

36.13 **ARTICLE 2**36.14 **JOBS AND ECONOMIC DEVELOPMENT**

36.15 Section 1. Minnesota Statutes 2014, section 116J.394, is amended to read:

36.16 **116J.394 DEFINITIONS.**

36.17 (a) For the purposes of sections 116J.394 to 116J.396, the following terms have
36.18 the meanings given them.

36.19 (b) "Broadband" or "broadband service" has the meaning given in section 116J.39,
36.20 subdivision 1, paragraph (b).

36.21 (c) "Broadband infrastructure" means networks of deployed telecommunications
36.22 equipment and technologies necessary to provide high-speed Internet access and other
36.23 advanced telecommunications services for end users.

36.24 (d) "Commissioner" means the commissioner of employment and economic
36.25 development.

36.26 (e) "Last-mile infrastructure" means broadband infrastructure that serves as the
36.27 final leg connecting the broadband service provider's network to the end-use customer's
36.28 on-premises telecommunications equipment.

36.29 (f) "Middle-mile infrastructure" means broadband infrastructure that links a
36.30 broadband service provider's core network infrastructure to last-mile infrastructure.

36.31 (g) "Political subdivision" means any county, city, town, school district, special
36.32 district or other political subdivision, or public corporation.

37.1 (h) "Underserved areas" means areas of Minnesota in which households or businesses
37.2 lack access to wire-line broadband service at speeds that meet the state broadband goals of
37.3 ten to 20 megabits per second download and five to ten megabits per second upload.

37.4 (i) "Unserved areas" means areas of Minnesota in which households or businesses
37.5 lack access to wire-line broadband service at speeds that meet a Federal Communications
37.6 Commission threshold of four megabits per second download and one megabit per second
37.7 upload, as defined in section 116J.39.

37.8 Sec. 2. Minnesota Statutes 2014, section 116J.431, subdivision 1, is amended to read:

37.9 Subdivision 1. **Grant program established; purpose.** (a) The commissioner
37.10 shall make grants to counties or cities to provide up to 50 percent of the capital costs of
37.11 public infrastructure necessary for an eligible economic development project, unless the
37.12 applicant requests a lesser amount. The county or city receiving a grant must provide for
37.13 the remainder of the costs of the project, either in cash or in kind. In-kind contributions
37.14 may include the value of site preparation other than the public infrastructure needed
37.15 for the project.

155.5 **ARTICLE 7**155.6 **DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT**

155.7 Section 1. Minnesota Statutes 2014, section 116J.394, is amended to read:

155.8 **116J.394 DEFINITIONS.**

155.9 (a) For the purposes of sections 116J.394 to 116J.396, the following terms have
155.10 the meanings given them.

155.11 (b) "Broadband" or "broadband service" has the meaning given in section 116J.39,
155.12 subdivision 1, paragraph (b).

155.13 (c) "Broadband infrastructure" means networks of deployed telecommunications
155.14 equipment and technologies necessary to provide high-speed Internet access and other
155.15 advanced telecommunications services for end users.

155.16 (d) "Commissioner" means the commissioner of employment and economic
155.17 development.

155.18 (e) "Last-mile infrastructure" means broadband infrastructure that serves as the
155.19 final leg connecting the broadband service provider's network to the end-use customer's
155.20 on-premises telecommunications equipment.

155.21 (f) "Middle-mile infrastructure" means broadband infrastructure that links a
155.22 broadband service provider's core network infrastructure to last-mile infrastructure.

155.23 (g) "Political subdivision" means any county, city, town, school district, special
155.24 district or other political subdivision, or public corporation.

155.25 (h) "Underserved areas" means areas of Minnesota in which households or businesses
155.26 lack access to wire-line broadband service at speeds that meet the state broadband goals of
155.27 ten to 20 megabits per second download and five to ten megabits per second upload.

155.28 (i) "Unserved areas" means areas of Minnesota in which households or businesses
155.29 lack access to wire-line broadband service at speeds that meet a Federal Communications
155.30 Commission threshold of four megabits per second download and one megabit per second
155.31 upload, as defined in section 116J.39.

37.16 (b) The purpose of the grants made under this section is to keep or enhance jobs in
37.17 the area, increase the tax base, or to expand or create new economic development.

37.18 Sec. 3. Minnesota Statutes 2014, section 116J.431, subdivision 6, is amended to read:

37.19 Subd. 6. **Maximum grant amount.** A county or city may receive no more than

37.20 ~~\$1,000,000~~ \$2,000,000 in two years for one or more projects.

