights of organization, selection of bargaining representative or collective bargaining.

The violation of clauses (2), (3), (4), (5), (6), (7), (8) and (9) are hereby declared to be unlawful acts.

- (b) It is an unlawful act to violate paragraph (a), clause (2), (3), (4), (5), (6), (7), (8), or (9).
- Sec. 7. Minnesota Statutes 2022, section 179.12, is amended to read:

## 179.12 EMPLOYERS' EMPLOYER UNFAIR LABOR PRACTICES.

- (a) It is an unfair labor practice for an employer:
- (1) to institute a lockout of its employees in violation of a valid collective bargaining agreement between the employer and its employees or labor organization if the employees at the time are in good faith complying with the provisions of the agreement, or to violate the terms and conditions of the bargaining agreement;
  - (2) to institute a lockout of its employees in violation of section 179.06 or 179.07;
- (3) to encourage or discourage membership in a labor organization by discrimination in regard to hire or tenure of employment or any terms or conditions of employment; provided, that this clause does not apply to the provisions of collective bargaining agreements entered into voluntarily by an employer and its employees or a labor organization representing the employees as a bargaining agent, as provided by section 179.16;
- (4) to discharge or otherwise to discriminate against an employee because the employee has signed or filed an affidavit, petition, or complaint or given information or testimony under this chapter;
- (5) to spy directly or through agents or any other persons upon activities of employees or their representatives in the exercise of their legal rights;
- (6) to distribute or circulate a blacklist of individuals exercising a legal right or of members of a labor organization for the purpose of preventing individuals who are blacklisted from obtaining or retaining employment;
- (7) to engage or contract for the services of a person who is an employee of another if the employee is paid a wage that is less than the wage to be paid by the engaging or contracting employer under an existing union contract for work of the same grade or classification;

- (8) willfully and knowingly to utilize a professional strikebreaker to replace an employee or employees involved in a strike or lockout at a place of business located within this state; or
- (9) to grant or offer to grant the status of permanent replacement employee to a person for performing bargaining unit work for an employer during a lockout of employees in a labor organization or during a strike of employees in a labor organization authorized by a representative of employees.

The violation of (b) It is an unlawful act to violate paragraph (a), clause (2), (4), (5), (6), (7), (8), or (9) is an unlawful act.

Sec. 8. Minnesota Statutes 2022, section 179.254, subdivision 1, is amended to read:

Subdivision 1. **Scope.** For the purposes of sections 179.254 to 179.256 179.257, the following terms shall defined in this section have the meanings subscribed to given them.

Sec. 9. Minnesota Statutes 2022, section 179.256, is amended to read:

31

## 179.256 NOTIFICATION NOTIFYING CONSTRUCTION WORKER OF REIMBURSEMENT.

Whenever a construction worker may qualify for the reimbursement of benefit payments to a home benefit fund as described in under section 179.255, the trustees of the benefit fund of which the worker is a member, or their agent, shall so notify the trustees of the benefit fund to which payments will be made during the temporary period of work. Such notification shall be made promptly in writing and shall include the name, address, and Social Security number of the construction worker and the starting date of the temporary period of work.

Sec. 10. Minnesota Statutes 2022, section 179.26, is amended to read:

## 179.26 DEFINITIONS; CERTAIN REPRESENTATION DISPUTES.

When used in sections 179.26 to 179.29, unless the context clearly indicates otherwise, each of the following words: "employee," "labor organization," "strike," and "lockout shall" have the meaning ascribed to it meanings given them in section 179.01.

Sec. 11. Minnesota Statutes 2022, section 179.27, is amended to read:

## 179.27 STRIKES OR BOYCOTTS PROHIBITED.

When certification of a representative of employees for collective bargaining purposes has been made by proper federal or state authority, it is unlawful during the effective period of such certification for any employee, representative of employees, or labor organization to conduct a strike or boycott against the employer of such employees or to picket any place of business of the employer in order, by such strike, boycott, or picketing, to:

- (1) to deny the right of the representative so certified to act as such representative or;
- (2) to prevent such representative from acting as authorized by such certification; or
- (3) to interfere with the business of the employer in an effort to do either act specified in clauses under clause (1) and or (2) hereof.

Sec. 12. Minnesota Statutes 2022, section 179.35, subdivision 1, is amended to read:

Subdivision 1. **Scope.** Unless the language or context clearly indicates that a different meaning is intended, the following words, terms and phrases, for the purposes of sections 179.35 to 179.39, shall be given defined in this section have the meanings subjoined to given them for purposes of sections 179.35 to 179.39.

Sec. 13. Minnesota Statutes 2022, section 179.40, is amended to read:

#### 179.40 SECONDARY BOYCOTT; DECLARATION OF PUBLIC POLICY.

- (a) As a guide to the interpretation and application of sections 179.40 to 179.47, the public policy of this state is declared to be:
- (1) to protect and promote the interests of the public, employees, and employers alike, with due regard to the situation and to the rights of the others;
- (2) to promote industrial peace, regular and adequate income for employees, and uninterrupted production of goods and services; and
- (3) to reduce the serious menace to the health, morals, and welfare of the people of this state arising from economic insecurity due to stoppages and interruptions of business and employment.
- (b) It is recognized that whatever may be the rights of disputants with respect to each other in any controversy, they should not be permitted, in their controversy, to intrude directly into the primary rights of third parties to earn a livelihood, transact business, and engage in the ordinary affairs of life by lawful means and free from molestation, interference, restraint, or coercion. The legislature, therefore, declares that, in its considered judgment, the public good and the general welfare of the citizens of this state will be promoted by prohibiting secondary boycotts and other coercive practices in this state.
  - Sec. 14. Minnesota Statutes 2022, section 179.43, is amended to read:

## 179.43 ILLEGAL COMBINATION; VIOLATION OF VIOLATING PUBLIC POLICY.

A secondary boycott as hereinbefore defined under section 179.41 is hereby declared to be an illegal combination in restraint of trade and in violation of the public policy of this state.

