

## 2021 Legislative Session Summary

### Special Session Laws

#### Jobs/Labor Omnibus [SF9/Ch10](#)

All base funding continued at current levels. The list below are new budget (General Fund unless otherwise specified) and policy items. Unless otherwise specified, the provisions are effective July 1, 2021. [View spreadsheet here.](#)

#### DLI provisions

##### **Operating increases for Labor Standards, Apprenticeship, and Minnesota OSHA**

**Labor Standards** – Includes additional funding of \$51,000 in FY22 and \$101,000 each subsequent fiscal year which will enable Labor Standards to continue education and outreach activities, plus respond to employee complaints and investigate allegations of violations at current service levels.

**Apprenticeship** – The Apprenticeship unit will receive \$276,000 in increased funding each biennium (WDF) to fund an additional full-time-equivalent (FTE) to continue expanded program activities and strategies to grow the program. The position, currently funded by an expiring federal grant, is critical to Apprenticeship Minnesota's role as a meaningful connector to drive greater participation and inclusion in registered apprenticeship.

**Minnesota OSHA Compliance (MNOSHA)** – An operating increase of \$1.806 million each biennium (WC) will enable MNOSHA to increase the number of safety and health investigators by 9.5 FTE. This operating increase will help ensure MNOSHA can respond promptly to complaints, conduct inspections and address workplace safety and health concerns. The funding will enable MNOSHA to maintain its mission to protect workers at private and public worksites within Minnesota and prevent workplace injuries, illnesses and fatalities.

##### **Nursing and pregnancy workplace accommodations**

Effective Jan. 1, 2022, the law strengthens workplace protections for expectant and new parents. It requires nursing and lactating employees to receive paid break time to express breast milk at work and ensures more employees have a right to request and receive needed pregnancy accommodations in the workplace, such as more frequent restroom, food and water breaks and limits to heavy lifting. The pregnancy accommodations law will apply to employers with 15 or more employees. The law includes \$84,000 in FY22 for outreach and education of employers and employees about the law changes and \$34,000 in FY23 for outreach and compliance activities. (Article 3 Section 3; HF357 Koegel/SF1180 Coleman)

## **DLI policy initiatives**

Apprenticeship federal conformity – Conforms with federal regulations 29 CFR 30, which outlines that equal employment opportunity regulations support inclusive workforce behavior and protect against discrimination. (Article 3 Section 2; SF226 Rarick/HF339 Frederick)

Construction Codes Advisory Council (CCAC) membership – Requires appointees to have expertise in their industry/occupation and adds an energy member and an accessibility member to the CCAC. (Article 3 Section 6; SF226 Rarick/HF339 Frederick)

Child labor data protection – Certain personal data collected about minors in a child labor matter is deemed private, not public, data. The purpose of this legislative change is to safeguard all minors who enter the workforce in Minnesota by preventing their personal contact information from being released. (Article 3 Section 1, 4; SF226 Rarick/HF339 Frederick)

## **Contractor Recovery Fund changes**

Increases the frequency of payouts from the Contractor Recovery Fund and the amount of funds available to homeowners who have suffered a financial loss due to a licensed contractor's fraudulent, deceptive or dishonest practices. It provides for two yearly payouts instead of one and raises the maximum payout limit for each licensed residential building contractor (licensee) from \$300,000 to \$550,000. The law also prohibits spending or transfers from the fund outside of its statutory purposes. (Article 3 Section 15, 16, 17, 18; SF419 Eichorn/HF762 Mekeland)

## **Fee reductions for the construction trades**

Extends fee reductions for licenses, building permits and plan review services, keeping fees in line with the cost of providing services. The law will save the construction industry \$4.5 million in FY22 and 23. (Article 3 Section 7)

## **Work Comp Campus funding extension**

Extends information technology funds remaining from the \$3 million appropriated in FY20 for DLI's Workers' Compensation Modernization Program, Work Comp Campus, through FY23. The continued funding will enable DLI to implement changes to Work Comp Campus resulting from stakeholder feedback. (Article 3 Section 20)

## **Dual-Training Pipeline funding**

Appropriates \$200,000 annually (WDF) directly to DLI for the Dual Training Competency Grant program. Previously, this funding was appropriated to the Office of Higher Education for interagency transfer. The grants fund the related instruction component of the Minnesota Dual-Training Pipeline program, which supports employers in creating competency based dual-training models where workers receive a combination of related instruction paired with on-the-job training.

