

1.1 moves to amend H.F. No. 2536, the first engrossment, as follows:

1.2 Page 1, after line 20, insert:

1.3 "Section 1. Minnesota Statutes 2012, section 13.552, is amended by adding a
1.4 subdivision to read:

1.5 Subd. 7. Equal pay certificate of compliance. Access to data relating to equal pay
1.6 certificates of compliance is governed by section 363A.44."

1.7 Page 8, after line 24, insert:

1.8 "Sec. 6. [363A.44] EQUAL PAY CERTIFICATE OF COMPLIANCE.

1.9 Subdivision 1. Scope. No department or agency of the state may execute a contract
1.10 in excess of \$500,000 with a business that has 50 or more full-time employees in this
1.11 state or a state where the business has its primary place of business on a single working
1.12 day during the previous 12 months unless the business has an equal pay certificate of
1.13 compliance. For purposes of this section, a business does not include an entity or a parent
1.14 or subsidiary of the entity with a contract with a department or agency of the state if the
1.15 entity has a license, certification, registration, provider agreement, or provider enrollment
1.16 contract which are a prerequisite to receive reimbursement for providing goods and
1.17 services to individuals under chapters 43A, 62A, 62C, 62D, 62E, 256B, 256I, and 256L.
1.18 The commissioner shall issue an equal pay certificate of compliance to a business that
1.19 submits to the commissioner a statement that:

1.20 (1) its compensation policies or practices are based on the principle of equal pay
1.21 for equal work, and are in compliance with Title VII of the Civil Rights Act of 1964, the
1.22 Equal Pay Act of 1963, the Minnesota Human Rights Act, and the Minnesota Equal
1.23 Pay for Equal Work Law;

1.24 (2) its wage schedules and other compensation formulas are not related to, or based
1.25 on, the sex of its employees;

2.1 (3) it does not restrict employees of one sex to certain job classifications and makes
2.2 retention and promotion of qualified employees without regard to sex;

2.3 (4) its contributions to insurance, pensions, and other benefit plans are not related
2.4 to, or based on, the sex of its employees;

2.5 (5) the average compensation for its female employees is not consistently below the
2.6 average compensation for its male employees within each of the major job categories in
2.7 the EEO-1 employee information report for which an employee is expected to perform
2.8 work under the contract, taking into account factors such as length of service, requirements
2.9 of specific jobs, experience, skill, effort, responsibility, working conditions of the job, or
2.10 other mitigating factors.

2.11 Subd. 2. **Application; issuance; duration.** A business applying for a certificate
2.12 of compliance must pay a \$150 fee to the commissioner. The commissioner must issue
2.13 a business an equal pay certificate of compliance, or a statement of why the application
2.14 was rejected, within 15 days of receipt of the application and the filing fee. An equal pay
2.15 certificate of compliance is valid for four years. Proceeds of the filing fee are appropriated
2.16 to the commissioner for purposes of this section.

2.17 Subd. 3. **Conditions; audit.** (a) As a condition of receiving an equal pay certificate
2.18 of compliance, and as a condition of the contract that is subject to this section, a business
2.19 must agree that:

2.20 (1) the commissioner may audit the business' compliance with this section; and
2.21 (2) the commissioner or the agency entering into the contract may void a contract if
2.22 the commissioner determines that the business is not in compliance with items specified in
2.23 subdivision 1, clauses (1) to (5).

2.24 (b) As a condition of receiving an equal pay certificate of compliance, and as a
2.25 condition of the contract that is subject to this section, a business must agree that as part
2.26 of an audit, the business will provide the commissioner the following information with
2.27 respect to employees expected to perform work under the contract in each of the major
2.28 job categories in the EEO-1 employee information report:

2.29 (1) number of male employees;
2.30 (2) number of female employees;
2.31 (3) average annualized salaries paid to male employees and to female employees,
2.32 in the manner most consistent with the employer's compensation system, within each
2.33 major job category;
2.34 (4) information on performance payments, benefits, or other elements of
2.35 compensation, in the manner most consistent with the employer's compensation system, if

3.1 requested by the commissioner as part of a determination as to whether these elements of
3.2 compensation are different for male and female employees;

3.3 (5) average length of service for male and female employees in each major job
3.4 category; and

3.5 (6) other information identified by the business or by the commissioner, as needed,
3.6 to determine compliance with items specified in subdivision 1, clauses (1) to (5).

