

SIXTY-FOURTH DAY

St. Paul, Minnesota, Monday, May 8, 2023

The Senate met at 11:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Senator Dziejdzic imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Daniel Haugan.

The members of the Senate gave the pledge of allegiance to the flag of the United States of America.

The roll was called, and the following Senators were present:

Abeler	Dziejdzic	Johnson	Maye Quade	Rarick
Anderson	Eichorn	Klein	McEwen	Rasmusson
Bahr	Farnsworth	Koran	Miller	Rest
Boldon	Fatch	Kreun	Mitchell	Seeberger
Carlson	Frentz	Kunesh	Mohamed	Utke
Champion	Green	Kupec	Morrison	Weber
Coleman	Gruenhagen	Lang	Murphy	Wesenberg
Cwodzinski	Gustafson	Latz	Nelson	Westlin
Dahms	Hauschild	Lieske	Oumou Verbeten	Westrom
Dibble	Hawj	Limmer	Pappas	Wiklund
Dornink	Hoffman	Lucero	Pha	Xiong
Draheim	Housley	Mann	Port	
Drazkowski	Howe	Marty	Pratt	
Duckworth	Jasinski	Mathews	Putnam	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

May 2, 2023

The Honorable Bobby Joe Champion
President of the Senate

Dear President Champion:

I have received, approved, signed, and deposited in the Office of the Secretary of State, Chapter 30, S.F. No. 10.

Sincerely,
Tim Walz, Governor

May 5, 2023

The Honorable Bobby Joe Champion
President of the Senate

Dear Senator Champion:

Pursuant to Senate Rule 8.2, the following appointments have been withdrawn from the following committee and placed on the Confirmation Calendar:

From the Committee on Labor, to which were referred the following appointments as reported in the Journal for January 9, 2023:

BOARD OF HIGH PRESSURE PIPING SYSTEMS

Joseph Abbot
Ronald Staskivige

Sincerely,
Thomas S. Bottern
Secretary of the Senate

REPORTS OF COMMITTEES

Senator Dziejdzic moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Senator Marty from the Committee on Finance, to which was referred

H.F. No. 782: A bill for an act relating to retirement; establishing the Minnesota Secure Choice retirement program; providing for civil penalties; transferring money; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 187.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **[187.01] MINNESOTA SECURE CHOICE RETIREMENT PROGRAM; CITATION.**

This chapter shall be known as and may be cited as the "Minnesota Secure Choice Retirement Program Act."

Sec. 2. **[187.03] DEFINITIONS.**

Subdivision 1. **Applicability.** For purposes of this chapter, the terms defined in this section have the meanings given them.

Subd. 2. **Board.** "Board" or "board of directors" means the board of directors of the Minnesota Secure Choice retirement program.

Subd. 3. **Compensation.** "Compensation" means compensation within the meaning of Section 219(f)(1) of the Internal Revenue Code that is received by a covered employee from, or with respect to service performed for, a covered employer.

Subd. 4. **Contribution rate.** "Contribution rate" means the percentage of compensation withheld from a covered employee's compensation and deposited in an account established for the covered employee under the program.

Subd. 5. **Covered employee.** (a) "Covered employee" means a person who is employed by a covered employer and who satisfies any other criteria established by the board.

(b) Covered employee does not include:

(1) a person who, on December 31 of the preceding calendar year, was younger than 18 years of age;

(2) a person covered under the federal Railway Labor Act, as amended, United States Code, title 45, sections 151 et seq.;

(3) a person on whose behalf an employer makes contributions to a Taft-Hartley multiemployer pension trust fund; or

(4) a person employed by the government of the United States, another country, the state of Minnesota, another state, or any subdivision thereof.

Subd. 6. **Covered employer.** (a) "Covered employer" means a person or entity:

(1) engaged in a business, industry, profession, trade, or other enterprise in Minnesota, whether for profit or not for profit;

(2) that employs five or more covered employees; and

(3) that does not sponsor or contribute to and did not in the immediately preceding 12 months sponsor or contribute to a retirement savings plan for its employees.

(b) Covered employer does not include:

(1) an employer that has not engaged in a business, industry, profession, trade, or other enterprise in Minnesota, whether for profit or not for profit, at any time during the immediately preceding 12 months; and

(2) a state or federal government or any political subdivision thereof.

(c) For purposes of this chapter in the case of a taxpaying employer described in section 268.046 that contracts with an employee leasing company, professional employer organization, or similar person for such person to obtain the taxpaying employer's workforce and provide workers to the taxpaying employer for a fee, the workers covered by such contract shall be treated as employed by the taxpaying employer and not by such other person. Nothing in this chapter shall prohibit a covered employer that is a taxpaying employer described in section 268.046 from contracting with an employee leasing company, professional employer organization, or similar person for such person to assist the taxpaying employer with the performance of some or all of such taxpaying employer's responsibilities as a covered employer under this chapter.

Subd. 7. **Executive director.** "Executive director" means the chief executive and administrative head of the program.

Subd. 8. **Internal Revenue Code.** "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended, United States Code, title 26.

Subd. 9. **Program.** "Program" means the Minnesota Secure Choice retirement program.

Subd. 10. **Retirement savings plan.** "Retirement savings plan" means a plan or program offered by an employer that permits contributions to be set aside for retirement on a pretax or after-tax basis and permits all employees of the employer to participate except those employees who have not satisfied participation eligibility requirements that are no more restrictive than the eligibility requirements permitted under section 410(b) of the Internal Revenue Code. Retirement savings plan includes but is not limited to a plan described in section 401(a) of the Internal Revenue Code, an annuity plan or annuity contract described in section 403(a) or 403(b) of the Internal Revenue Code, a plan within the meaning of section 457(b) of the Internal Revenue Code, a simplified employee pension (SEP) plan, a savings incentive match plan for employees (SIMPLE) plan, an automatic enrollment payroll deduction individual retirement account, and a multiemployer pension plan described in section 414(f) of the Internal Revenue Code.

Subd. 11. **Secure Choice administrative fund.** "Secure Choice administrative fund" or "administrative fund" means the fund established under section 187.06, subdivision 2.

Subd. 12. **Secure Choice trust.** "Secure Choice trust" or "trust" means a trust established under section 187.06, subdivision 1, to hold contributions and investment earnings thereon under the program.

Subd. 13. **Roth IRA.** "Roth IRA" means an individual retirement account established under section 408A of the Internal Revenue Code to hold and invest after-tax assets.

Subd. 14. **Traditional IRA.** "Traditional IRA" means an individual retirement account established under section 408 of the Internal Revenue Code to hold and invest pretax assets.

Sec. 3. **[187.05] SECURE CHOICE RETIREMENT PROGRAM.**

Subdivision 1. **Program established.** (a) The board must operate an employee retirement savings program whereby employee payroll deduction contributions are transmitted on an after-tax or pretax basis by covered employers to individual retirement accounts established under the program.

(b) The board must establish procedures for opening a Roth IRA, a traditional IRA, or both a Roth IRA and a traditional IRA for each covered employee whose covered employer transmits employee payroll deduction contributions under the program.

(c) Contributions must be made on an after-tax (Roth) basis, unless the covered employee elects to contribute on a pretax basis.

Subd. 2. **Compliance with Internal Revenue Code.** The board must establish and administer each Roth IRA and traditional IRA opened under the program in compliance with section 408 or 408A of the Internal Revenue Code, as applicable, for the benefit of the covered employee for whom the account was opened.

Subd. 3. **Contributions held in trust.** Each covered employer must transmit employee payroll deduction contributions to an account established for the benefit of the covered employee in a trust established to hold contributions under the program.

Subd. 4. **Contribution rate.** (a) The board must establish default, minimum, and maximum employee contribution rates and an escalation schedule to automatically increase each covered employee's contribution rate annually until the contribution rate is equal to the maximum contribution rate.

(b) A covered employee must have the right, annually or more frequently as determined by the board, to change the contribution rate, opt out or elect not to contribute, or cease contributions.

Subd. 5. **Vesting.** Covered employees are 100 percent vested in their accounts at all times.