Sec. 15. Minnesota Statutes 2022, section 179A.02, is amended to read:

#### **179A.02 CITATION.**

Sections 179A.01 to 179A.25 shall be known may be cited as the "Public Employment Labor Relations Act."

- Sec. 16. Minnesota Statutes 2022, section 179A.03, subdivision 17, is amended to read:
- Subd. 17. **Supervisory employee.** (a) "Supervisory employee" means a person who has the authority to undertake a majority of the following supervisory functions in the interests of the employer: hiring, transfer, suspension, promotion, discharge, assignment, reward, or discipline of other employees, direction of the work of other employees, or adjustment of other employees' grievances on behalf of the employer. To be included as a supervisory function which the person has authority to undertake, the exercise of the authority by the person may not be merely routine or clerical in nature but must require the use of independent

judgment. An employee, other than an essential employee, who has authority to effectively recommend a supervisory function, is deemed to have authority to undertake that supervisory function for the purposes of this subdivision. The administrative head of a municipality, municipal utility, or police or fire department, and the administrative head's assistant, are always considered supervisory employees.

(b) The removal of employees by the employer from a nonsupervisory appropriate unit for the purpose of designating the employees as "supervisory employees" shall require either the prior written agreement of the exclusive representative and the written approval of the commissioner or a separate determination by the commissioner before the redesignation is effective.

Sec. 17. Minnesota Statutes 2022, section 179A.06, subdivision 1, is amended to read:

33

Subdivision 1. Expression of Expressing views. (a) Sections 179A.01 to 179A.25 do not affect the right of any public employee or the employee's representative to express or communicate a view, grievance, complaint, or opinion on any matter related to the conditions or compensation of public employment or their betterment, so long as this is not designed to and does not interfere with the full faithful and proper performance of the duties of employment or circumvent the rights of the exclusive representative. Sections 179A.01 to 179A.25 do not require any public employee to perform labor or services against the employee's will.

(b) If no exclusive representative has been certified, any public employee individually, or group of employees through their representative, has the right to express or communicate a view, grievance, complaint, or opinion on any matter related to the conditions or compensation of public employment or their betterment, by meeting with their public employer or the employer's representative, so long as this is not designed to and does not interfere with the full, faithful, and proper performance of the duties of employment.

## Sec. 18. Minnesota Statutes 2022, section 179A.06, subdivision 2, is amended to read:

- Subd. 2. **Right to organize.** (a) Public employees have the right to form and join labor or employee organizations, and have the right not to form and join such organizations. Public employees in an appropriate unit have the right by secret ballot to designate an exclusive representative to negotiate grievance procedures and the terms and conditions of employment with their employer. Confidential employees of the state, confidential court employees, and confidential University of Minnesota employees are excluded from bargaining. Supervisory and managerial court employees are excluded from bargaining. Supervisory, managerial, and confidential employees of Hennepin Healthcare System, Inc., are excluded from bargaining. Other confidential employees, supervisory employees, principals, and assistant principals may form their own organizations. An employer shall extend exclusive recognition to a representative of or an organization of supervisory or confidential employees, or principals and assistant principals, for the purpose of negotiating terms or conditions of employment, in accordance with sections 179A.01 to 179A.25, applicable to essential employees.
- (b) Supervisory or confidential employee organizations shall not participate in any capacity in any negotiations which involve units of employees other than supervisory or confidential employees. Except for organizations which represent supervisors who are: (1) firefighters, emergency medical service employees certified under section 144E.28, 911 system public safety dispatchers, peace officers subject to licensure under sections 626.84 to 626.863, guards at correctional facilities, or employees at hospitals other than state hospitals; and (2) not state or University of Minnesota employees, a supervisory or confidential employee organization which is affiliated with another employee organization which is the exclusive representative of nonsupervisory or nonconfidential employees of the same public employees. For the purpose of this

subdivision, affiliation means either direct or indirect and includes affiliation through a federation or joint body of employee organizations.

