

2022 FRONTLINE WORKER PAYMENTS LEGISLATIVE BULLETIN



Appeals, Legal Services, and Disclosure Division
600 North Robert Street
Saint Paul, Minnesota 55146-2220

7/1/22

One-time payment to COVID-19 frontline worker.

Uncodified sections in 2022 Laws, ch. 50, art. 2 created a one-time payment to frontline workers whose work put them at risk of contracting COVID-19 during the peacetime emergency declared by the governor in Executive Order 20-01.

The program will be jointly administered by the Departments of Labor and Industry (“DLI”), Employment and Economic Development (“DEED”) and Revenue. Eligible workers will equally split \$500,000,000, up to a maximum of \$1,500 per person.

Who is eligible?

Payment is available to workers in the following 15 sectors:

1. long-term and home care;
2. health care;
3. emergency responders;
4. public health, social service, and regulatory service;
5. courts and corrections;
6. child care;
7. schools (including charter schools, state schools, and higher education);
8. food service (including production, processing, preparation, sale, and delivery);
9. retail (including sales, fulfillment, distribution, and delivery);
10. temporary shelters and hotels;
11. building services (including maintenance, janitorial, and security);
12. public transit;
13. ground and air transportation services;
14. manufacturing; and
15. vocational rehabilitation.

The individuals must:

1. Have been employed for at least 120 hours in Minnesota in one or more frontline sectors during the period beginning March 15, 2020 and ending June 30, 2021;
2. For the hours worked under 1 above, must have been unable to telework because of the nature of their work and worked in close proximity to individuals outside of the individual’s household;
3. Have had adjusted gross income in 2020 or 2021 of less than \$350,000 for married joint filers and \$175,000 for all other filers if employed in an occupation with direct COVID-19

- patient care responsibilities, or \$185,000 for married joint filers and \$85,000 for all other filers; and
4. Have not received unemployment insurance benefit payments or served a nonpayable week for more than 20 weeks on a cumulative basis for weeks between March 15, 2020, and June 26, 2021.

Process for claiming the payment.

To qualify for a payment an eligible individual must apply to DLI and certify that they meet all eligibility requirements. As soon as practicable after April 30, 2022, DLI must establish a process for accepting applications for payments. DLI must not accept an application submitted more than 45 days after opening the application period. (The 45-day application window runs from June 8, 2022 through July 22, 2022.) To the extent possible, Revenue, DEED and DLI must verify applicant eligibility. DLI can contract with a third party to implement part or all of the application process.

If DLI denies an application, the applicant can appeal within 15 days of notice of denial to the Commissioner of DLI, whose determination is final.

Payment process. After the deadline for applications has passed, Revenue must determine the payment amount based on the \$500,000,000 appropriation and the number of applications received from eligible frontline workers. The payment amount must be the same for each eligible frontline worker and must not exceed \$1,500.

As soon as practicable, Revenue must make payments to all eligible frontline workers who applied. Revenue may contract with a third party to implement part or all of the payment process.

If Revenue determines a payment was made to an ineligible individual, the Commissioner may issue an order of assessment to the individual receiving the payment at any time within two years after date of the payment or six years after the date of the payment in the case of fraud. The Commissioner can use audit, assessment, appeal, collection, enforcement, and administrative provisions of Minnesota Statutes, chapters 270C and 289A.

Data practices. Data collected or created by Revenue, DLI and DEED because an individual has sought information about, applied for, been denied, or received a payment under this section are classified as nonpublic data or private data on individuals, as defined in Minnesota Statutes, §13.02, subs. 9 and 12.

Data classified as nonpublic data or private data on individuals, including return information, as defined in Minnesota Statutes, §270B.01, subd. 3, may be shared or disclosed between Revenue, DLI, DEED and third-party vendors to the extent necessary to verify eligibility and administer the payments.

Payments not to be considered income. For tax years 2022 and 2023, the frontline worker payment is a subtraction from income under Minn. Stat. § 290.0132, and is not included in income under Minn. Stat. §§ 290.0674, subd. 2a (the education credit) or 290A.03, subd. 3 (the

property tax refund). The payment is also not considered income for a number of public assistance programs not administered by Revenue.

Report. No later than 90 days following the end of making payments, Revenue and DLI must submit a report to the legislative committees with jurisdiction over economic development policy and finance. The report must include the number of eligible frontline workers who applied, by sector and county, and the payment each worker received; if the payment to frontline workers was less than \$1,500, the additional appropriation needed to provide an additional payment equal to the difference between \$1,500 and the actual payment made; and the number of applications denied and the reason for denial.

Procurement. In administering the front-line worker law, DLI and Revenue are exempt from Minn. Stat. §§ 16A.15, subd. 3; 16B.97; 16B.98, subs. 5, 7, and 8; and chapter 16C and other Minnesota procurement and procedural laws.

Appropriation. \$500,000,000 in FY 2022 is appropriated from the general fund to the Commissioner of Revenue for payments. \$11,650,000 in FY 2022 is appropriated from the general fund to the Commissioner of DLI to pay administrative costs to implement the program. The Commissioner of DLI may transfer money from this appropriation to Revenue or DEED for their administrative costs. The appropriations are available until June 30, 2023.

Audit. The Office of the Legislative Auditor is encouraged to begin work on an audit of the use of all of the funds appropriated no later than February 1, 2023.

Effective date. The provisions became effective April 30, 2022.