Subd. 6. **Withdrawals and distributions.** The board must establish alternatives permitting covered employees to take a withdrawal of all or a portion of the covered employee's account while employed and one or more distributions following termination of employment. Distribution alternatives must include lifetime income options.

Subd. 7. **Individuals not employed by a covered employer.** The board may allow individuals to open and contribute to an account in the program, in which case the individual shall be considered a covered employee for purposes of sections 187.05 to 187.11.

Sec. 4. **[187.06] ESTABLISHMENT OF SECURE CHOICE TRUST AND ADMINISTRATIVE FUND; EMPLOYEE ACCOUNTS; INVESTMENTS.**

Subdivision 1. **Secure Choice trust established.** The Secure Choice trust is established as an instrumentality of the state to hold employee payroll deduction contributions and earnings on the contributions. The board must appoint a financial institution to act as trustee or custodian. The trustee or custodian must manage and administer trust assets for the exclusive purposes of providing benefits and defraying reasonable expenses of administering the program.

Subd. 2. **Secure Choice administrative fund established; money appropriated.** (a) The Secure Choice administrative fund is established in the state treasury as a fund separate and apart from the Secure Choice trust.

(b) The board of directors may assess administrative fees on each covered employee's account to be applied toward the expenses of administering the program. Money in the administrative fund is appropriated to the board to pay administrative expenses of administering the program if fees from the trust are not sufficient to cover expenses. The board must determine which administrative expenses will be paid using money in the administrative fund and which administrative expenses will be paid using money in the trust in the exercise of its fiduciary duty.

(c) The board may receive and deposit into the administrative fund any gifts, grants, donations, loans, appropriations, or other moneys designated for the administrative fund from the state, any unit of federal or local government, any other entity, or any person.

(d) Any interest or investment earnings that are attributable to money in the administrative fund must be deposited into the administrative fund.

Subd. 3. **Individual accounts established.** The trustee or custodian, as applicable, must maintain an account for employee payroll deduction contributions with respect to each covered employee. Interest and earnings on the amount in the account are credited to the account and losses are deducted.

Subd. 4. **Investments.** The board must make available for investment a diversified array of investment funds selected by the State Board of Investment. Members of the board, the executive director and members of the State Board of Investment, and all other fiduciaries are relieved of fiduciary responsibility for investment losses resulting from a covered employee's investment directions. Each covered employee is entitled to direct the investment of the contributions credited to the covered employee's account in the trust and earnings on the contributions into the array of investment funds selected by the State Board of Investment.

Subd. 5. **Default investment fund.** The board must designate a default investment fund that is diversified to minimize the risk of large losses and consists of target date funds, a balanced fund, a capital preservation fund, or any combination of the foregoing funds. Accounts for which no investment direction has been given by the covered employee must be invested in the default investment fund. Members of the board, the executive director of the State Board of Investment, and all other fiduciaries are relieved of fiduciary duty with regard to investment of assets in the default investment fund.

Subd. 6. **Inalienability of accounts.** No account under the program is subject to assignment or alienation, either voluntarily or involuntarily, or to the claims of creditors, except as provided in section 518.58.

Subd. 7. **Accounts not property of the state or covered employers.** The assets of the Secure Choice trust shall be preserved, invested, and expended solely for the purposes of the trust and no property rights in the trust assets shall exist in favor of the state or any covered employer. The assets of the Secure Choice trust shall not be transferred or used by the state for any purpose other than the purposes of the trust, including reasonable administrative expenses of the program. Amounts

deposited in the trust shall not constitute property of the state and shall not be commingled with state funds, and the state shall have no claim to or against, or interest in, the assets of the Secure Choice trust.

Sec. 5. **[187.07] RESPONSIBILITIES OF COVERED EMPLOYERS.**

Subdivision 1. **Requirement to enroll employees.** Each covered employer must enroll its covered employees in the program and withhold payroll deduction contributions from each covered employee's paycheck, unless the covered employee has elected not to contribute. The board must establish penalties for covered employers for failing to enroll covered employees.

Subd. 2. **Remitting contributions.** A covered employer must timely remit contributions as required by the board. The board must establish penalties for covered employers for failing to timely remit contributions.

Subd. 3. **Distribution of information.** Covered employers must provide information prepared by the board to all covered employees regarding the program. The information must be provided to each covered employee at least 30 days prior to the date of the first paycheck from which employee contributions could be deducted for transmittal to the program, if the covered employee does not elect to opt out of the program.

Subd. 4. **No fiduciary responsibility.** Except for the responsibilities described in subdivisions 1 to 3, a covered employer has no obligations to covered employees and is not a fiduciary for any purpose under the program or in connection with the Secure Choice trust. Covered employers are not responsible for the administration, investment performance, plan design, or benefits paid to covered employees.

Subd. 5. **Employer liability.** A covered employer is not liable to a covered employee for damages alleged to have resulted from a covered employee's participation in or failure to participate in the program.

Subd. 6. **Enforcement.** (a) The board must establish monthly or quarterly penalties against any covered employer that fails to comply with subdivisions 1, 2, and 3. The penalties for a failure to comply with subdivision 2 shall be commensurate with penalties for failure to remit state payroll taxes and, for any compliance failure, commensurate with penalties imposed under similar programs in other states.

(b) At the request of the board, the attorney general shall enforce the penalties imposed by the board against a covered employer. Proceeds of such penalties, after deducting enforcement expenses, must be deposited in the Secure Choice administrative fund and are appropriated to the program.

(c) The board must provide covered employers with written warnings for the first year of noncompliance before assessing penalties.

Sec. 6. **[187.08] SECURE CHOICE RETIREMENT PROGRAM BOARD OF DIRECTORS.**

Subdivision 1. **Membership.** The policy-making function of the program is vested in a board of directors consisting of seven members as follows:

(1) the executive director of the Minnesota State Retirement System or the executive director's designee;

(2) the executive director of the State Board of Investment or the executive director's designee;

(3) three members chosen by the Legislative Commission on Pensions and Retirement, one from each of the following experience categories:

(i) executive or operations manager with substantial experience in record keeping 401(k) plans;

(ii) executive or operations manager with substantial experience in individual retirement accounts;
and

(iii) executive or other professional with substantial experience in retirement plan investments;

(4) a human resources or retirement benefits executive from a private company with substantial experience in administering the company's 401(k) plan, appointed by the governor; and

(5) a small business owner or executive appointed by the governor.

Subd. 2. **Appointment.** Members appointed by the governor must be appointed as provided in section 15.0597.

Subd. 3. **Membership terms.** (a) Board members serve for two-year terms, except for the executive directors of the Minnesota State Retirement System and the State Board of Investment, who serve indefinitely.

(b) Board members' terms may be renewed, but no member may serve more than two consecutive terms.

Subd. 4. **Resignation; removal; vacancies.** (a) A board member may resign at any time by giving written notice to the board.

(b) A board member may be removed by the appointing authority and a majority vote of the board following notice and hearing before the board. For purposes of this subdivision, the chair may invite the appointing authority or a designee of the appointing authority to serve as a voting member of the board if necessary to constitute a quorum.

(c) If a vacancy occurs, the Legislative Commission on Pensions and Retirement or the governor, as applicable, shall appoint a new member within 90 days.

Subd. 5. **Compensation.** Public members are compensated and expenses reimbursed as provided under section 15.0575, subdivision 3.

Subd. 6. **Chair.** The board shall select a chair from among its members. The chair shall serve a two-year term. The board may select other officers as necessary to assist the board in performing the board's duties.

Subd. 7. **Executive director; staff.** The board must appoint an executive director, determine the duties of the director, and set the compensation of the executive director. The board may also hire staff as necessary to support the board in performing its duties.