3.7 **Subd. 4. Compliance plan; revocation of certificate.** If the commissioner
3.8 determines that a business that has an equal pay certificate of compliance is not in
3.9 compliance with subdivision 1, clauses (1) to (5), the commissioner may require the
3.10 business to implement a plan to remedy the noncompliance with subdivision 1, clauses (1)
3.11 to (5), as a condition of retaining its certificate of compliance. The commissioner may
3.12 suspend or revoke a certificate if the commissioner determines that the business is not
3.13 in compliance with items specified in subdivision 1, clauses (1) to (5) and is failing to
3.14 implement its plan to remedy noncompliance.

3.15 **Subd. 5. Voiding of contract.** Prior to taking action to void a contract, the
3.16 commissioner must first demonstrate that no undue hardship would occur to the state and
3.17 that obtaining wages and benefits due to employees of the business is an insufficient
3.18 remedy. Multiple violations of the laws set forth in subdivision 1, clause (1), or a
3.19 determination of deliberate intent to violate these laws by the certificate holder may be
3.20 sufficient justification for the commissioner to void a contract.

3.21 **Subd. 6. Administrative review.** A business may obtain a hearing when the
3.22 commissioner issues an order directing a contract voided or an equal pay certificate of
3.23 compliance revoked by filing a written request for a hearing with the department within
3.24 20 days after service of the notice of sanction. The hearing shall be a contested case
3.25 proceeding pursuant to sections 14.57 to 14.69.

3.26 **Subd. 7. Technical assistance.** The commissioner must provide technical assistance
3.27 to any business that requests assistance.

3.28 **Subd. 8. Access to data.** Data submitted to the commissioner by a business for
3.29 purposes of obtaining a certificate of compliance under this section, or in response to an
3.30 audit under this section, are private data on individuals or nonpublic data with respect to
3.31 persons other than Department of Human Rights employees. The commissioner's decision
3.32 to grant, not grant, revoke, or suspend a certificate of compliance is public data.

3.33 **EFFECTIVE DATE.** This section is effective August 1, 2014, and applies to a
3.34 contract for which a state department or agency issues a solicitation on or after that date."

4.1 Page 9, line 3, delete "Arrowhead Economic Opportunity Agency" and insert "
4.2 Women's Business Center of Northeastern Minnesota at the Northeast Entrepreneurial
4.3 Fund"

4.4 Page 9, line 4, after "businesses" insert "in Minnesota"

4.5 Page 9, after line 28, insert:

4.6 "(e) The Women's Business Center of Northeast Minnesota shall partner with the
4.7 Arrowhead Economic Opportunity Agency to provide entrepreneurial development
4.8 training and resources to women with incomes less than 200 percent of the federal poverty
4.9 guideline, adjusted for a family size of four, to assist with the startup or expansion of
4.10 eligible women-owned businesses."

4.11 Page 9, after line 35, insert:

4.12 "**Sec. 8. REPORT; RETIREMENT SAVINGS PLAN.**

4.13 (a) The commissioner of management and budget must report to the legislature
4.14 by January 15, 2015, on the potential for a state-administered retirement savings plan
4.15 to serve employees without access to either an automatic enrollment payroll deduction
4.16 IRA maintained or offered by their employer, or a multi-employer retirement plan or
4.17 qualifying retirement plan or arrangement described in sections 414(f) and 219(g)(5),
4.18 respectively, of the Internal Revenue Code of 1986, as amended through April 14, 2011.
4.19 The potential state-administered plan would provide for individuals to make contributions
4.20 to their own accounts to be pooled and invested by the State Board of Investment, with the
4.21 benefit consisting of the balance in each individual's account, and with the state having no
4.22 liability for investment earnings and losses, while discouraging employers from dropping
4.23 existing retirement plan options.

4.24 (b) The report must include:

4.25 (1) estimates of the number of Minnesota workers who could be served by the
4.26 potential state-administered plan, and the participation rate that would make the plan
4.27 self-sustaining;

4.28 (2) the effect of federal tax laws and the federal Employee Retirement Income
4.29 Security Act on a potential state-administered plan and on participating employers and
4.30 employees, including coverage and potential gaps in consumer protections;

4.31 (3) the potential use and availability of investment strategies, private insurance,
4.32 underwriting, or reinsurance against loss to limit or eliminate potential state liability
4.33 and manage risk to the principal;

4.34 (4) options for the process by which individuals would enroll in and contribute to
4.35 the plan;

5.1 (5) projected costs of administration, record keeping, and investment management,
5.2 including staffing, legal, compliance, licensing, procurement, communications with
5.3 employers and employees, oversight, marketing, technology and infrastructure, and the fee
5.4 needed to cover these costs as a percentage of the average daily net assets of the potential
5.5 state-administered plan, relative to asset size, with estimates of investment-related fees
5.6 determined in consultation with the State Board of Investment; and

5.7 (6) a comparison of a potential state-administered plan to private sector and federal
5.8 government retirement savings options with regard to participation rates, contribution
5.9 rates, risk-adjusted return expectations, fees, and any other factors determined by
5.10 the commissioner, which may include suitability in meeting the investment needs of
5.11 participants.

