

1.1 A bill for an act

1.2 relating to state government; authorizing the frontline worker premium pay

1.3 program; providing a subtraction for frontline worker premium payments;

1.4 appropriating money.

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

1.6 Section 1. **FRONTLINE WORKER PREMIUM PAY PROGRAM.**

1.7 Subdivision 1. Program established; payments authorized. The commissioner of

1.8 revenue, to the extent feasible, shall make premium payments to eligible frontline workers

1.9 as provided in this section.

1.10 Subd. 2. Definitions. (a) For purposes of this section, the following terms have the

1.11 meanings given.

1.12 (b) "Airport service provider" means a business other than an air carrier certificated by

1.13 the Federal Aviation Administration, that performs, under contract with a passenger air

1.14 carrier, airport facility management, or airport authority, functions on the property of the

1.15 airport that are directly related to the air transportation of persons, property, or mail, including

1.16 but not limited to:

- 1.17 (1) the loading and unloading of property on aircraft;
- 1.18 (2) assistance to passengers under Code of Federal Regulations, title 14, part 382;
- 1.19 (3) security;
- 1.20 (4) airport ticketing and check-in functions;
- 1.21 (5) ground-handling of aircraft;

2.1 (6) aircraft cleaning and sanitization functions; or

2.2 (7) airport authority.

2.3 (c) "Frontline worker" means a person who performs services for hire for an employer
2.4 for one day or more, and who:

2.5 (1) is an emergency responder or health care provider as defined in Code of Federal
2.6 Regulations, title 29, section 826.30(c), including but not limited to nurses, peace officers,
2.7 firefighters, correctional institution personnel, emergency medical services personnel, and
2.8 social workers;

2.9 (2) is a licensed or unlicensed personnel employed by or under contract with:

2.10 (i) a hospital, boarding care home, or outpatient surgical center licensed under Minnesota
2.11 Statutes, sections 144.50 to 144.56;

2.12 (ii) a nursing home licensed under Minnesota Statutes, sections 144A.01 to 144A.162;

2.13 (iii) a housing with services establishment registered under Minnesota Statutes, section
2.14 144D.02, and operating under Minnesota Statutes, sections 144G.01 to 144G.07;

2.15 (iv) the arranged home care provider of an establishment specified in item (iii);

2.16 (v) an unlicensed health care clinic; or

2.17 (vi) an unlicensed office of a physician or advanced practice registered nurse;

2.18 (3) is a public school employee;

2.19 (4) works for an airport service provider;

2.20 (5) works for a private employer performing work in the following sectors:

2.21 (i) building service, including janitorial, building maintenance, and security services;

2.22 (ii) child care;

2.23 (iii) food service, including food manufacture, production, processing, preparation, sale,
2.24 and delivery;

2.25 (iv) hotel accommodations;

2.26 (v) manufacturing; or

2.27 (vi) retail, including but not limited to sales, fulfillment, distribution, and delivery;

2.28 (6) works in a public health department;

2.29 (7) is a vocational rehabilitation worker;

3.1 (8) works for a public transit service; or

3.2 (9) works for the judicial branch.

3.3 Subd. 3. **Eligibility.** A frontline worker is eligible to receive frontline worker premium
3.4 pay as provided under this section if the frontline worker:

3.5 (1) could not telework;

3.6 (2) performed work in person that heightened risk of exposure to COVID-19 or performed
3.7 work in an environment that heightened risk of exposure to COVID-19;

3.8 (3) worked at least 120 hours in a position as a frontline worker during the period between
3.9 March 15, 2020, and June 30, 2021; and

3.10 (4) is a resident of Minnesota.

3.11 Subd. 4. **Application; verification of eligibility.** (a) An eligible frontline worker may
3.12 apply to the commissioner of revenue in the form and manner determined by the
3.13 commissioner for a payment under this section.

3.14 (b) The commissioner must begin accepting applications from eligible applicants on
3.15 November 15, 2021. The commissioner must not accept applications submitted after
3.16 December 15, 2021.

3.17 (c) The commissioner must verify each applicant's eligibility for a payment under this
3.18 section.

3.19 Subd. 5. **Use of information.** The commissioner of revenue may consult with the
3.20 commissioner of employment and economic development and disclose information to the
3.21 extent necessary to verify eligibility and administer the payments under this section.

3.22 Subd. 6. **Payments; amounts.** (a) As soon as practicable, the commissioner of revenue
3.23 must make payments to verified applicants in the order which the application was received.

3.24 (b) The payment for a verified eligible frontline worker equals \$375.

3.25 Subd. 7. **Report.** By February 15, 2022, the commissioner of revenue shall report to the
3.26 legislative committees with jurisdiction over taxes and economic development policy and
3.27 finance on the program under this section.

3.28 Subd. 8. **Appropriation.** (a) \$250,000,000 in fiscal year 2022 is appropriated from the
3.29 state fiscal recovery federal fund to the commissioner of revenue to make payments required
3.30 under this section. This is a onetime appropriation.

4.1 (b) Any unexpended amount from the appropriation in paragraph (a) remaining after
4.2 January 15, 2022, is canceled.

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

4.4 **Sec. 2. TAX TREATMENT OF FRONTLINE WORKER PREMIUM PAYMENTS.**

4.5 (a) For the purposes of this section, "subtraction" has the meaning given in Minnesota
4.6 Statutes, section 290.0132, subdivision 1, and the rules in that subdivision apply for this
4.7 section.

4.8 (b) The amount of frontline worker premium payments received under section 1 is a
4.9 subtraction.

4.10 (c) For purposes of Minnesota Statutes, section 290.0674, subdivision 2a, paragraph (b),
4.11 "income" does not include frontline worker premium payments received under section 1.

4.12 (d) For purposes of Minnesota Statutes, section 290A.03, subdivision 3, paragraph (b),
4.13 "income" does not include frontline worker premium payments received under section 1.

4.14 (e) A frontline worker premium payment is not subject to revenue recapture under
4.15 Minnesota Statutes, section 270A.

4.16 **EFFECTIVE DATE.** This section is effective for taxable years in which a taxpayer
4.17 received a frontline worker premium payment.