Subd. 8. **Duties.** In addition to the duties set forth elsewhere in this chapter, the board has the following duties:

(1) to establish secure processes for enrolling covered employees in the program and for transmitting employee and employer contributions to accounts in the trust;

(2) to prepare a budget and establish procedures for the payment of costs of administering and operating the program;

(3) to lease or otherwise procure equipment necessary to administer the program;

(4) to procure insurance in connection with the property of the program and the activities of the board, executive director, and other staff;

(5) to determine the following:

(i) any criteria for "covered employee" other than employment with a covered employer under section 187.03, subdivision 5;

(ii) contribution rates and an escalation schedule under section 187.05, subdivision 4;

(iii) withdrawal and distribution options under section 187.05, subdivision 6; and

(iv) the default investment fund under section 187.06, subdivision 5;

(6) to keep annual administrative fees, costs, and expenses as low as possible:

(i) except that any administrative fee assessed against the accounts of covered employees may not exceed a reasonable amount relative to the fees charged by auto-IRA or defined contribution programs of similar size in the state of Minnesota or another state; and

(ii) the fee may be asset-based, flat fee, or a hybrid combination of asset-based and flat fee;

(7) to determine the eligibility of an employer, employee, or other individual to participate in the program and review and decide claims for benefits and make factual determinations;

(8) to prepare information regarding the program that is clear and concise for dissemination to all covered employees and includes the following:

(i) the benefits and risks associated with participating in the program;

(ii) procedures for enrolling in the program and opting out of the program, electing a different or zero percent employee contribution rate, making investment elections, applying for a distribution of employee accounts, and making a claim for benefits;

(iii) the federal and state income tax consequences of participating in the program, which may consist of or include the disclosure statement required to be distributed by retirement plan trustees or custodians under the Internal Revenue Code and the Treasury Regulations thereunder;

(iv) how to obtain additional information on the program; and

(v) disclaimers of covered employer and state responsibility, including the following statements:

(A) covered employees seeking financial, investment, or tax advice should contact their own advisors;

(B) neither covered employers nor the state of Minnesota are liable for decisions covered employees make regarding their account in the program;

(C) neither a covered employer nor the state of Minnesota guarantees the accounts in the program or any particular investment rate of return; and

(D) neither a covered employer nor the state of Minnesota monitors or has an obligation to monitor any covered employee's eligibility under the Internal Revenue Code to make contributions to an account in the program, or whether the covered employee's contributions to an account in the program exceed the maximum permissible contribution under the Internal Revenue Code;

(9) to publish an annual financial report, prepared according to generally accepted accounting principles, on the operations of the program, which must include but not be limited to costs attributable to the use of outside consultants, independent contractors, and other persons who are not state employees and deliver the report to the chairs and ranking minority members of the legislative committees with jurisdiction over jobs and economic development and state government finance, the executive directors of the State Board of Investment and the Legislative Commission on Pensions and Retirement, and the Legislative Reference Library;

(10) to publish an annual report regarding plan outcomes, progress toward savings goals established by the board, statistics on covered employees and participating employers, plan expenses, estimated impact of the program on social safety net programs, and penalties and violations and deliver the report to the chairs and ranking minority members of the legislative committees with jurisdiction over jobs and economic development and state government finance, the executive directors of the State Board of Investment and the Legislative Commission on Pensions and Retirement, and the Legislative Reference Library;

(11) to file all reports required under the Internal Revenue Code or chapter 290;

(12) to, at the board's discretion, seek and accept gifts, grants, and donations to be used for the program, unless such gifts, grants, or donations would result in a conflict of interest relating to the solicitation of service provider for program administration, and deposit such gifts, grants, or donations in the Secure Choice administrative fund;

(13) to, at the board's discretion, seek and accept appropriations from the state or loans from the state or any agency of the state;

(14) to assess the feasibility of partnering with another state or a governmental subdivision of another state to administer the program through shared administrative resources and, if determined beneficial, enter into contracts, agreements, memoranda of understanding, or other arrangements with any other state or an agency or subdivision of any other state to administer, operate, or manage any part of the program, which may include combining resources, investments, or administrative functions;

(15) to hire, retain, and terminate third-party service providers as the board deems necessary or desirable for the program, including but not limited to the trustees, consultants, investment managers or advisors, custodians, insurance companies, recordkeepers, administrators, consultants, actuaries, legal counsel, auditors, and other professionals, provided that each service provider is authorized to do business in the state;

(16) to interpret the program's governing documents and this chapter and make all other decisions necessary to administer the program;

(17) to conduct comprehensive employer and worker education and outreach regarding the program that reflect the cultures and languages of the state's diverse workforce population, which may, in the board's discretion, include collaboration with state and local government agencies, community-based and nonprofit organizations, foundations, vendors, and other entities deemed appropriate to develop and secure ongoing resources; and

(18) to prepare notices for delivery to covered employees regarding the escalation schedule and to each covered employee before the covered employee is subject to an automatic contribution increase.

Subd. 9. **Rules.** The board of directors is authorized to adopt rules as necessary to implement this chapter.

Subd. 10. **Conflict of interest; economic interest statement.** No member of the board may participate in deliberations or vote on any matter before the board that will or is likely to result in direct, measurable economic gain to the member or the member's family. Members of the board shall file with the Campaign Finance and Public Disclosure Board an economic interest statement in a manner as prescribed by section 10A.09, subdivisions 5 and 6.

Sec. 7. [187.09] FIDUCIARY DUTY; STANDARD OF CARE.

(a) The members of the board, the executive director of the program, the executive director and members of the State Board of Investment, and any person who controls the disposition or investment of the assets of the Secure Choice trust:

(1) owe a fiduciary duty to the covered employees who participate in the program and their beneficiaries;

(2) must administer the program solely for the exclusive benefit of such covered employees and their beneficiaries, and for the exclusive purpose of providing benefits and paying reasonable plan expenses;

(3) are subject to the standard of care established in section 356A.04, subdivision 2; and

(4) are indemnified and held harmless by the state of Minnesota for the reasonable costs, expenses, or liability incurred as a result of any actual or threatened litigation or administrative proceeding arising out of the performance of the person's duties.

(b) Except as otherwise established in this chapter, the fiduciaries under paragraph (a) owe no other duty to covered employees, express or implied, in common law or otherwise.

Sec. 8. [187.10] NO STATE LIABILITY.

The state has no liability for the payment of, the amount of, or losses to any benefit to any participant in the program.

Sec. 9. [187.11] OTHER STATE AGENCIES TO PROVIDE ASSISTANCE.

(a) The board may enter into intergovernmental agreements with the commissioner of revenue, the commissioner of labor and industry, and any other state agency that the board deems necessary or appropriate to provide outreach, technical assistance, or compliance services. An agency that enters into an intergovernmental agreement with the board pursuant to this section must collaborate and cooperate with the board to provide the outreach, technical assistance, or compliance services under any such agreement.

(b) The commissioner of administration must provide office space in the Capitol complex for the executive director and staff of the program.

Sec. 10. MINNESOTA SECURE CHOICE RETIREMENT PROGRAM; START OF OPERATIONS.

Subdivision 1. **Program start; phasing.** (a) The board of directors of the Minnesota Secure Choice retirement program must begin operation of the secure choice retirement program under Minnesota Statutes, section 187.05, by January 1, 2025.

(b) The board of directors must open the program in phases, and the last phase must be opened no later than two years after the opening of the first phase.

Subd. 2. **Board appointments; first meeting.** Appointing authorities must make appointments to the board of directors under Minnesota Statutes, section 187.08, by January 15, 2024. The Legislative Commission on Pensions and Retirement must designate one member of the board to convene the first meeting of the board of directors by March 1, 2024. At the first meeting, the board shall elect a chair.

Sec. 11. BOARD SUPPORT UNTIL APPOINTMENT OF EXECUTIVE DIRECTOR.

With the assistance of the Legislative Coordinating Commission, the executive director of the Legislative Commission on Pensions and Retirement must:

(1) provide notice to members of the board regarding the first meeting of the board and work with the chair designated under Minnesota Statutes, section 187.08, subdivision 7, to determine the agenda and provide meeting support; and

(2) serve as the interim executive director to assist the board until the board completes the search, recruitment, and interview process and appoints the executive director under Minnesota Statutes, section 187.08, subdivision 8.

Sec. 12. **TRANSFER.**

\$5,000,000 in fiscal year 2024 is transferred from the general fund to the Secure Choice administrative fund established under Minnesota Statutes, section 187.06, to establish and administer the Secure Choice retirement program.