- Sec. 19. Minnesota Statutes 2022, section 179A.06, subdivision 3, is amended to read:
- Subd. 3. Fair share fee. (a) An exclusive representative may require employees who are not members of the exclusive representative to contribute a fair share fee for services rendered by the exclusive representative. The fair share fee must be equal to the regular membership dues of the exclusive representative, less the cost of benefits financed through the dues and available only to members of the exclusive representative. In no event may the fair share fee exceed 85 percent of the regular membership dues. The exclusive representative shall provide advance written notice of the amount of the fair share fee to the employer and to unit employees who will be assessed the fee. The employer shall provide the exclusive representative with a list of all unit employees.
- (b) A challenge by an employee or by a person aggrieved by the fee must be filed in writing with the commissioner, the public employer, and the exclusive representative within 30 days after receipt of the written notice. All challenges must specify those portions of the fee challenged and the reasons for the challenge. The burden of proof relating to the amount of the fair share fee is on the exclusive representative. The commissioner shall hear and decide all issues in these challenges.
- (c) The employer shall deduct the fee from the earnings of the employee and transmit the fee to the exclusive representative 30 days after the written notice was provided. If a challenge is filed, the deductions for a fair share fee must be held in escrow by the employer pending a decision by the commissioner.
  - Sec. 20. Minnesota Statutes 2022, section 179A.08, subdivision 2, is amended to read:
- Subd. 2. **Meet and confer.** The professional employees shall select a representative to meet and confer with a representative or committee of the public employer on matters not specified under section 179A.03, subdivision 19, relating to the services being provided to the public. The public employer shall provide the facilities and set the time for these <u>conferences</u> meetings to take place. The parties shall meet at least once every four months.
  - Sec. 21. Minnesota Statutes 2022, section 179A.10, subdivision 1, is amended to read:
- Subdivision 1. **Exclusions.** (a) The commissioner of management and budget shall meet and negotiate with the exclusive representative of each of the units specified in this section, except as provided in section 43A.06, subdivision 1, paragraph (c). The units provided in this section are the only appropriate units for executive branch state employees. The following employees shall be excluded from any appropriate unit:
- (1) the positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of management and budget in accordance with section 43A.18, subdivision 3, and so designated in the official state compensation schedules;
- (2) unclassified positions in the Minnesota State Colleges and Universities defined as managerial by the Board of Trustees;
  - (3) positions of all unclassified employees appointed by a constitutional officer;
  - (4) positions in the Bureau of Mediation Services and the Public Employment Relations Board;
  - (5) positions of employees whose classification is pilot or chief pilot;

- 35
- (6) administrative law judge and compensation judge positions in the Office of Administrative Hearings;
- (7) positions of all confidential employees; and
- (8) positions of employees of the State Board of Investment who are employed under the terms and conditions of the compensation plan approved under section 43A.18, subdivision 3b.
- (b) The governor may upon the unanimous written request of exclusive representatives of units and the commissioner direct that negotiations be conducted for one or more units in a common proceeding or that supplemental negotiations be conducted for portions of a unit or units defined on the basis of appointing authority or geography.
  - Sec. 22. Minnesota Statutes 2022, section 179A.104, subdivision 1, is amended to read:
- Subdivision 1. **Employee units.** (a) The state Board of Public Defense shall meet and negotiate with the exclusive representative of each of the statewide units specified in this section. The units provided in this section are the only appropriate statewide units for state employees of the board. Employees of the state Board of Public Defense, unless otherwise excluded, are included within the units which include the classifications to which they are assigned for purposes of compensation. The following are the appropriate statewide units of state employees of the board:
  - (1) Assistant District and Assistant State Public Defender Unit; and
  - (2) Clerical and Support Staff Unit.
- (b) Each unit consists of the classifications or positions assigned to it in the schedule of job classifications and positions maintained by the state Board of Public Defense.
  - Sec. 23. Minnesota Statutes 2022, section 179A.12, subdivision 1, is amended to read:
- Subdivision 1. **Certification continued.** (a) Any employee organization holding formal recognition by order of the commissioner or by employer voluntary recognition on the effective date of Extra Session Laws 1971, chapter 33, under any law that is repealed by Extra Session Laws 1971, chapter 33, is certified as the exclusive representative until it is decertified or another representative is certified in its place.
- (b) Any teacher organization as defined by Minnesota Statutes 1969, section 125.20, subdivision 3, which on the effective date of Extra Session Laws 1971, chapter 33, has a majority of its members on a teacher's council in a school district as provided in Minnesota Statutes 1969, section 125.22 is certified as the exclusive representative of all teachers of that school district until the organization is decertified or another organization is certified in its place.
  - Sec. 24. Minnesota Statutes 2022, section 179A.15, is amended to read:

## **179A.15 MEDIATION.**

- <u>Subdivision 1.</u> <u>Petitioning commissioner.</u> Once notice has been given under section 179A.14, the employer or the exclusive representative may petition the commissioner for mediation services.
- <u>Subd. 2.</u> <u>Petition requirements; scheduling mediation.</u> (a) A petition by an employer shall be signed by the employer or an authorized officer or agent. A petition by an exclusive representative shall be signed by its authorized officer. All petitions shall be served on the commissioner in writing. The petition shall state briefly the nature of the disagreement of the parties.