The Higher Education Omnibus, [HF7/Ch2](#), includes several policy changes to the Dual-Training Pipeline program.

## **DLI-related provisions**

### **Helmets to Hard Hats**

Appropriates \$225,000 in each FY22 and FY23 (WDF) for grants to the Construction Careers Foundation for the Helmets to Hard Hats initiative. Funds must be used to recruit and support National Guard and veterans' participation into registered apprenticeship programs and training and employment in the construction industry. (Article 1 Section 3 Subd 3 (e); HF678 Haley/SF607 Goggin; HF1794 Frederick)

### **Minnesota Virtual Academy**

A grant for \$100,000 in FY22 (WDF) to ISD 294 for the Minnesota Virtual Academy's career pathway program with the Operating Engineers Local 49, leading to eligibility into their apprenticeship program. (Article 1 Section 3 Subd 6 (e); HF1337 Lislegard/SF1555 Eichorn)

### **Logger safety grant program**

Appropriates \$1 million in FY22 for grants to employers in the logging industry to make safety improvements recommended through an on-site safety survey. Grants of up to \$25,000 can be used for safety equipment, training, and tuition reimbursement. The grants require a one-to-one employer match. A report on the grants is due to the Legislature by Jan. 15, 2023. (Article 1 Section 3 Subd 3 (g), Article 3 Section 21)

### **Sprinklers in existing public housing buildings**

Certain existing public housing buildings must install automatic sprinkler systems that comply with the State Fire Code and State Building Code and be fully operational by Aug. 1, 2033.

### **Rural event venues (wedding barns)**

Places of public accommodation now defined as buildings with occupancy of 100 or more instead of 200 or more; sprinklers are now required in places of public accommodation, including rural event venues or wedding barns, at 300 occupancy or more instead of 100. This change will provide clarity and consistency for the industry and remove an economic hardship without compromising public safety. (Article 3 Section 8, 9, 10; SF524 Housley/HF1015 Marquart)

### **Continuing education requirements for certified building officials**

Certified building officials will now be required to take 35 hours of continuing education in a two-year period instead of 38 hours. (Article 3 Section 11; SF1756 Howe/HF2060 Mekeland)

### **Plumbing license exemption for work on certain commercial equipment**

The law provides an exemption from licensing requirements for certain individuals servicing or installing a commercial chemical dispensing system or servicing or replacing a commercial dishwashing machine. Provides for training, insurance, and ensures the devices include integral backflow prevention. (Article 3 Section 12, 13, 14; SF1972 Rarick/HF2155 Baker; SF226 Rarick)

## Commerce and Energy Omnibus [HF6/Ch4](#)

- Alters workers' compensation-related rate information required to be reported annually by the Department of Commerce to the Rate Oversight Commission (Workers' Compensation Advisory Council). This change aligns with the information the Department is able to report to the Rate Oversight Commission and reflects the content the Department has submitted through the past several reports. The report evaluates the competitiveness of the workers' compensation market in Minnesota. (Article 3 Section 17; SF1846 Dahms/HF2024 Stephenson, Department of Commerce Technical bill)
- Workers' compensation data services organization changes allow the Minnesota Workers' Compensation Insurance Association (MWCIA) to include three different data elements in their annual report, including losses developed to their ultimate level, trended losses, and loss adjustment expenses. The change will improve the accuracy of rates and facilitate better competition between carriers. (Article 3 Section 18; SF122 Utke/HF372 O'Driscoll)
- DLI commissioner or designee serves on the Energy Transition Advisory Committee led by DEED tasked with developing a statewide energy transition plan for facility retirements to include a review of state programs that might support impacted communities and impacted workers and recommendations on how to respond to the economic effects of facility retirements. Appointments by Aug. 1, 2021 and first meeting no later than Sept. 1, 2021. (Article 8 Sections 7 and 8)
- Solar for Schools program provides grants to utilities, schools, and developers to install solar energy generating systems. Applicants must demonstrate a willingness and ability to "pay employees and contractors a prevailing wage rate, as defined in section 177.42 subd. 6; and adhere to the provisions of section 177.43." (Article 8 Section 23)