Sec. 13. **EFFECTIVE DATE.**

Sections 1 to 4 and 6 to 12 are effective the day following final enactment. Section 5 is effective the day after the Secure Choice retirement program board of directors opens the Secure Choice retirement savings program for enrollment of covered employees."

Delete the title and insert:

"A bill for an act relating to retirement; establishing the Minnesota Secure Choice retirement program; transferring money; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 187."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Marty from the Committee on Finance, to which was re-referred

H.F. No. 3100: A bill for an act relating to retirement; reducing the actuarial assumption for investment rate of return; eliminating the delay to normal retirement age on the commencement of postretirement adjustments and reducing the vesting requirement for the general employees retirement plans of the Minnesota State Retirement System and the Public Employees Retirement Association; modifying the postretirement adjustment for the local government correctional service retirement plan; providing a onetime postretirement adjustment to all pension plan members; temporarily reducing the employee contribution rate for the general state employees retirement plan; modifying the expiration date for supplemental employer contributions to the State Patrol and correctional state employees plans and for the state aid to the judges plan; providing for an unreduced retirement annuity upon reaching age 62 with 30 years of service and increasing the employee contribution rate for the St. Paul Teachers Retirement Fund Association; appropriating money for onetime direct state aids to the pension plans, an incentive program for paying monetary incentives to join the statewide volunteer firefighter plan, and the Legislative Commission on Pensions and Retirement for actuarial services to assess the actuarial cost of pension legislation; amending Minnesota Statutes 2022, sections 352.04, subdivision 2; 352.115, subdivision 1; 352.92, subdivision 2a; 352B.02, subdivision 1c; 353.01, subdivision 47; 354A.12, subdivision 1; 354A.31, subdivision 7, by adding a subdivision; 356.215, subdivision 8; 356.415, subdivisions 1, 1b, 1g; 490.123, subdivision 5.

Reports the same back with the recommendation that H.F. No. 3100, the unofficial engrossment, do pass. Report adopted.

Senator Marty from the Committee on Finance, to which was referred

S.F. No. 3308: A bill for an act relating to claims against the state; providing for the settlement of certain claims; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 4, insert:

"Section 1. EXONERATION AWARDS.

The amounts in this section are appropriated in fiscal year 2024 from the general fund to the commissioner of management and budget for full payment of awards of damages under the Imprisonment and Exoneration Remedies Act, Minnesota Statutes, sections 611.362 to 611.368. This appropriation is available until June 30, 2024, for payment to:

(1) Terrell James Buechner, \$810,431.86;

(2) Ronald James Fairbanks, \$56,008.26; and

(3) Joe Maria Vento, \$240,000."

Page 1, line 6, before "The" insert "(a)" and delete "section" and insert "paragraph"

Page 1, line 14, delete "\$....." and insert "\$2,968.12"

Page 1, delete line 15 and insert:

"(2) for payment to Nicholas Edwards for permanent injuries to his right index finger while performing assigned duties at Minnesota Correctional Facility - Moose Lake, \$3,940; and

(3) for payment to Jeron Faulkner for permanent injuries to his left thumb while performing assigned duties at Minnesota Correctional Facility - Stillwater, \$520.08.

(b) \$43,200 in fiscal year 2024 is appropriated from the general fund to the commissioner of corrections for a minimum ascertainable partial permanent disability award under Minnesota Statutes, section 3.738, of the claim against the state for injuries suffered by James Vandevender while performing assigned duties at Minnesota Correctional Facility - Rush City. Any award for full and final payment of this claim must deduct the amount in this paragraph from the required final payment. This appropriation is available until June 30, 2024."

Renumber the sections in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Marty from the Committee on Finance, to which was re-referred

H.F. No. 1234: A bill for an act relating to labor; modifying peace officer and firefighter duty disability provisions; requiring a report; appropriating money; amending Minnesota Statutes 2022, sections 299A.42; 299A.465, subdivision 4, by adding a subdivision; 352B.011, subdivision 10, by adding a subdivision; 352B.10, subdivisions 1, 2a, 4, by adding a subdivision; 352B.101; 352B.105, subdivision 1; 353.01, subdivision 47; 353.031, subdivisions 1, 3, 4, 8, 9, by adding a subdivision; 353.335; 353.656, subdivisions 1, 1a, 1b, 3, 3a, 4, 6a, 10; proposing coding for new law in Minnesota Statutes, chapters 352B; 353; 626; repealing Minnesota Statutes 2022, section 353.656, subdivisions 2, 2a.

Reports the same back with the recommendation that H.F. No. 1234, the unofficial engrossment, be amended as follows:

Page 3, delete section 3

Page 6, delete lines 21 to 23

Page 22, delete section 20

Renumber the sections in sequence

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. No. 3308 was read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 782, 3100, and 1234 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Marty introduced--

S.F. No. 3324: A bill for an act relating to public safety; establishing the Office of Animal Protection; providing for peace officer and other professional training; authorizing working groups; establishing a courtroom animal advocate procedure; requiring support for forensic laboratories; authorizing the receipt of grants and contributions; amending the definition of crime of violence; requiring reports; requiring rulemaking; appropriating money; amending Minnesota Statutes 2022, section 624.712, subdivision 5; proposing coding for new law as Minnesota Statutes, chapter 299P.

Referred to the Committee on Judiciary and Public Safety.

Senator Port introduced--

S.F. No. 3325: A bill for an act relating to capital investment; authorizing the issuance of supportive housing and shelter facility appropriation bonds; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 16A.

Referred to the Committee on Capital Investment.

Senator Eichorn introduced--

S.F. No. 3326: A bill for an act relating to taxation; sales and use; providing a refundable construction exemption for the Grand Rapids civic center; amending Minnesota Statutes 2022, section 297A.71, subdivision 52.

Referred to the Committee on Taxes.

Senators Abeler and Coleman introduced--

S.F. No. 3327: A bill for an act relating to natural resources; modifying Boundary Water Canoe Area Wilderness mining restrictions; amending Minnesota Statutes 2022, section 84.523.

Referred to the Committee on Environment, Climate, and Legacy.

MOTIONS AND RESOLUTIONS

Senator Hawj moved that the name of Senator Fateh be added as a co-author to S.F. No. 3273. The motion prevailed.

Senators Rarick, Hoffman, Dziedzic, Johnson, and Champion introduced --

Senate Resolution No. 51: A Senate resolution expressing the sense of the Minnesota Senate reaffirming its commitment to strengthening and deepening sister ties between the state of Minnesota and Taiwan.

Referred to the Committee on Rules and Administration.

Senator McEwen moved that the appointments withdrawn from the Committee on Labor and placed on the Confirmation Calendar under Senate Rule 8.2, reported in the Journal for May 8, 2023, be returned to the committee from which they were withdrawn.

BOARD OF HIGH PRESSURE PIPING SYSTEMS

Joseph Abbot
Ronald Staskivige

The motion prevailed.

SPECIAL ORDERS

Pursuant to Rule 26, Senator Dziejdzic, Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

H.F. No. 2.

SPECIAL ORDER

H.F. No. 2: A bill for an act relating to employment; creating a family and medical benefit insurance program; requiring leave from employment under certain circumstances; allowing substitution of a private plan; prohibiting retaliation; classifying data; authorizing expedited rulemaking; transferring money; appropriating money; amending Minnesota Statutes 2022, sections 13.719, by adding a subdivision; 62A.01, subdivision 1; 177.27, subdivision 4; 181.032; 256B.0659, subdivision 18; 256B.85, subdivisions 13, 13a; 256J.561, by adding a subdivision; 256J.95, subdivisions 3, 11; 256P.01, subdivision 3; 268.19, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 268B.

Senator Mann moved to amend H.F. No. 2, as amended pursuant to Rule 45, adopted by the Senate May 4, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 2.)

Page 8, delete subdivision 7 and insert:

"Subd. 7. **Benefit year.** (a) Except as provided in paragraph (b), "benefit year" means the period of 52 calendar weeks beginning the date a benefit account under section 268B.04 is effective. For a benefit account established effective any January 1, April 1, July 1, or October 1, the benefit year will be a period of 53 calendar weeks.

