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HOUSE FILE No. 872

FIRST COMMITTEE ENGROSSMENT

February 12, 2007

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The bill was read for the first time and referred to the Committee on Commerce and Labor

Referred by Chair to Labor and Consumer Protection Division.

March 16, 2007

Returned to the Committee on Commerce and Labor as Amended.

1.1 A bill for an act
1.2 relating to unemployment insurance; providing extra unemployment benefits for
1.3 certain workers laid off from the Ainsworth Lumber Company.

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

1.5 Section 1. **LUMBER COMPANY EXTRA BENEFITS.**

1.6 **Subdivision 1. Extra benefits; availability.** Extra unemployment benefits are
1.7 available to an applicant if the applicant was laid off due to lack of work after April 1,
1.8 2006, from the Ainsworth Lumber Company plants in Bemidji, Cook, and Grand Rapids,
1.9 and established a benefit account under Minnesota Statutes, section 268.07, prior to March
1.10 1, 2007.

1.11 **Subd. 2. Payment from fund; effect on employer.** Extra unemployment benefits
1.12 are payable from the unemployment insurance trust fund. Extra unemployment benefits
1.13 paid under this section will not be used in computing the experience rating of Ainsworth
1.14 Lumber Company under Minnesota Statutes, section 268.047.

1.15 **Subd. 3. Eligibility conditions.** An applicant is eligible to receive extra
1.16 unemployment benefits under this section for any week through December 31, 2007,
1.17 following the effective date of the applicant's benefit account of regular unemployment
1.18 benefits, as a result of a layoff described under subdivision 1, if:

1.19 (1) a majority of the applicant's wage credits were with Ainsworth Lumber Company
1.20 or Ainsworth Engineered;

1.21 (2) the applicant meets the eligibility requirements of Minnesota Statutes, section
1.22 268.085;

1.23 (3) the applicant is not subject to a disqualification under Minnesota Statutes, section
1.24 268.095;

2.1 (4) the applicant is not entitled to regular unemployment benefits and the applicant
2.2 is not entitled to receive unemployment benefits under any other state or federal law
2.3 for that week; and

2.4 (5) the applicant is enrolled in, or has within the last two weeks successfully
2.5 completed, a program that qualifies as reemployment assistance training under Minnesota
2.6 Statutes, section 268.035, subdivision 21a, except that an applicant whose training is
2.7 scheduled to begin in more than 30 days may be considered to be in training if: (i) the
2.8 applicant's chosen training program does not offer an available start date within 30 days;
2.9 (ii) the applicant is scheduled to begin training on the earliest available start date for
2.10 the chosen training program; and (iii) the applicant is scheduled to begin training in no
2.11 more than 60 days.

2.12 Subd. 4. **Weekly amount of extra benefits.** The weekly extra unemployment
2.13 benefits amount available to an applicant is the same as the applicant's weekly regular
2.14 unemployment benefit amount on the benefit account established as a result of a layoff
2.15 under subdivision 1.

2.16 Subd. 5. **Maximum amount of extra unemployment benefits.** (a) The maximum
2.17 amount of extra unemployment benefits available is equal to 13 weeks at the applicant's
2.18 weekly extra unemployment benefits amount.

2.19 (b) If an applicant qualifies for a new regular benefit account under Minnesota
2.20 Statutes, section 268.07, at any time after exhausting regular unemployment benefits
2.21 as a result of the layoff under subdivision 1, the applicant must apply for and exhaust
2.22 entitlement to those new regular unemployment benefits. The maximum amount of extra
2.23 unemployment benefits available is reduced by any new regular unemployment benefits
2.24 available if the majority of wage credits on that new regular benefit account were with
2.25 Ainsworth Lumber Company or Ainsworth Engineered.

2.26 Subd. 6. **Program expiration.** This extra unemployment benefit program expires
2.27 on December 31, 2007. No extra unemployment benefits may be paid for any week after
2.28 the expiration of this program.

2.29 Subd. 7. **Findings.** The legislature finds that providing extra unemployment
2.30 benefits to assist laid-off workers of Ainsworth Lumber Company, while in training, is
2.31 appropriate because:

2.32 (1) the unemployment rate in the applicant's county of employment is higher than
2.33 the statewide average rate of unemployment;

2.34 (2) the average weekly wages paid in the applicant's county of employment is below
2.35 the statewide average weekly wage;

- 3.1 (3) the applicant's weekly wage is higher than the statewide average weekly wage;
3.2 and
3.3 (4) the dislocated worker program has determined that the applicant does not
3.4 currently possess skills making reemployment in a comparable position likely.

3.5 **Sec. 2. EFFECTIVE DATE.**

- 3.6 Section 1 is effective the first Sunday following final enactment.