## Health and Human Services Omnibus [HF33/Ch7](#)

- DLI commissioner appoints a person as a nonvoting member to the Great Start for All Minnesota Children Task Force led by Minnesota Management and Budget to develop strategies and a plan for access to affordable, high-quality child care and education as well as increasing compensation and diversity in the early care and education workforce. First meeting convened no later than Dec. 1, 2021 with an initial report due Dec. 15, 2022. (Article 14 Section 18)
- DLI commissioner or designee serves on the Task Force on Eliminating Subminimum Wages led by Department of Human Services to develop a plan and make recommendations to phase out payment of subminimum wages to people with disabilities by August 1, 2025. Appointments by Jan. 1, 2022 with the first meeting no later than Feb. 15, 2022. (Article 17 Section 14; HF439 Xiong, J./SF658 Fateh)

## **Housing Omnibus [HF4/Ch8](#)**

- Window fall prevention devices are not required to be installed in one- and two-family dwellings and townhouses when the lowest part of the window opening is a minimum of 24 inches above the interior floor or 72 inches from the exterior ground below, aligning with national model standards. (Article 2 Section 4; HF1496 Fischer/SF802 Koran)

## **Judiciary and Public Safety Omnibus [HF63/Ch11](#)**

- Appropriates \$4 million each year to the Minnesota Firefighter Initiative for the Hometown Heroes Assistance Program. Grant funds are to provide onetime payments of up to \$20,000 for firefighters diagnosed with cancer or heart disease, develop a psychotherapy program to address emotional trauma and provide firefighters up to five sessions annually, and develop and provide two hours of training each year to firefighters on best practices to limit occupational risks of cancer, heart disease, and emotional trauma. (Article 2 Section 12; HF377 Youakim/SF621 Howe)
- Commissioner may issue building-specific waivers from the State Building Code for traditional residential buildings, meetinghouses, and one-room educational buildings when the code requirements conflict with a Tribe's religious beliefs, traditional building practices, or established teachings. State fire marshal similarly may grant waivers from the State Fire Code for the same reasons. Commissioner must develop an application form. (Article 2 Sections 17 and 19; HF1042 Keeler/SF1087 Lang)
- By Jan. 1, 2022, petroleum refineries must contract for full-time paid on-site fire department to provide fire protection services, respond to fires and conduct inspections to prevent fires. (Article 2 Section 18; HF1482 Franke/SF833 Bigham)

## **State Government Omnibus [SF2/Ch12](#)**

- Legislative Auditor requested to conduct a special review of the state's COVID-19 response including testing, vaccination, public outreach, contracting, and purchasing. (Article 2 Section 21)
- Modifies eligibility for apprenticeship and on-the-job training assistance benefits for veterans and certain family members under the Minnesota GI Bill. (Article 3 Section 7)

## **Taxes Omnibus [HF9/Ch14](#)**

- Establishes the tribal consultation process for certain state agencies, including DLI, to engage with Minnesota's eleven Tribal governments. Agencies must develop tribal consultation policies in coordination with tribes and update them biannually. Agencies must consult with each Minnesota Tribal government at least annually regarding matters that have Tribal implications. (Article 11 Section 5)

- Includes \$250 million in direct financial support to Minnesota’s essential workers on the front lines of the COVID-19 pandemic, including long-term care workers. A nine-member Frontline Worker Pay Working Group including members of the legislative and executive branches will make recommendations about who is eligible for the payments by Sept. 6, 2021. (Article 11 Section 38)

## Regular Session Laws

### **Manufactured Home Installers Continuing Education [SF659/Ch11](#) (Draheim/Ecklund)**

Internet continuing education courses for manufactured home installers must be approved by the U.S. Department of Housing and Urban Development or the commissioner of labor and industry. The law will make it easier for manufactured home installers to complete their continuing education requirements and maintain and renew their licenses, keeping the current licensed installers Minnesota already has and hopefully adding new licensees to the industry. This in turn could increase the availability of manufactured homes which is a source of affordable, unsubsidized workforce housing.

### **Workers’ Compensation Advisory Council recommendations [HF2253/Ch12](#) (Sundin/Utke)**

The law adopts the recommendations made by the Workers’ Compensation Advisory Council related to the minimum weekly compensation rate; inpatient hospital and ambulatory surgical center payment; prohibited practices; annual payer reports of prompt first action; subpoenas of Department of Labor and Industry employees; penalties for billing injured workers for treatment; and extension of the workers’ compensation COVID-19 presumption through Dec. 31, 2021.

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