

1.1 **Senator McEwen from the Committee on Labor, to which was referred**

1.2 **S.F. No. 3787:** A bill for an act relating to employees; modifying earned sick and safe
1.3 time; authorizing rulemaking; amending Minnesota Statutes 2023 Supplement, sections
1.4 177.27, subdivision 4; 177.50, by adding subdivisions; 181.032; 181.9445, subdivisions 4,
1.5 5; 181.9446; 181.9447, subdivisions 1, 3, 5, 10, 11; 181.9448, subdivisions 1, 2.

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

1.7 Page 2, line 19, delete everything after "used"

1.8 Page 2, line 20, delete "of pay"

1.9 Page 2, line 23, delete "at"

1.10 Page 2, line 24, delete "the employee's regular rate of pay"

1.11 Page 5, line 4, reinstate the stricken language and strike "hourly" and insert "base"

1.12 Page 5, line 5, reinstate the stricken language and delete the new language

1.13 Page 5, line 7, before "rate" insert "base"

1.14 Page 5, after line 9, insert:

1.15 "Sec. 6. Minnesota Statutes 2023 Supplement, section 181.9445, is amended by adding a
1.16 subdivision to read:

1.17 Subd. 4a. **Base rate.** "Base rate" means:

1.18 (1) for employees paid on an hourly basis, the same rate received per hour of work;

1.19 (2) for employees paid on an hourly basis who receive multiple hourly rates, the rate
1.20 the employee would have been paid for the period of time in which leave was taken;

1.21 (3) for employees paid on a salary basis, the same rate guaranteed to the employee as if
1.22 the employee had not taken the leave; and

1.23 (4) for employees paid solely on a commission, piecework, or any basis other than hourly
1.24 or salary, a rate no less than the applicable local, state, or federal minimum wage, whichever
1.25 is greater.

1.26 For purposes of this section and section 181.9446, base rate does not include commissions;
1.27 shift differentials that are in addition to an hourly rate; premium payments for overtime
1.28 work; premium payments for work on Saturdays, Sundays, holidays, or scheduled days off;
1.29 bonuses; or gratuities as defined by section 177.23.

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

1.31 Page 5, line 15, strike the colon

- 2.1 Page 5, line 16, strike "(1)" and strike "; or" and insert a period
- 2.2 Page 5, strike lines 17 to 20
- 2.3 Page 6, line 8, reinstate the stricken language and strike "hourly" and insert "base"
- 2.4 Page 6, line 9, delete "employee's regular rate of pay"
- 2.5 Page 12, line 6, after "enactment" insert ", except paragraph (a) is effective January 1,
- 2.6 2025"
- 2.7 Page 12, after line 21, insert:
- 2.8 "Sec. 16. Laws 2023, chapter 53, article 14, section 1, is amended to read:
- 2.9 Section 1. **EARNED SICK AND SAFE TIME APPROPRIATIONS.**
- 2.10 (a) \$1,445,000 in fiscal year 2024 and ~~\$2,209,000~~ \$1,899,000 in fiscal year 2025 are
- 2.11 appropriated from the general fund to the commissioner of labor and industry for enforcement
- 2.12 and other duties regarding earned sick and safe time under Minnesota Statutes, sections
- 2.13 181.9445 to 181.9448, and chapter 177. ~~The base for this appropriation is \$1,899,000 for~~
- 2.14 ~~fiscal year 2026 and each year thereafter.~~
- 2.15 (b) \$300,000 in fiscal year 2024 and \$300,000 in fiscal year 2025 are appropriated from
- 2.16 the general fund to the commissioner of labor and industry for grants to community
- 2.17 organizations under Minnesota Statutes, section 177.50, subdivision 4. This is a onetime
- 2.18 appropriation.
- 2.19 (c) \$310,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
- 2.20 of labor and industry for rulemaking related to earned sick and safe time under Minnesota
- 2.21 Statutes, sections 181.9445 to 181.9448, and chapter 177. This is a onetime appropriation
- 2.22 and is available until June 30, 2027.
- 2.23 **EFFECTIVE DATE.** This section is effective the day following final enactment."
- 2.24 Renumber the sections in sequence
- 2.25 Amend the title as follows:
- 2.26 Page 1, line 2, after the third semicolon, insert "modifying a previous appropriation;"
- 2.27 Amend the title numbers accordingly
- 2.28 And when so amended the bill do pass and be re-referred to the Committee on State and
- 2.29 Local Government and Veterans. Amendments adopted. Report adopted.

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(Committee Chair)

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March 5, 2024.....

(Date of Committee recommendation)