(b) For a private plan under section 268B.10, "benefit year" means:

(1) a calendar year;

(2) any fixed 12-month period, such as a fiscal year or a 12-month period measured forward from an employee's first date of employment;

(3) a 12-month period measured forward from an employee's first day of leave taken; or

(4) a rolling period measured backward from an employee's first day of leave taken."

Page 9, line 16, delete everything after "(a)" and insert "Covered employment" means an employee of a covered employer:"

Page 9, delete lines 17 to 27 and insert:

"(1) who spends more than 50 percent of his or her work time for that employer working in this state; or

(2) whose employment for the covered employer is based in this state and who regularly spends a substantial amount of his or her work time for that covered employer in this state and not more than 50 percent of his or her work time for that covered employer in another jurisdiction."

Page 9, line 28, delete "(c)" and insert "(b)"

Page 15, lines 5 and 15, delete "three" and insert "seven"

Page 18, line 6, after "benefits" insert "due to misrepresentation"

Page 23, line 21, before "An" insert "(a)"

Page 23, after line 27, insert:

"(b) An employer may offer supplemental benefit payments, as defined in section 268B.01, subdivision 40, to an employee taking leave under this chapter. The choice to receive supplemental benefits lies with the employee. Nothing in this section shall be construed as requiring an employee to receive or an employer to provide supplemental benefits payments. The total amount of paid benefits under this chapter and the supplemental benefits paid must not exceed the employee's usual salary."

Page 28, line 29, after the comma, insert "including the employer's attendance or call-out policies and procedures,"

Page 28, line 31, after the period, insert "An employee may be required by an employer's or covered business entity's policy to contact a specific individual or designated phone number to report this information."

Page 29, after line 3, insert:

"(g) An employer may not require, as a condition of an employee taking leave under this chapter, that the employee seek or find a replacement worker to cover the hours the employee uses under this chapter."

Page 29, line 24, before the period, insert "and must make a reasonable effort to schedule the intermittent leave so as not to disrupt unduly the operations of the employer. If this cannot be done to the satisfaction of both employer and employee, the employer cannot require the employee to change their leave schedule in order to accommodate the employer"

Page 29, delete lines 25 and 26 and insert:

"(d) Notwithstanding the allowance for intermittent leave under this subdivision, an employer shall not be required under this chapter to provide, but may elect to provide, more than 480 hours of intermittent leave in any 12-month period. An employer may run intermittent leave available under the Family and Medical Leave Act, United States Code, title 29, sections 2601 to 2654, as amended, concurrent with an employee's entitlement to intermittent leave under this chapter."

Page 34, after line 3, insert:

"(4) If, during a leave under this chapter, the employer experiences other similar extenuating circumstances, the employee does not need to be reinstated in the same or a virtually identical equivalent position. In such circumstances, the employee shall be placed in a position of like pay, benefits, and working conditions, including privileges, prerequisites, and status."

Page 41, line 11, delete "two" and delete "years" and insert "year"

Page 41, line 17, delete "7" and insert "6"

Page 44, line 23, delete "a minimum of"

Page 44, line 24, after the period, insert "An employer may elect to pay more than 50 percent of the annual premium under this section."

Page 63, after line 14, insert:

"Sec. 37. **[268B.30] DIRECT CARE PROVIDER ACCOUNT.**

The direct care provider account is created in the special revenue fund in the state treasury. Money in this account is appropriated to the commissioner for that portion of a direct care worker's premium, not to exceed 50 percent of the annual premium, that would otherwise be required by a direct care worker for the paid family and medical leave program under this chapter. Money remaining in the account at the end of the fiscal year is not canceled to the general fund but remains until June 30, 2027.

Sec. 38. **STAKEHOLDER GROUP.**

(a) The commissioner of human services, in collaboration with the commissioner of employment and economic development, must convene a group of stakeholders including representatives of direct care workers, employers of direct care workers, and other interested parties, to examine and identify solutions to issues surrounding the impact of premium collection on direct care workers and employers of direct care workers required by the paid family and medical leave program created in this act.

(b) By January 1, 2025, the commissioner of human services must provide a report on the activities of the stakeholder group, including recommendations and draft legislation, to the chairs and ranking members of the house of representatives and senate committees with jurisdiction over human services and economic development.

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

Page 66, line 5, after "TRANSFER" insert "; FAMILY AND MEDICAL BENEFIT INSURANCE ACCOUNT"

Page 66, line 6, delete "\$668,321,000" and insert "\$648,321,000"

Page 66, after line 8, insert:

"Sec. 12. **TRANSFER; DIRECT CARE PROVIDER ACCOUNT.**

The commissioner of management and budget shall transfer \$20,000,000 in fiscal year 2024 from the general fund to the direct care provider account under Minnesota Statutes, section 268B.30."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

President Champion called Senator Klein to preside.

The question was taken on the adoption of the Mann amendment.

The roll was called, and there were yeas 51 and nays 14, as follows:

Those who voted in the affirmative were:

Abeler	Farnsworth	Kreun	Mitchell	Rest
Boldon	Fateh	Kunesh	Mohamed	Seeberger
Champion	Frentz	Kupec	Morrison	Weber
Coleman	Gustafson	Lang	Murphy	Westlin
Cwodzinski	Hauschild	Latz	Nelson	Westrom
Dahms	Hawj	Limmer	Oumou Verbeten	Wiklund
Dibble	Hoffman	Mann	Pappas	Xiong
Dornink	Howe	Marty	Pha	
Draheim	Jasinski	Maye Quade	Port	
Duckworth	Johnson	McEwen	Putnam	
Dziedzic	Klein	Miller	Rasmusson	

Pursuant to Rule 40, Senator Morrison cast the affirmative vote on behalf of the following Senators: Boldon, Hawj, Pha, and Rest.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Draheim.

Those who voted in the negative were:

Anderson	Eichorn	Koran	Mathews	Utke
Bahr	Green	Lieske	Pratt	Wesenberg
Drazkowski	Gruenhagen	Lucero	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senator: Wesenberg.

The motion prevailed. So the amendment was adopted.

Senator Rarick moved that H.F. No. 2 be re-referred to the Committee on Education Finance.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Dornink	Farnsworth	Jasinski	Lieske
Anderson	Draheim	Green	Johnson	Limmer
Bahr	Drazkowski	Gruenhagen	Koran	Lucero
Coleman	Duckworth	Housley	Kreun	Mathews
Dahms	Eichorn	Howe	Lang	Miller

Nelson	Rarick	Utke	Wesenberg
Pratt	Rasmusson	Weber	Westrom

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Boldon, Hawj, Pha, and Rest.

The motion did not prevail.

Senator Duckworth moved that H.F. No. 2 be re-referred to the Committee on Higher Education.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Rasmusson
Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Eichorn	Johnson	Mathews	Weber
Coleman	Farnsworth	Koran	Miller	Wesenberg
Dahms	Green	Kreun	Nelson	Westrom
Dornink	Gruenhagen	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Hawj, Pha, and Rest.

The motion did not prevail.

Senator Abeler moved that H.F. No. 2 be re-referred to the Committee on Human Services.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 33 and nays 33, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Rasmusson
Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Eichorn	Johnson	Mathews	Weber
Coleman	Farnsworth	Koran	Miller	Wesenberg
Dahms	Green	Kreun	Nelson	Westrom
Dornink	Gruenhagen	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Boldon	Frentz	Latz	Morrison	Rest
Carlson	Gustafson	Mann	Murphy	Seeberger
Champion	Hauschild	Marty	Oumou Verbeten	Westlin
Cwodzinski	Hawj	Maye Quade	Pappas	Wiklund
Dibble	Klein	McEwen	Pha	Xiong
Dziedzic	Kunesh	Mitchell	Port	
Fateh	Kupec	Mohamed	Putnam	

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Hawj, Pha, and Rest.

The motion did not prevail.