- (b) Upon receipt of a petition and upon concluding that mediation would be useful, the commissioner shall fix a time and place for a <u>eonference meeting</u> with the parties to negotiate the issues not agreed upon, and shall then take the most expedient steps to bring about a settlement, including assisting in negotiating and drafting an agreement.
- <u>Subd. 3.</u> <u>Commissioner-initiated mediation.</u> If the commissioner determines that mediation would be useful in resolving a dispute, the commissioner may mediate the dispute even if neither party has filed a petition for mediation. In these cases, the commissioner shall proceed as if a petition had been filed.
- <u>Subd. 4.</u> <u>Mediation restricted.</u> The commissioner shall not furnish mediation services to any employee or employee representative who is not certified as an exclusive representative.
- <u>Subd. 5.</u> <u>Mediation meetings.</u> All parties shall respond to the summons of the commissioner for <del>conferences</del> meetings and shall continue <del>in conference</del> meeting until excused by the commissioner.
  - Sec. 25. Minnesota Statutes 2022, section 179A.16, subdivision 1, is amended to read:
- Subdivision 1. <u>Petitioning for arbitration;</u> nonessential employees. (a) An exclusive representative or an employer of a unit of employees other than essential employees may request interest arbitration by providing written notice of the request to the other party and the commissioner. The written request for arbitration must specify the items to be submitted to arbitration and whether conventional, final-offer total-package, or final-offer item-by-item arbitration is contemplated by the request.
- (b) The items to be submitted to arbitration and the form of arbitration to be used are subject to mutual agreement. If an agreement to arbitrate is reached, it must be reduced to writing and a copy of the agreement filed with the commissioner. A failure to respond, or to reach agreement on the items or form of arbitration, within 15 days of receipt of the request to arbitrate constitutes a rejection of the request.
  - Sec. 26. Minnesota Statutes 2022, section 179A.16, subdivision 7, is amended to read:
- Subd. 7. **Decision by Arbitrator or arbitrator panel; issuing decision.** (a) The decision must be issued by the arbitrator or a majority vote of the panel. The decision must resolve the issues in dispute between the parties as submitted by the commissioner. For principals and assistant principals, the arbitrator or panel is restricted to selecting between the final offers of the parties on each impasse item. For other employees, if the parties agree in writing, the arbitrator or panel is restricted to selecting between the final offers of the parties on each impasse item, or the final offer of one or the other parties in its entirety. In considering a dispute and issuing its decision, the arbitrator or panel shall consider the statutory rights and obligations of public employers to efficiently manage and conduct their operations within the legal limitations surrounding the financing of these operations. The decision is final and binding on all parties.
- (b) The arbitrator or panel shall render its decision within 30 days from the date that all arbitration proceedings have concluded. The arbitrator or panel may not request that the parties waive their right to have the decision rendered within 30 days, unless the commissioner grants an extension of the deadline. The commissioner shall remove from the roster for six months the name of any arbitrator who does not render the decision within 30 days or within the extension granted by the commissioner. The commissioner shall adopt rules establishing criteria to be followed in determining whether an extension should be granted. The decision must be for the period stated in the decision, except that decisions determining contracts for teacher units are effective to the end of the contract period determined by section 179A.20.

- (c) The arbitrator or panel shall send its decision to the commissioner, the appropriate representative of
- the public employer, and the employees. If any issues submitted to arbitration are settled voluntarily before the arbitrator or panel issues a decision, the arbitrator or panel shall report the settlement to the commissioner.
- (d) The parties may, at any time before or after issuance of a decision of the arbitrator or panel, agree upon terms and conditions of employment regardless of the terms and conditions of employment determined by the decision. The parties shall, if so agreeing, execute a written contract or memorandum of contract.
  - Sec. 27. Minnesota Statutes 2022, section 179A.18, subdivision 2, is amended to read:
- Subd. 2. **School district requirements.** Except as otherwise provided by section 179A.17, subdivision 1, teachers employed by a local school district, other than principals and assistant principals, may strike only under the following circumstances:
- (1)(i) the collective bargaining agreement between their exclusive representative and their employer has expired or, if there is no agreement, impasse under section 179A.17, subdivision 1, has occurred; and
- (ii) the exclusive representative and the employer have participated in mediation over a period of at least 30 days. For the purposes of this item the mediation period commences on the day that a mediator designated by the commissioner first attends a <u>eonference</u> meeting with the parties to negotiate the issues not agreed upon; and
- (iii) neither party has requested interest arbitration or a request for binding interest arbitration has been rejected; or
  - (2) the employer violates section 179A.13, subdivision 2, clause (9).
  - Sec. 28. Minnesota Statutes 2022, section 179A.18, subdivision 3, is amended to read:
- Subd. 3. <u>Strike notice.</u> (a) In addition to the other requirements of this section, no employee may strike unless written notification of intent to strike is served on the employer and the commissioner by the exclusive representative at least ten days prior to the commencement of the strike. For all employees other than teachers, if more than 30 days have expired after service of a notification of intent to strike, no strike may commence until ten days after service of a new written notification. For teachers, no strike may commence more than 25 days after service of notification of intent to strike unless, before the end of the 25-day period, the exclusive representative and the employer agree that the period during which a strike may commence shall be extended for an additional period not to exceed five days. Teachers are limited to one notice of intent to strike for each contract negotiation period, provided, however, that a strike notice may be renewed for an additional ten days, the first five of which shall be a notice period during which no strike may occur, if the following conditions have been satisfied:
  - (1) an original notice was provided pursuant to this section; and
  - (2) a tentative agreement to resolve the dispute was reached during the original strike notice period; and
  - (3) such tentative agreement was rejected by either party during or after the original strike notice period.
- (b) The first day of the renewed strike notice period shall commence on the day following the expiration of the previous strike notice period or the day following the rejection of the tentative agreement, whichever is later. Notification of intent to strike under subdivisions 1, clause (1); and 2, clause (1), may not be served until the collective bargaining agreement has expired, or if there is no agreement, on or after the date impasse under section 179A.17 has occurred.