37.21 Sec. 4. **[116J.549] WORKFORCE HOUSING DEVELOPMENT PROGRAM.**

37.22 Subdivision 1. **Establishment.** The commissioner of employment and economic

37.23 development shall establish a workforce housing development program to award grants to

37.24 eligible project areas to be used for qualified expenditures.

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

37.26 the meanings given.

37.27 (b) "Eligible project area" means a home rule charter or statutory city with a

37.28 population exceeding 500; a community that has a combined population of 1,500 residents

37.29 located within 15 miles of a home rule charter or statutory city; or an area served by a joint

37.30 county-city economic development authority.

37.31 (c) "Joint county-city economic development authority" means an economic

37.32 development authority formed under Laws 1988, chapter 516, section 1, as a joint

37.33 partnership between a city and county and excluding those established by the county only.

38.1 (d) "Market rate residential rental properties" means properties that are rented

38.2 at market value, including new modular homes, new manufactured homes, and new

38.3 manufactured homes on leased land or in a manufactured home park, and excludes:

38.4 (1) properties constructed with financial assistance requiring the property to be

38.5 occupied by residents that meet income limits under federal or state law of initial

38.6 occupancy; and

38.7 (2) properties constructed with federal, state, or local flood recovery assistance,

38.8 regardless of whether that assistance imposed income limits as a condition of receiving

38.9 assistance.

155.32 Sec. 2. **[116J.549] WORKFORCE HOUSING GRANTS PROGRAM.**

156.1 Subdivision 1. **Establishment.** A workforce housing grants program is established

156.2 to award grants to qualified cities to be used for qualified expenditures related to the

156.3 construction of or financing for market rate residential rental properties, and includes new

156.4 modular homes or new manufactured homes, or new manufactured homes on leased land

156.5 or in a manufactured home park.

156.6 Subd. 2. **Definitions.** For purposes of this section:

156.7 (1) "commissioner" means the commissioner of employment and economic

156.8 development;

156.9 (2) "local unit of government" means a home rule charter or statutory city or county;

156.10 (3) "qualified city" means a home rule charter or statutory city located outside the

156.11 metropolitan area or an area served by a joint county-city economic development agency;

156.24 (7) "joint county-city economic development authority" means an economic

156.25 development authority, formed under Laws 1988, chapter 516, section 1, as a joint

156.26 partnership between a city and county and excluding those established by the county only.

156.16 (5) "market rate residential rental properties" means properties that are rented at

156.17 market value and excludes: (i) properties constructed with financial assistance requiring

156.18 the property to be occupied by residents that meet income limits under federal or state

156.19 law of initial occupancy; and (ii) properties constructed with federal, state, or local flood

156.20 recovery assistance, regardless of whether that assistance imposed income limits as a

156.21 condition of receiving assistance;

38.10 (e) "Qualified expenditure" means expenditures for market rate residential rental
 38.11 properties including acquisition of property; construction of improvements; and provisions
 38.12 of loans or subsidies, grants, interest rate subsidies, public infrastructure, and related
 38.13 financing costs.

38.14 Subd. 3. **Application.** The commissioner shall develop forms and procedures to
 38.15 solicit and review applications for grants under this section. An eligible project area
 38.16 must include in its application information sufficient to verify that it meets the program
 38.17 requirements under this section and any additional evidence of the scarcity of workforce
 38.18 housing in the area that it considers appropriate or that the commissioner requires.

38.19 Subd. 4. **Program requirements.** (a) The commissioner must not award a grant to
 38.20 an eligible project area under this section until the following determinations are made:

38.21 (1) the average vacancy rate for rental housing located in the eligible project area,
 38.22 and in any other city located within 15 miles or less of the boundaries of the area, has been
 38.23 five percent or less for at least the prior two-year period;

38.24 (2) one or more businesses located in the eligible project area, or within 25 miles
 38.25 of the area, that employs a minimum of 20 full-time equivalent employees in aggregate
 38.26 have provided a written statement to the eligible project area indicating that the lack of
 38.27 available rental housing has impeded their ability to recruit and hire employees;

38.28 (3) fewer than ten market rate residential rental units per 1,000 residents were
 38.29 constructed in the city in each of the last ten years; and

38.30 (4) the eligible project area has certified that the grants will be used for qualified
 38.31 expenditures for the development of rental housing to serve employees of businesses
 38.32 located in the eligible project area or surrounding area.