Senator Pratt moved that H.F. No. 2 be re-referred to the Committee on State and Local Government and Veterans.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Rasmusson
Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Eichorn	Johnson	Mathews	Weber
Coleman	Farnsworth	Koran	Miller	Wesenberg
Dahms	Green	Kreun	Nelson	Westrom
Dornink	Gruenhagen	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Hawj, Pha, and Rest.

The motion did not prevail.

Senator Rasmusson moved that H.F. No. 2 be re-referred to the Committee on Commerce and Consumer Protection.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Rasmusson
Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Eichorn	Johnson	Mathews	Weber
Coleman	Farnsworth	Koran	Miller	Wesenberg
Dahms	Green	Kreun	Nelson	Westrom
Dornink	Gruenhagen	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Dziedzic, Hawj, Pha, and Rest.

The motion did not prevail.

Senator Coleman moved to amend H.F. No. 2, as amended pursuant to Rule 45, adopted by the Senate May 4, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 2.)

Delete everything after the enacting clause and insert:

"Section 1. **[63A.01] DEFINITIONS.**

(a) As used in this chapter, the following terms have the meanings given.

(b) "Armed forces of the United States" means members of the National Guard and Reserves.

(c) "Child" means a person who is:

(1) under 18 years of age, or 18 years of age or older and incapable of self-care because of a mental or physical disability; and

(2) a biological, adopted, or foster son or daughter; a stepson or stepdaughter; a legal ward; a son or daughter of a domestic partner; or a son or daughter of a person to whom the employee stands in loco parentis.

(d) "Family leave" means leave taken by an employee from work for a reason specified in section 63A.03.

(e) "Family member" means a child, spouse, parent, or grandparent as defined in this chapter, or any other person defined as a family member in an insurance policy.

(f) "Health care provider" means an individual who is licensed, certified, or otherwise authorized under law to practice in the individual's scope of practice as a physician, osteopath, surgeon, or advanced practice registered nurse.

(g) "Parent" means a biological, foster, or adoptive parent; a stepparent; a legal guardian; or other person who stood in loco parentis to the employee when the employee was a child.

(h) "Serious health condition" means an illness, injury, impairment, or physical or mental condition, including organ or tissue transplant or donation, that involves inpatient care in a hospital, hospice, or residential health care facility, continuing treatment, or continuing supervision by a health care provider as defined in an insurance policy. Continuing supervision by a health care provider includes a period of incapacity that is permanent or long term due to a condition for which treatment may not be effective and where the family member is not receiving active treatment by a health care provider.

Sec. 2. [63A.02] PAID FAMILY LEAVE INCOME REPLACEMENT BENEFITS.

(a) An insurance company licensed to issue disability income insurance policies in Minnesota may also offer paid family leave insurance benefits providing wage replacement for the employee's income loss due to:

(1) the birth or adoption of a child by the employee;

(2) placement of a child with the employee for foster care;

(3) care of an employee's family member who has a serious health condition; or

(4) circumstances arising from the fact that the employee's family member is a service member on active duty or has been notified of an impending call or order to active duty.

(b) The benefits may be offered either through a rider to a disability income insurance policy or as a separate insurance policy. The benefits may also be offered through a group policy.

Sec. 3. [63A.03] FAMILY LEAVE BENEFITS.

Family leave benefits may be provided for leave taken by an employee from work to:

(1) participate in providing care, including physical or psychological care, for a family member of the employee made necessary by the family member's serious health condition;

(2) bond with the employee's child during the first 12 months after the child's birth, or the first 12 months after the placement of the child for adoption or foster care with the employee;

(3) address a qualifying exigency, as interpreted under the Family and Medical Leave Act, United States Code, title 29, section 2612(a)(1)(e), and Code of Federal Regulations, title 29, sections 825.126(a)(1) to (8), arising from the fact that the spouse, child, or parent of the employee is on active duty or has been notified of an impending call or order to active duty in the armed forces of the United States;

(4) care for a family service member injured in the line of duty; or

(5) take other leave to provide care for a family member or other family leave, as specified in an insurance policy.

Sec. 4. **[63A.04] EXPLANATION OF FAMILY LEAVE REASONS.**

An insurance policy must set forth the details and requirements regarding each reason for covered family leave.

Sec. 5. **[63A.05] BENEFIT PERIOD.**

(a) An insurance policy must set the length of family leave benefits available for each covered family leave reason as 52 consecutive calendar weeks. Fifty-two consecutive calendar weeks may be calculated by:

(1) a calendar year;

(2) any fixed period starting on a particular date, including the policy effective date or anniversary date;

(3) the period measured forward from the employee's first day of family leave;

(4) a rolling period measured by looking back from the employee's first day of family leave; or

(5) any other method specified in the insurance policy.

(b) An insurance policy must set forth whether there is an unpaid waiting period and, if so, the unpaid waiting period terms and conditions, which may include but are not limited to whether:

(1) the waiting period runs over a period of consecutive calendar days;

(2) the waiting period is in addition to the annual allotment of family leave benefits;

(3) the waiting period must be met only once per benefit year; and

(4) the employee may work or receive paid time off or other compensation by the employer during the waiting period.

Sec. 6. **[63A.06] AMOUNT OF FAMILY LEAVE BENEFITS; OTHER INCOME.**

(a) An insurance policy must set forth:

(1) the amount of benefits that are paid for covered family leave reasons;

(2) the definition of the wages or other income upon which the amount of family leave benefits is based; and

(3) how the wages or other income is calculated.

(b) If family leave benefits are subject to offsets for wages or other income received or that the insured may be eligible for, the policy must set forth:

(1) all wages or other income that may be set off; and

(2) the circumstances under which wages or other income may be offset.

Sec. 7. **[63A.07] PERMISSIBLE LIMITATIONS AND EXCLUSIONS.**

Any limitations or exclusions must be set forth in an insurance policy and approved by the commissioner.

Sec. 8. **[63A.08] OTHER PROVISIONS.**

Subdivision 1. **State may not act as insurer.** The state of Minnesota must not act as an insurer under sections 63A.01 to 63A.08. The state must not provide or facilitate coverage under sections 63A.01 to 63A.08 either by contract with a licensed insurer or otherwise.

Subd. 2. **Joint pool.** Any two or more employers or association of employers may jointly issue paid family leave insurance benefits as set forth under sections 62H.01 to 62H.08.

Sec. 9. **[290.0687] SMALL BUSINESS TAX CREDITS FOR PAID FAMILY LEAVE BENEFITS.**

Subdivision 1. **Employer tax credit.** (a) A qualified employer is allowed a credit against the taxes imposed under this chapter equal to the amount paid:

(1) directly by the qualified employer for paid family leave benefits on behalf of a qualified employee; or

(2) to an insurance company to provide paid family leave insurance benefits to a qualified employee.

(b) The credit allowed to an employer under this subdivision for a qualified employee for a taxable year is limited to the lesser of the amounts listed in clauses (1) and (2), to the extent not deducted in determining federal taxable income for corporate filers or federal adjusted gross income for individual filers:

(1) \$3,000; or

(2) the total amount paid:

(i) directly by the qualified employer for paid family leave benefits on behalf of a qualified employee; or

(ii) to an insurance company to provide paid family leave insurance benefits to a qualified employee.

Subd. 2. **Definitions.** (a) For purposes of this section, the terms in this subdivision have the meanings given.

(b) "Armed forces" means members of the National Guard and Reserves;

(c) "Child" means a person who is:

(1) under 18 years of age, or 18 years of age or older and incapable of self-care because of a mental or physical disability; and

(2) a biological, adopted, or foster son or daughter; a stepson or stepdaughter; a legal ward; a son or daughter of a domestic partner; or a son or daughter of a person to whom the employee stands in loco parentis.

(d) "Employee" has the meaning given in section 290.92, subdivision 1, clause (3).

(e) "Family leave" means leave for any of the following purposes:

(1) participating in providing care, including physical or psychological care, for a family member of the employee made necessary by the family member's serious health condition;

(2) bonding with the employee's child during the first 12 months after the child's birth, or the first 12 months after the placement of the child for adoption or foster care with the employee; or

(3) addressing a qualifying exigency, as interpreted under the Family and Medical Leave Act, United States Code, title 29, section 2612(a)(1)(e), and Code of Federal Regulations, title 29, sections 825.126(a)(1) to (8), arising from the fact that the spouse, child, or parent of the employee is on active duty or has been notified of an impending call or order to active duty in the armed forces of the United States.

