

Employment Law Alert:

NEW LAWS IN 2008

A number of recently enacted Minnesota laws relating to employer policies and procedures will become effective in 2008. These new laws involve procedural changes in how employers are to handle unemployment insurance payments and distributions and various prohibitions/limitations on an employer's use of employees' social security numbers. Employers are advised to change their policies and procedures to comply with these new laws.

Changes in Unemployment Insurance Law. The applicability of various procedural changes to the unemployment insurance law varies depending on the number of employees. Employers should review the changes in this law to determine how they apply to the employer's situation. For example, effective January 1, 2008, all employers, not only large employers, are required to pay unemployment insurance quarterly, and all employers of at least 50 or more employees must make unemployment payments electronically. In addition, the definition of "employee" has been amended to include owner-operators of vehicles. Also, the law now makes benefits available to employees who terminate employment due to loss of child care.

Protecting Employee Identity. In an effort to safeguard individuals' social security numbers ("SSN"), the Minnesota Legislature enacted the Social Security Shield Law, which becomes effective July 1, 2008. Under this new law, employers will be restricted in how they can use their employees' SSNs. Employers will be prohibited from "publicly post[ing] or publicly display[ing]" employees' SSNs. "Public posting" and "public display" include printing the SSN on an access card, requiring an individual to transmit his or her SSN over the internet or to use it to access an internet web site, knowingly printing the SSN on any materials that are mailed, assigning or using as an account identifier a number that incorporates an individual's complete SSN, and selling SSNs obtained from anyone (including employees) in the course of business. Additionally, the employer is required to restrict access to SSNs only to those employees who require the numbers as part of their job (for example, employees handling payroll or similar matters).

In our November 2007 newsletter, we described a new requirement that employers provide new hires with information about rights and remedies under the Minnesota Review of Personnel Record by Employee law. That law was effective January 1, 2008.

We encourage you to contact your Moss & Barnett attorney for guidance in complying with these laws.