5.12 (c) Subject to available appropriation, the report may include:

5.13 (1) estimates of the average amount of savings and other financial resources residents
5.14 of Minnesota have upon retirement and those that are recommended for a financially
5.15 secure retirement in Minnesota;

5.16 (2) estimates of the relative progress toward achieving the savings recommended for
5.17 a financially secure retirement by gender, race, and ethnicity;

5.18 (3) barriers to savings and reasons individuals and employers may not be
5.19 participating in existing private sector retirement plans;

5.20 (4) the estimated impact on publicly funded social safety net programs attributable
5.21 to insufficient retirement savings, and the aggregate effect of potential state-administered
5.22 plan options on publicly funded social safety net programs and the state economy;

5.23 (5) the effect of federal tax laws and the federal Employee Retirement Income
5.24 Security Act on a potential state-administered plan that allowed for voluntary employer
5.25 contributions, either commingled with or segregated from employee contributions;

5.26 (6) options for a potential state-administered plan to use group annuities to ensure a
5.27 stable stream of retirement income throughout beneficiaries' retirement years;

5.28 (7) alternative ways and costs for the state to encourage similar outcomes to a
5.29 state-administered plan; and

5.30 (8) other topics that the commissioner determines are relevant to legislative
5.31 consideration of possible establishment of a state-administered plan.

5.32 (d) The commissioner may meet any of the topics in paragraph (c) by reporting the
5.33 results of a request for public comment.

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

5.35 **Sec. 9. RETIREMENT SAVINGS PLAN REPORT; APPROPRIATION.**

6.1 \$300,000 in fiscal year 2014 is appropriated from the general fund to the
6.2 commissioner of management and budget for the retirement savings plan report under
6.3 section 8. This is a onetime appropriation and is available until expended.

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

6.5 **Sec. 10. REPORT; PAY EQUITY.**

6.6 The commissioner of human rights shall report to the governor and the chairs and
6.7 ranking minority members of the committees in the senate and the house of representatives
6.8 with primary jurisdiction over the department by January 31, 2016. The report shall
6.9 indicate the number of equal pay certificates issued under section 363A.44, the number of
6.10 audits conducted, and a summary of results of its auditing efforts. The commissioner shall
6.11 consult with the Office on the Economic Status of Women in preparing the report.

6.12 **Sec. 11. APPROPRIATION; PAY EQUITY.**

6.13 \$..... in fiscal year 2015 is appropriated from the general fund to the commissioner
6.14 of human rights for implementation of section 363A.44. The agency base budget for this
6.15 purpose is \$..... each year in fiscal years 2016 and 2017."

6.16 Page 11, after line 7, insert:

6.17 "Sec. 3. Minnesota Statutes 2013 Supplement, section 181.9413, is amended to read:

6.18 **181.9413 SICK LEAVE BENEFITS; CARE OF RELATIVES.**

6.19 (a) An employee may use personal sick leave benefits provided by the employer
6.20 for absences due to an illness of or injury to the employee's child, as defined in section
6.21 181.940, subdivision 4, adult child, spouse, sibling, parent, grandchild, grandparent, or
6.22 stepparent, for reasonable periods of time as the employee's attendance may be necessary,
6.23 on the same terms upon which the employee is able to use sick leave benefits for the
6.24 employee's own illness or injury. This section applies only to personal sick leave benefits
6.25 payable to the employee from the employer's general assets.

6.26 (b) An employee may use sick leave as allowed under this section for safety leave,
6.27 whether or not the employee's employer allows use of sick leave for that purpose for such
6.28 reasonable periods of time as the employee's assistance may be necessary. Safety leave
6.29 may be used for assistance to the employee or assistance to the relatives described in
6.30 paragraph (a). For the purpose of this section, "safety leave" is leave for the purpose of
6.31 providing or receiving assistance because of sexual assault, domestic abuse, or stalking.
6.32 For the purpose of this paragraph:

6.33 (1) "domestic abuse" has the meaning given in section 518B.01;

7.1 (2) "sexual assault" means an act that constitutes a violation under sections 609.342
7.2 to 609.3453 or 609.352; and

7.3 (3) "stalking" has the meaning given in section 609.749.