(f) "Family member" means a child, spouse, parent, or grandparent as defined in this chapter.

(g) "Parent" means a biological, foster, or adoptive parent; a stepparent; a legal guardian; or other person who stood in loco parentis to the employee when the employee was a child.

(h) "Qualified employee" means an employee who has been employed by the qualified employer for one year or more.

(i) "Qualified employer" means an employer subject to the withholding requirements under section 290.92, who:

(1) employs 50 or fewer employees in Minnesota; and

(2) pays family leave benefits for one or more qualified employees.

(j) "Serious health condition" means an illness, injury, impairment, or physical or mental condition, including organ or tissue transplant or donation, that involves inpatient care in a hospital, hospice, or residential health care facility, continuing treatment, or continuing supervision by a health care provider as defined in an insurance policy. Continuing supervision by a health care provider includes a period of incapacity that is permanent or long term due to a condition for which treatment may not be effective and where the family member is not receiving active treatment by a health care provider.

(k) "Tax imposed under this chapter" means the taxes imposed under sections 290.06, 290.091, and 290.0921, but excludes the fee under section 290.0922.

Subd. 3. **Nonresidents and part-year residents.** For a nonresident or part-year resident, the credit must be allocated using the percentage calculated in section 290.06, subdivision 2c, paragraph (e).

Subd. 4. **Partnerships; multiple owners.** Credits granted to a partnership, a limited liability company taxed as a partnership, an S corporation, or multiple owners of property are passed through to the partners, members, shareholders, or owners, respectively, pro rata to each partner, member, shareholder, or owner based on their share of the entity's assets or as specially allocated in their organizational documents or any other executed document, as of the last day of the taxable year.

Subd. 5. **Carryover.** If the credit allowed under subdivision 1 exceeds the tax imposed under this chapter, the excess is a credit carryover to each of the five succeeding taxable years. The entire amount of the excess unused credit must be carried first to the earliest taxable year to which the amount may be carried. The unused portion of the credit must be carried to the following taxable year. No credit may be carried to a taxable year more than five years after the taxable year in which the credit was earned.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2023, and before January 1, 2027.

Sec. 10. **EFFECTIVE DATE.**

Sections 1 to 9 are effective January 1, 2024."

Amend the title accordingly

Senator Westlin questioned whether the amendment was germane.

The President ruled that the amendment was germane.

The question was taken on the adoption of the Coleman amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler
Anderson

Bahr
Coleman

Dahms
Dornink

Draheim
Drazkowski

Duckworth
Eichorn

Farnsworth	Jasinski	Lieske	Nelson	Weber
Green	Johnson	Limmer	Pratt	Wesenberg
Gruenhagen	Koran	Lucero	Rarick	Westrom
Housley	Kreun	Mathews	Rasmusson	
Howe	Lang	Miller	Utke	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Frentz, Hawj, Pha, Rest, and Xiong.

The motion did not prevail. So the amendment was not adopted.

President Champion resumed the Chair.

Senator Drazkowski moved to amend H.F. No. 2, as amended pursuant to Rule 45, adopted by the Senate May 4, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 2.)

Page 40, after line 20, insert:

"Sec. 16. **[268B.101] EMPLOYEE OPT-OUT.**

An employee may opt out of participation in the family or medical benefit program under this chapter by submitting a form to the commissioner electing to opt out of participation. The commissioner must create and make available in hard copy and online a form for employees subject to this subdivision to use in opting out of participation in either the family or medical benefit program."

Amend the title accordingly

Senator Drazkowski moved to amend the Drazkowski amendment to H.F. No. 2, as follows:

Page 1, delete section 16 and insert:

"Sec. 16. **[268B.101] EMPLOYEE OPT-IN.**

An employee is not required to participate in the family or medical benefit program under this chapter. An employee may opt in to participate in the family or medical benefit program under this chapter by submitting a form to the commissioner electing to opt in. The commissioner must create and make available in hard copy and online a form for employees subject to this subdivision to use in opt in to participate in either the family or medical benefit program."

The question was taken on the adoption of the Drazkowski amendment to the Drazkowski amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Rasmusson
Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Eichorn	Johnson	Mathews	Weber
Coleman	Farnsworth	Koran	Miller	Wesenberg
Dahms	Green	Kreun	Nelson	Westrom
Dornink	Gruenhagen	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Frentz, Hawj, Maye Quade, Pha, Rest, and Xiong.

The motion did not prevail. So the amendment to the amendment was not adopted.

The question was taken on the adoption of the first Drazkowski amendment.

The roll was called, and there were yeas 32 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Utke
Anderson	Duckworth	Jasinski	Lucero	Weber
Bahr	Eichorn	Johnson	Mathews	Wesenberg
Coleman	Farnsworth	Koran	Miller	Westrom
Dahms	Green	Kreun	Nelson	
Dornink	Gruenhagen	Lang	Pratt	
Draheim	Housley	Lieske	Rasmusson	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Frentz, Hawj, Maye Quade, Pha, Rest, and Xiong.

The motion did not prevail. So the amendment was not adopted.

Senator Pratt moved to amend H.F. No. 2, as amended pursuant to Rule 45, adopted by the Senate May 4, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 2.)

Page 61, after line 24, insert:

"(e) The department shall prepare a uniform employee notice form for employers to use that provides the notice information required under this section. The commissioner shall prepare the uniform employee notice in the five most common languages spoken in Minnesota. Upon the written request of an employer who is subject to this section, the commissioner shall provide a copy of the uniform employee notice in any primary language spoken by an employee in the employer's place of business. If the commissioner does not provide the copy of the uniform employee notice in response to a written request under this paragraph, the employer who makes the request is not subject to a penalty for failing to provide the required notice under this section for violations that arise after the date of the request. The commissioner shall pay for any costs associated with preparing the uniform employee notice form or providing additional copies under this paragraph."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 35, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Weber
Anderson	Duckworth	Jasinski	Mathews	Wesenberg
Bahr	Eichorn	Johnson	Miller	Westrom
Coleman	Farnsworth	Koran	Nelson	
Dahms	Green	Kreun	Pratt	
Dornink	Gruenhagen	Lang	Rasmusson	
Draheim	Housley	Lieske	Utke	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mitchell	Port
Carlson	Gustafson	Latz	Mohamed	Putnam
Champion	Hauschild	Lucero	Morrison	Rest
Cwodzinski	Hawj	Mann	Murphy	Seeberger
Dibble	Hoffman	Marty	Oumou Verbeten	Westlin
Dziedzic	Klein	Maye Quade	Pappas	Wiklund
Fateh	Kunesh	McEwen	Pha	Xiong

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Frentz, Hawj, Maye Quade, Pha, Rest, and Xiong.

The motion did not prevail. So the amendment was not adopted.

Senator Pratt moved to amend H.F. No. 2, as amended pursuant to Rule 45, adopted by the Senate May 4, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 2.)

Page 20, line 17, delete the first "or" and after "care" insert ", or qualifying exigency"

The motion prevailed. So the amendment was adopted.

Senator Pratt moved to amend H.F. No. 2, as amended pursuant to Rule 45, adopted by the Senate May 4, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 2.)

Page 18, line 17, after the period, insert "The department must send a notification to the applicant and to each current employer of the applicant, that an application for paid family leave benefits has been received within five business days of receiving the application."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Rasmusson
Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Eichorn	Johnson	Mathews	Weber
Coleman	Farnsworth	Koran	Miller	Wesenberg
Dahms	Green	Kreun	Nelson	Westrom
Dornink	Gruenhagen	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Frentz, Hawj, Maye Quade, Pha, Rest, and Xiong.

The motion did not prevail. So the amendment was not adopted.

Senator Gruenhagen moved to amend H.F. No. 2, as amended pursuant to Rule 45, adopted by the Senate May 4, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 2.)