- Sec. 29. Minnesota Statutes 2022, section 179A.19, subdivision 6, is amended to read:
- Subd. 6. **Hearings.** (a) Any public employee is entitled to request the opportunity to establish that the employee did not violate this section. The request shall be filed in writing with the officer or body having the power to remove the employee, within ten days after notice of termination is served upon the employee. The employing officer or body shall within ten days commence a proceeding at which the employee shall be entitled to be heard for the purpose of determining whether the provisions of this section have been violated by the public employee. If there are contractual grievance procedures, laws or rules establishing proceedings to remove the public employee, the hearing shall be conducted in accordance with whichever procedure the employee elects. The election shall be binding and shall terminate any right to the alternative procedures. The same proceeding may include more than one employee's employment status if the employees' defenses are identical, analogous, or reasonably similar. The proceedings shall be undertaken without unnecessary delay.
- (b) Any person whose termination is sustained in the administrative or grievance proceeding may appeal in accordance with chapter 14.
  - Sec. 30. Minnesota Statutes 2022, section 179A.20, subdivision 4, is amended to read:
- Subd. 4. **Grievance procedure.** (a) All contracts must include a grievance procedure providing for compulsory binding arbitration of grievances including all written disciplinary actions. If the parties cannot agree on the grievance procedure, they are subject to the grievance procedure <u>promulgated</u> adopted by the commissioner under section 179A.04, subdivision 3, paragraph (a), clause (h) (8).
- (b) Notwithstanding any home rule charter to the contrary, after the probationary period of employment, any disciplinary action is subject to the grievance procedure and compulsory binding arbitration.
- (c) Employees covered by civil service systems created under chapter 43A, 44, 375, 387, 419, or 420, by a home rule charter under chapter 410, or by Laws 1941, chapter 423, may pursue a grievance through the procedure established under this section. When the grievance is also within the jurisdiction of appeals boards or appeals procedures created by chapter 43A, 44, 375, 387, 419, or 420, by a home rule charter under chapter 410, or by Laws 1941, chapter 423, the employee may proceed through the grievance procedure or the civil service appeals procedure, but once a written grievance or appeal has been properly filed or submitted by the employee or on the employee's behalf with the employee's consent the employee may not proceed in the alternative manner.
- (d) A teacher who elects a hearing before an arbitrator under section 122A.40, subdivision 15, or 122A.41, subdivision 13, or who elects or acquiesces to a hearing before the school board may not later proceed in the alternative manner nor challenge the termination or discharge through a grievance procedure required by this subdivision.
- (e) This section does not require employers or employee organizations to negotiate on matters other than terms and conditions of employment.
  - Sec. 31. Minnesota Statutes 2022, section 179A.23, is amended to read:

## 179A.23 LIMITATION ON CONTRACTING-OUT OF SERVICES PROVIDED BY MEMBERS OF A STATE OF MINNESOTA OR UNIVERSITY OF MINNESOTA BARGAINING UNIT.

(a) Any contract entered into after March 23, 1982, by the state of Minnesota or the University of Minnesota involving services, any part of which, in the absence of the contract, would be performed by

members of a unit provided in sections 179A.10 and 179A.11, shall be subject to section 16C.06 and shall provide for the preferential employment by a party of members of that unit whose employment with the state of Minnesota or the University of Minnesota is terminated as a result of that contract.

- (b) Contracts entered into by the state of Minnesota for the purpose of providing court reporter services or transcription of the record of a hearing which was recorded by means of an audio magnetic recording device shall be subject to section 16C.08 and the preferential employment provisions enumerated in this section. Any court reporter seeking a contract pursuant to the preferential employment provisions of this section shall be given preference when the services are needed only if that court reporter's charges for the services requested are no greater than the average of the charges made for the identical services by other court reporters in the same locality who are also under contract with the state for those services.
  - Sec. 32. Minnesota Statutes 2022, section 626.892, subdivision 12, is amended to read:
- Subd. 12. **Interaction with other laws.** (a) Sections 179A.21, subdivision 2, and 572B.11, paragraph (a), and rules for arbitrator selection promulgated pursuant to section 179A.04 shall not apply to discipline-related grievance arbitrations involving peace officers governed under this section.
- (b) Notwithstanding any contrary provision of law, home rule charter, ordinance, or resolution, peace officers, through their certified exclusive representatives, shall not have the right to negotiate for or agree to a collective bargaining agreement or a grievance arbitration selection procedure with their employers that is inconsistent with this section.
- (c) The arbitrator selection procedure for peace officer grievance arbitrations established under this section supersedes any inconsistent provisions in chapter 179A or 572B or in Minnesota Rules, chapters 5500 to 5530 and <del>7315 to</del> 7325. Other arbitration requirements in those chapters remain in full force and effect for peace officer grievance arbitrations, except as provided in this section or to the extent inconsistent with this section.

## Sec. 33. REVISOR INSTRUCTION.

The revisor of statutes shall renumber Minnesota Statutes, section 179.35, subdivision 5, as Minnesota Statutes, section 179.35, subdivision 7.

## Sec. 34. REPEALER.

Minnesota Rules, part 5510.0310, subpart 13, is repealed.

#### **ARTICLE 6**

## MINIMUM WAGE

- Section 1. Minnesota Statutes 2022, section 177.23, is amended by adding a subdivision to read:
- Subd. 12. Large employer. "Large employer" means an enterprise whose annual gross volume of sales made or business done is not less than \$500,000, exclusive of excise taxes at the retail level that are separately stated, and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.

**EFFECTIVE DATE.** This section is effective January 1, 2025.

- Sec. 2. Minnesota Statutes 2022, section 177.23, is amended by adding a subdivision to read:
- Subd. 13. Small employer. "Small employer" means an enterprise whose annual gross volume of sales made or business done is less than \$500,000, exclusive of excise taxes at the retail level that are separately stated, and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.