7.4 (c) An employer may limit the use of safety leave as described in paragraph (b) or
7.5 personal sick leave benefits provided by the employer for absences due to an illness of
7.6 or injury to the employee's adult child, spouse, sibling, parent, grandchild, grandparent,
7.7 or stepparent to no less than 160 hours in any 12-month period. This paragraph does not
7.8 apply to absences due to the illness or injury of a child, as defined in section 181.940,
7.9 subdivision 4.

7.10 (e) (d) For purposes of this section, "personal sick leave benefits" means time
7.11 accrued and available to an employee to be used as a result of absence from work due
7.12 to personal illness or injury, but does not include short-term or long-term disability or
7.13 other salary continuation benefits.

7.14 (f) (e) For the purpose of this section, "child" includes a stepchild and a biological,
7.15 adopted, and foster child.

7.16 (g) (f) For the purpose of this section, "grandchild" includes a step-grandchild, and a
7.17 biological, adopted, and foster grandchild.

7.18 (h) (g) This section does not prevent an employer from providing greater sick leave
7.19 benefits than are provided for under this section.

7.20 (h) An employer shall not retaliate against an employee for requesting or obtaining a
7.21 leave of absence under this section."

7.22 Page 11, line 14, after the period insert: " The employee and employer shall
7.23 engage in an interactive process with respect to an employee's request for a reasonable
7.24 accommodation. Notwithstanding any other provision of this section, an employer
7.25 shall not be required to create a new or additional position in order to accommodate
7.26 an employee pursuant to this subdivision, and shall not be required to discharge any
7.27 employee, transfer any other employee with greater seniority, or promote any employee."

7.28 Page 11, delete lines 15 through 22 and insert: " An employer must temporarily
7.29 transfer a pregnant female employee to a less strenuous or hazardous position for the
7.30 duration of her pregnancy if she so requests provided the transfer does not impose an
7.31 undue hardship on the employer. An employee requesting a temporary transfer shall be
7.32 required to provide to the employer written documentation of medical necessity by a
7.33 licensed health care provider. The employee and employer shall engage in an interactive
7.34 process with respect to an employee's request for a temporary transfer. Notwithstanding
7.35 any other provision of this section, an employer shall not be required to create a new or
7.36 additional position in order to accommodate an employee pursuant to this subdivision

8.1 and shall not be required to discharge any employee, transfer any other employee with
8.2 greater seniority, or promote any employee."

8.3 Page 16, after line 8, insert:

8.4 **"ARTICLE 5**

8.5 **EARLY CHILDHOOD**

8.6 Section 1. Minnesota Statutes 2013 Supplement, section 124D.165, subdivision 3,
8.7 is amended to read:

8.8 **Subd. 3. Administration.** (a) The commissioner shall establish application
8.9 timelines and determine the schedule for awarding scholarships that meets operational
8.10 needs of eligible families and programs. The commissioner may prioritize applications on
8.11 factors including family income, geographic location, and whether the child's family is on a
8.12 waiting list for a publicly funded program providing early education or child care services.

8.13 (b) Scholarships may be awarded ~~up to \$5,000 for~~ each eligible child. The
8.14 commissioner shall establish a target for the average scholarship amount per child
8.15 based on the results of the rate survey conducted under section 119B.13, subdivision 1,
8.16 paragraph (b), per year.

8.17 (c) A four-star rated program that has children eligible for a scholarship enrolled
8.18 in or on a waiting list for a program beginning in July, August, or September may notify
8.19 the commissioner, in the form and manner prescribed by the commissioner, each year
8.20 of the program's desire to enhance program services or to serve more children than
8.21 current funding provides. The commissioner may designate a predetermined number of
8.22 scholarship slots for that program and notify the program of that number.

8.23 (d) A scholarship is awarded for a 12-month period. If the scholarship recipient has
8.24 not been accepted and subsequently enrolled in a rated program within ten months of the
8.25 awarding of the scholarship, the scholarship cancels and the recipient must reapply in
8.26 order to be eligible for another scholarship. A child may not be awarded more than one
8.27 scholarship in a 12-month period.

8.28 (e) A child who receives a scholarship who has not completed development
8.29 screening under sections 121A.16 to 121A.19 must complete that screening within 90
8.30 days of first attending an eligible program.

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

8.32 Renumber the sections in sequence and correct the internal references

8.33 Amend the title accordingly