Page 60 after line 22, insert:

"(c) The commissioner must regularly review the employers that rank in the top ten percent of family and medical leave benefits utilizers to ensure benefits are not being claimed fraudulently, and include those utilizers and results of any review in the annual report required under paragraph (a)."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Duckworth	Jasinski	Limmer	Rarick
Bahr	Eichorn	Johnson	Lucero	Rasmusson
Dahms	Farnsworth	Koran	Mathews	Utke
Dornink	Green	Kreun	Miller	Weber
Draheim	Gruenhagen	Lang	Nelson	Wesenberg
Drazkowski	Howe	Lieske	Pratt	Westrom

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Abeler	Fateh	Kunesh	Mohamed	Rest
Boldon	Frentz	Kupec	Morrison	Seeberger
Carlson	Gustafson	Latz	Murphy	Westlin
Champion	Hauschild	Mann	Oumou Verbeten	Wiklund
Coleman	Hawj	Marty	Pappas	Xiong
Cwodzinski	Hoffman	Maye Quade	Pha	
Dibble	Housley	McEwen	Port	
Dziedzic	Klein	Mitchell	Putnam	

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Frentz, Maye Quade, Pha, Rest, and Xiong.

The motion did not prevail. So the amendment was not adopted.

Senator Rasmusson moved to amend H.F. No. 2, as amended pursuant to Rule 45, adopted by the Senate May 4, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 2.)

Page 45, line 20, delete "1.2" and insert "one"

The motion prevailed. So the amendment was adopted.

Senator Rasmusson moved to amend H.F. No. 2, as amended pursuant to Rule 45, adopted by the Senate May 4, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 2.)

Page 35, line 27, before "The" insert "(a)"

Page 36, after line 19, insert:

"(b) Notwithstanding paragraph (a), a private plan may provide shorter durations of leave and benefit eligibility, but of no less than twelve weeks of leave, if the total dollar value of wage replacement benefits under the private plan for an employee for any particular qualifying event meets or exceeds what the total dollar value would be under the public family and medical benefit program."

Page 36, line 20, before "The" insert "(a)"

Page 37, after line 15, insert:

"(b) Notwithstanding paragraph (a), a private plan may provide shorter durations of leave and benefit eligibility if the total dollar value of wage replacement benefits under the private plan for an employee for any particular qualifying event meets or exceeds what the total dollar value would be under the public family and medical benefit program."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Eichorn	Johnson	Mathews	Weber
Coleman	Farnsworth	Koran	Miller	Wesenberg
Dahms	Green	Kreun	Nelson	Westrom
Dornink	Gruenhagen	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	
Drazkowski	Howe	Limmer	Rasmusson	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Frentz, Maye Quade, Murphy, Pha, Rest, and Xiong.

The motion did not prevail. So the amendment was not adopted.

Senator Pratt moved to amend H.F. No. 2, as amended pursuant to Rule 45, adopted by the Senate May 4, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 2.)

Page 17, delete section 6 and insert:

"Sec. 6. [268B.02] FAMILY AND MEDICAL BENEFIT INSURANCE PROGRAM ADMINISTRATION.

Subdivision 1. **Third party program administration.** By October 1, 2023, the commissioner must issue a request for proposals for a third-party administrator to administer the benefit program under this chapter. Services to be provided by a third-party administrator include, but are not limited to, claims management, provision and management of related software systems, contact center and related customer support services, fraud prevention, and premium collection. The commissioner may consider any bundled or unbundled proposals and select any number of proposals or no proposals.

Subd. 2. **Account creation; appropriation.** The family and medical benefit insurance account is created in the special revenue fund in the state treasury. Unless otherwise appropriated, money in this account is appropriated to the commissioner to pay benefits under this chapter and conduct outreach required under section 268B.18. Appropriations and transfers to the account are credited to the account. Earnings, such as interest, dividends, and any other earnings arising from assets of the account, are credited to the account. Money remaining in the account at the end of a fiscal year is not canceled to the general fund but remains in the account until expended.

EFFECTIVE DATE. This section is effective July 1, 2023."

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Rasmusson
Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Eichorn	Johnson	Mathews	Weber
Coleman	Farnsworth	Koran	Miller	Wesenberg
Dahms	Green	Kreun	Nelson	Westrom
Dornink	Gruenhagen	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Frentz, Maye Quade, Murphy, Pha, Rest, and Xiong.

The motion did not prevail. So the amendment was not adopted.

Senator Pratt moved to amend H.F. No. 2, as amended pursuant to Rule 45, adopted by the Senate May 4, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 2.)

Page 63, line 27, after "must" insert ":(1)"

Page 63, line 28, before the period, insert "; and (2) examine options to provide coverage by contracting with a private company"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Rasmusson
Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Eichorn	Johnson	Mathews	Weber
Coleman	Farnsworth	Koran	Miller	Wesenberg
Dahms	Green	Kreun	Nelson	Westrom
Dornink	Gruenhagen	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

Those who voted in the negative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Morrison cast the negative vote on behalf of the following Senators: Frentz, Maye Quade, Murphy, Pha, Rest, and Xiong.

The motion did not prevail. So the amendment was not adopted.

Senator Drazkowski moved to amend H.F. No. 2, as amended pursuant to Rule 45, adopted by the Senate May 4, 2023, as follows:

(The text of the amended House File is identical to S.F. No. 2.)

Page 52, after line 17, insert:

"(e) In any case where the commissioner or the department has probable cause that any applicant, employer, or other person has fraudulently obtained benefits, they must report the matter to the county attorney of jurisdiction for prosecution."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Dziedzic	Johnson	Maye Quade	Rarick
Anderson	Eichorn	Klein	McEwen	Rasmusson
Bahr	Farnsworth	Koran	Miller	Rest
Boldon	Fateh	Kreun	Mitchell	Seeberger
Carlson	Frentz	Kunesh	Mohamed	Utke
Champion	Green	Kupec	Morrison	Weber
Coleman	Gruenhagen	Lang	Murphy	Wesenberg
Cwodzinski	Gustafson	Latz	Nelson	Westlin
Dahms	Hauschild	Lieske	Oumou Verbeten	Westrom
Dibble	Hawj	Limmer	Pappas	Wiklund
Dornink	Hoffman	Lucero	Pha	Xiong
Draheim	Housley	Mann	Port	
Drazkowski	Howe	Marty	Pratt	
Duckworth	Jasinski	Mathews	Putnam	

Pursuant to Rule 40, Senator Morrison cast the affirmative vote on behalf of the following Senators: Frentz, Maye Quade, Murphy, Pha, Rest, and Xiong.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Wesenberg.

The motion prevailed. So the amendment was adopted.

H.F. No. 2 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 34 and nays 33, as follows:

Those who voted in the affirmative were:

Boldon	Frentz	Kupec	Mohamed	Putnam
Carlson	Gustafson	Latz	Morrison	Rest
Champion	Hauschild	Mann	Murphy	Seeberger
Cwodzinski	Hawj	Marty	Oumou Verbeten	Westlin
Dibble	Hoffman	Maye Quade	Pappas	Wiklund
Dziedzic	Klein	McEwen	Pha	Xiong
Fateh	Kunesh	Mitchell	Port	

Pursuant to Rule 40, Senator Morrison cast the affirmative vote on behalf of the following Senators: Pha, Rest, and Wiklund.

Those who voted in the negative were:

Abeler	Drazkowski	Howe	Limmer	Rasmusson
Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Eichorn	Johnson	Mathews	Weber
Coleman	Farnsworth	Koran	Miller	Wesenberg
Dahms	Green	Kreun	Nelson	Westrom
Dornink	Gruenhagen	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senators: Draheim and Wesenberg.

So the bill, as amended, was passed and its title was agreed to.

MEMBERS EXCUSED

Senator Rarick was excused from the Session of today from 1:20 to 1:35 p.m.

ADJOURNMENT

Senator Dziejdzic moved that the Senate do now adjourn until 11:00 a.m., Tuesday, May 9, 2023. The motion prevailed.

Thomas S. Bottern, Secretary of the Senate