## **EFFECTIVE DATE.** This section is effective January 1, 2025.

- Sec. 3. Minnesota Statutes 2022, section 177.24, subdivision 1, is amended to read:
- Subdivision 1. **Amount.** (a) For purposes of this subdivision, the terms defined in this paragraph have the meanings given them.
- (1) "Large employer" means an enterprise whose annual gross volume of sales made or business done is not less than \$500,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.
- (2) "Small employer" means an enterprise whose annual gross volume of sales made or business done is less than \$500,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.
  - (b) (a) Except as otherwise provided in sections 177.21 to 177.35÷,
  - (1) every large employer must pay each employee wages at a rate of at least:
  - (i) (1) \$8.00 per hour beginning August 1, 2014;
  - (ii) (2) \$9.00 per hour beginning August 1, 2015;
  - (iii) (3) \$9.50 per hour beginning August 1, 2016; and
  - (iv) (4) the rate established under paragraph (f) (c) beginning January 1, 2018; and.
  - (2) every small employer must pay each employee at a rate of at least:
  - (i) \$6.50 per hour beginning August 1, 2014;
  - (ii) \$7.25 per hour beginning August 1, 2015;
  - (iii) \$7.75 per hour beginning August 1, 2016; and
  - (iv) the rate established under paragraph (f) beginning January 1, 2018.
- (e) (b) Notwithstanding paragraph (b) (a), during the first 90 consecutive days of employment, an employer may pay an employee under the age of 20 years a wage of at least:
  - (1) \$6.50 per hour beginning August 1, 2014;
  - (2) \$7.25 per hour beginning August 1, 2015;
  - (3) \$7.75 per hour beginning August 1, 2016; and
  - (4) the rate established under paragraph (f) (c) beginning January 1, 2018.

No employer may take any action to displace an employee, including a partial displacement through a reduction in hours, wages, or employment benefits, in order to hire an employee at the wage authorized in this paragraph.

- (d) Notwithstanding paragraph (b), an employer that is a "hotel or motel," "lodging establishment," or "resort" as defined in Minnesota Statutes 2012, section 157.15, subdivisions 7, 8, and 11, must pay an employee working under a contract with the employer that includes the provision by the employer of a food or lodging benefit, if the employee is working under authority of a summer work travel exchange visitor program (J) nonimmigrant visa, a wage of at least:
  - (1) \$7.25 per hour beginning August 1, 2014;

41

- (2) \$7.50 per hour beginning August 1, 2015;
- (3) \$7.75 per hour beginning August 1, 2016; and
- (4) the rate established under paragraph (f) beginning January 1, 2018.

No employer may take any action to displace an employee, including a partial displacement through a reduction in hours, wages, or employment benefits, in order to hire an employee at the wage authorized in this paragraph.

- (e) Notwithstanding paragraph (b), a large employer must pay an employee under the age of 18 at a rate of at least:
  - (1) \$6.50 per hour beginning August 1, 2014;
  - (2) \$7.25 per hour beginning August 1, 2015;
  - (3) \$7.75 per hour beginning August 1, 2016; and
  - (4) the rate established under paragraph (f) beginning January 1, 2018.

No employer may take any action to displace an employee, including a partial displacement through a reduction in hours, wages, or employment benefits, in order to hire an employee at the wage authorized in this paragraph.

- (f) (c) No later than August 31 of each year, beginning in 2017, the commissioner shall determine the percentage increase in the rate of inflation, as measured by the implicit price deflator, national data for personal consumption expenditures as determined by the United States Department of Commerce, Bureau of Economic Analysis during the 12-month period immediately preceding that August or, if that data is unavailable, during the most recent 12-month period for which data is available. The minimum wage rates in paragraphs (a) and (b), (e), (d), and (e) are increased by the lesser of: (1) 2.5 percent, rounded to the nearest cent; or (2) the percentage calculated by the commissioner, rounded to the nearest cent. A minimum wage rate shall not be reduced under this paragraph. The new minimum wage rates determined under this paragraph take effect on the next January 1.
- (g)(1) No later than September 30 of each year, beginning in 2017, the commissioner may issue an order that an increase calculated under paragraph (f) not take effect. The commissioner may issue the order only if the commissioner, after consultation with the commissioner of management and budget, finds that leading economic indicators, including but not limited to projections of gross domestic product calculated by the United States Department of Commerce, Bureau of Economic Analysis; the Consumer Confidence Index issued by the Conference Board; and seasonally adjusted Minnesota unemployment rates, indicate the

potential for a substantial downturn in the state's economy. Prior to issuing an order, the commissioner shall also calculate and consider the ratio of the rate of the calculated change in the minimum wage rate to the rate of change in state median income over the same time period used to calculate the change in wage rate. Prior to issuing the order, the commissioner shall hold a public hearing, notice of which must be published in the State Register, on the department's website, in newspapers of general circulation, and by other means likely to inform interested persons of the hearing, at least ten days prior to the hearing. The commissioner must allow interested persons to submit written comments to the commissioner before the public hearing and for 20 days after the public hearing.

(2) The commissioner may in a year subsequent to issuing an order under clause (1), make a supplemental increase in the minimum wage rate in addition to the increase for a year calculated under paragraph (f). The supplemental increase may be in an amount up to the full amount of the increase not put into effect because of the order. If the supplemental increase is not the full amount, the commissioner may make a supplemental increase of the difference, or any part of a difference, in a subsequent year until the full amount of the increase ordered not to take effect has been included in a supplemental increase. In making a determination to award a supplemental increase under this clause, the commissioner shall use the same considerations and use the same process as for an order under clause (1). A supplemental wage increase is not subject to and shall not be considered in determining whether a wage rate increase exceeds the limits for annual wage rate increases allowed under paragraph (f).

EFFECTIVE DATE. This section is effective January 1, 2025, except that the amendments to paragraph (c) are effective August 1, 2024.

- Sec. 4. Minnesota Statutes 2023 Supplement, section 204B.19, subdivision 6, is amended to read:
- Subd. 6. **Trainee election judges.** (a) Notwithstanding any other requirements of this section, a student enrolled in a high school in Minnesota or who is in a home school in compliance with sections 120A.22 and 120A.24, who has attained the age of 16 is eligible to be appointed as a without party affiliation trainee election judge in the county in which the student maintains residence, or a county adjacent to the county in which the student maintains residence. The student must meet qualifications for trainee election judges specified in rules of the secretary of state. A student appointed under this subdivision while enrolled in a high school or receiving instruction in a home school may continue to serve as a trainee election judge after the student graduates and until the student reaches the age of 18.
- (b) A student appointed as a trainee election judge may be excused from school attendance during the hours that the student is serving as a trainee election judge if the student submits a written request signed and approved by the student's parent or guardian to be absent from school and a certificate from the appointing authority stating the hours during which the student will serve as a trainee election judge to the principal of the school at least ten days prior to the election. A trainee election judge shall not serve after 10:00 p.m. Notwithstanding section 177.24 to the contrary, trainee election judges may be paid not less than two-thirds of the minimum wage for a large an employer. The principal of the school may approve a request to be absent from school conditioned on acceptable academic performance at the time of service as a trainee election judge.

**EFFECTIVE DATE.** This section is effective January 1, 2025.

## Sec. 5. REVISOR INSTRUCTION.

In each of the statutory sections listed in Column A, the revisor of statutes shall replace the statutory citation in Column B with the statutory citation listed in Column C.

Column A	Column B	Column C
$\frac{175.007, subdivision 1, paragraph}{\underline{(b)}}$	177.24, subdivision 1, paragraph (a), clause (2)	<u>177.23</u> , subdivision <u>13</u>
222.50, subdivision 5, clause (4), item (ii)	177.24, subdivision 1, paragraph (b)	$\frac{177.24, subdivision 1, paragraph}{(a)}$
550.136, subdivision 3, paragraph (a), clause (2)	177.24, subdivision 1, paragraph (b), clause (1), item (iii)	177.24, subdivision 1, paragraph (a), clause (3)
551.06, subdivision 3, paragraph (a), clause (2)	177.24, subdivision 1, paragraph (b), clause (1), item (iii)	177.24, subdivision 1, paragraph (a), clause (3)
571.922, paragraph (a), clause (2), item (i)	177.24, subdivision 1, paragraph (b), clause (1), item (iii)	177.24, subdivision 1, paragraph (a), clause (3)

**EFFECTIVE DATE.** This section is effective January 1, 2025.

43

#### **ARTICLE 7**

## MISCELLANEOUS LABOR POLICY

Section 1. Minnesota Statutes 2022, section 177.24, is amended by adding a subdivision to read:

- Subd. 3a. Gratuities; credit cards or charges. (a) Gratuities received by an employee through a debit, charge, credit card, or electronic payment shall be credited to that pay period in which they are received by the employee.
- (b) Where a gratuity is received by an employee through a debit, charge, credit card, or electronic payment, the full amount of gratuity indicated in the payment must be distributed to the employee no later than the next scheduled pay period.

**EFFECTIVE DATE.** This section is effective August 1, 2024.

## Sec. 2. [181.173] SALARY RANGES REQUIRED IN JOB POSTINGS.

Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have the meanings given.

- (b) "Employer" means a person or entity that employs 30 or more employees at one or more sites in Minnesota and includes an individual, corporation, partnership, association, nonprofit organization, group of persons, state, county, town, city, school district, or other governmental subdivision.
- (c) "Posting" means any solicitation intended to recruit job applicants for a specific available position, including recruitment done directly by an employer or indirectly through a third party, and includes any postings made electronically or via printed hard copy, that includes qualifications for desired applicants.
- (d) "Salary range" means the minimum and maximum annual salary or hourly range of compensation, based on the employer's good faith estimate, for a job opportunity of the employer at the time of the posting of an advertisement for such opportunity.

- Subd. 2. Salary ranges in job postings required. (a) An employer must disclose in each posting for each job opening with the employer the starting salary range, and a general description of all of the benefits and other compensation, including but not limited to any health or retirement benefits, to be offered to a hired job applicant.
- (b) An employer that does not plan to offer a salary range for a position must list a fixed pay rate. A salary range may not be open ended.

## **EFFECTIVE DATE.** This section is effective January 1, 2025.

- Sec. 3. Minnesota Statutes 2023 Supplement, section 181.531, subdivision 3, is amended to read:
- Subd. 3. **Notice.** (a) The commissioner shall develop an educational poster providing notice of employees' rights provided under this section. The notice shall be available in English and the five most common languages spoken in Minnesota.

Within 30 days of August 1, 2023, (b) An employer subject to this section shall post and keep posted, a the notice of employee rights under this section created pursuant to this subdivision in a place where employee notices are customarily placed located within the workplace.

## **EFFECTIVE DATE.** This section is effective October 1, 2024.

- Sec. 4. Minnesota Statutes 2022, section 181.950, is amended by adding a subdivision to read:
- Subd. 9a. Oral fluid test. "Oral fluid test" means analysis of a saliva sample for the purpose of measuring the presence of the same substances as drug and alcohol testing and cannabis testing that:
- (1) can detect drugs, alcohol, cannabis, or their metabolites in levels at or above the threshold detection levels contained in the standards of one of the programs listed in section 181.953, subdivision 1; and
  - (2) does not require the services of a testing laboratory under section 181.953, subdivision 1.
  - Sec. 5. Minnesota Statutes 2022, section 181.951, subdivision 1, is amended to read:
- Subdivision 1. **Limitations on testing.** (a) An employer may not request or require an employee or job applicant to undergo drug and alcohol testing except as authorized in this section.
- (b) An employer may not request or require an employee or job applicant to undergo drug or alcohol testing unless the testing is done pursuant to a written drug and alcohol testing policy that contains the minimum information required in section 181.952; and either: (1) is conducted by a testing laboratory which participates in one of the programs listed in section 181.953, subdivision 1; or (2) complies with the oral fluid test procedures under section 181.953, subdivision 5a.
- (c) An employer may not request or require an employee or job applicant to undergo drug and alcohol testing on an arbitrary and capricious basis.
  - Sec. 6. Minnesota Statutes 2023 Supplement, section 181.953, subdivision 1, is amended to read:
- Subdivision 1. **Use of licensed, accredited, or certified laboratory required.** (a) Except as provided under subdivision 5a, an employer who requests or requires an employee or job applicant to undergo drug or alcohol testing or cannabis testing shall use the services of a testing laboratory that meets one of the following criteria for drug testing:

- (1) is certified by the National Institute on Drug Abuse as meeting the mandatory guidelines published at 53 Federal Register 11970 to 11989, April 11, 1988;
- (2) is accredited by the College of American Pathologists, 325 Waukegan Road, Northfield, Illinois, 60093-2750, under the forensic urine drug testing laboratory program; or
- (3) is licensed to test for drugs by the state of New York, Department of Health, under Public Health Law, article 5, title V, and rules adopted under that law.
  - (b) For alcohol testing, the laboratory must either be:
- (1) licensed to test for drugs and alcohol by the state of New York, Department of Health, under Public Health Law, article 5, title V, and the rules adopted under that law; or
- (2) accredited by the College of American Pathologists, 325 Waukegan Road, Northfield, Illinois, 60093-2750, in the laboratory accreditation program.
  - Sec. 7. Minnesota Statutes 2023 Supplement, section 181.953, subdivision 3, is amended to read:
- Subd. 3. Laboratory testing, reporting, and sample retention requirements. (a) A testing laboratory that is not certified by the National Institute on Drug Abuse according to subdivision 1 shall follow the chain-of-custody procedures prescribed for employers in subdivision 5. A testing laboratory shall conduct a confirmatory test on all samples that produced a positive test result on an initial screening test. A laboratory shall disclose to the employer a written test result report for each sample tested within three working days after a negative test result on an initial screening test or, when the initial screening test produced a positive test result, within three working days after a confirmatory test. A test report must indicate the drugs, alcohol, drug or alcohol metabolites, or cannabis or cannabis metabolites tested for and whether the test produced negative or positive test results. A laboratory shall retain and properly store for at least six months all samples that produced a positive test result.
- (b) This subdivision and the chain-of-custody procedures under subdivision 5 do not apply to oral fluid testing under subdivision 5a.
- Sec. 8. Minnesota Statutes 2023 Supplement, section 181.953, is amended by adding a subdivision to read:
- Subd. 5a. Oral fluid testing. (a) When drug and alcohol testing or cannabis testing is otherwise authorized under section 181.951, an employer may request an employee or job applicant to undergo oral fluid testing according to the procedures under this subdivision as an alternative to using the services of a testing laboratory under subdivision 1.
- (b) The employee must be informed of the test result at the time of the oral fluid test. Within 48 hours of an oral fluid test that indicates a positive test result or that is inconclusive or invalid, the employee or job applicant may request drug or alcohol testing or cannabis testing at no cost to the employee or job applicant using the services of a testing laboratory under subdivision 1, and according to the existing laboratory testing standards in subdivisions 1 to 5. The rights, notice, and limitations in subdivision 6, paragraph (b), and subdivisions 7 to 8 and 10 to 11 apply to an employee or job applicant and a laboratory test conducted pursuant to this paragraph.

- (c) If the laboratory test under paragraph (b) indicates a positive result, any subsequent confirmatory retest, if requested by the employee or job applicant, must be conducted following the retest procedures provided in subdivision 6, paragraph (c), and subdivision 9 at the employee's or job applicant's own expense.
- (d) Nothing in this subdivision is intended to modify the existing requirements for drug and alcohol testing or cannabis testing in the workplace under sections 181.950 to 18.957, unless stated otherwise.

## Sec. 9. [182.678] SURGICAL SMOKE EVACUATION SYSTEM POLICIES.

Subdivision 1. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision have the meanings given.

- (b) "Surgical smoke" means the gaseous by-product produced by energy-generating devices including surgical plume, smoke plume, bio-aerosols, laser-generated airborne contaminants, or lung-damaging dust.
- (c) "Smoke evacuation system" means equipment that effectively captures and filters surgical smoke at the site of origin before the smoke makes contact with the eyes or the respiratory tract of occupants in the room.
- (d) "Health care employer" means a hospital as defined in section 144.50, subdivision 2, or an ambulatory surgical facility or outpatient surgical center as defined in section 144.55, subdivision 2, paragraph (b).
- Subd. 2. Surgical smoke evacuation system policies required. A health care employer shall adopt and implement policies to prevent exposure to surgical smoke by requiring the use of a smoke evacuation system during any surgical procedure that is likely to generate surgical smoke.
- Subd. 3. **Enforcement.** This section shall be enforced by the commissioner under sections 182.66 and 182.661. A violation of this section is subject to the penalties provided under section 182.666.

**EFFECTIVE DATE.** This section is effective January 1, 2025.

#### Sec. 10. REPEALER.

Minnesota Rules, part 5200.0080, subpart 7, is repealed.

**EFFECTIVE DATE.** This section is effective August 1, 2024.

Presented to the governor May 16, 2024

Signed by the governor May 17, 2024, 4:27 p.m.