38.33 (b) Preference for grants awarded under this section shall be given to eligible project
 38.34 areas with less than 18,000 people.

38.35 Subd. 5. **Allocation.** The amount of a grant under this section must not exceed the
 38.36 lesser of 25 percent of the qualified expenditures for the project or \$1,000,000.

156.22 (6) "metropolitan area" means the seven-county metropolitan area as defined by
 156.23 section 473.121, subdivision 2; and

156.12 (4) "qualified expenditure" means expenditures for the acquisition of property,
 156.13 construction of improvements, provisions of loans or subsidies, grants, interest rate
 156.14 subsidies, public infrastructure, and related financing costs for market rate residential
 156.15 rental properties;

156.27 Subd. 3. **Application.** The commissioner shall develop forms and procedures
 156.28 for soliciting and reviewing application for grants under this section. At a minimum, a
 156.29 city must include in its application a resolution of its governing body certifying that the
 156.30 matching amount as required under this section is available and committed.

156.31 Subd. 4. **Program requirements.** The commissioner must not award a grant to a
 156.32 city under this section until the following determinations are made:

156.33 (1) the average vacancy rate for rental housing located in the city, and in any city
 156.34 located within 25 miles or less of the boundaries of the city, has been three percent or less
 156.35 for at least the immediately preceding two-year period;

157.1 (2) one or more businesses located in the city, or within 60 miles of the city, that
 157.2 employ a minimum of 20 full-time equivalent employees in aggregate have provided
 157.3 a written statement to the city indicating that the lack of available rental housing has
 157.4 impeded their ability to recruit and hire employees;

157.7 (5) the city certifies that the grants will be used for qualified expenditures for the
 157.8 development of rental housing to serve employees of businesses located in the city
 157.9 or surrounding area.

157.5 (3) the city has a population exceeding 1,000;

157.6 (4) the city is located outside the metropolitan area; and

157.10 Subd. 5. **Allocation.** The amount of a grant may not exceed 25 percent of the
 157.11 rental housing development project cost. The commissioner shall not award a grant to
 157.12 a city without certification by the city that the amount of the grant shall be matched by
 157.13 a local unit of government, business, or nonprofit organization with \$1 for every \$2
 157.14 provided in grant funds.

39.1 Subd. 6. **Report.** By January 15 of the year following the year in which the grant
 39.2 was issued, each eligible project area receiving a grant under this section must submit a
 39.3 report specifying the projects that received grants under this section and the specific
 39.4 purposes for which the grant funds were used to the chairs and ranking minority members
 39.5 of the senate and house of representatives committees having jurisdiction over jobs and
 39.6 workforce development.

39.7 **EFFECTIVE DATE.** This section is effective July 1, 2015.

39.8 Sec. 5. Minnesota Statutes 2014, section 116J.8738, subdivision 3, is amended to read:

39.9 Subd. 3. **Certification of qualified business.** (a) A business may apply to
 39.10 the commissioner for certification as a qualified business under this section. The
 39.11 commissioner shall specify the form of the application, the manner and times for applying,
 39.12 and the information required to be included in the application. The commissioner may
 39.13 impose an application fee in an amount sufficient to defray the commissioner's cost of
 39.14 processing certifications. Application fees are deposited in the greater Minnesota business
 39.15 expansion administration account in the special revenue fund. A business must file a copy
 39.16 of its application with the chief clerical officer of the city at the same time it applies to the
 39.17 commissioner. For an agricultural processing facility located outside the boundaries of a
 39.18 city, the business must file a copy of the application with the county auditor.

39.19 (b) The commissioner shall certify each business as a qualified business that:

39.20 (1) satisfies the requirements of subdivision 2;

39.21 (2) the commissioner determines would not expand its operations in greater
 39.22 Minnesota without the tax incentives available under subdivision 4; and

39.23 (3) enters a business subsidy agreement with the commissioner that pledges to
 39.24 satisfy the minimum expansion requirements of paragraph (c) within three years or less
 39.25 following execution of the agreement.

39.26 The commissioner must act on an application within 90 days after its filing. Failure
 39.27 by the commissioner to take action within the 90-day period is deemed approval of the
 39.28 application.

39.29 (c) The business must increase the number of full-time equivalent employees
 39.30 in greater Minnesota from the time the business subsidy agreement is executed by two
 39.31 employees or ten percent, whichever is greater.

157.15 Subd. 6. **Report.** Beginning January 15, 2016, the commissioner must annually
 157.16 submit a report to the chairs and ranking minority members of the senate and house of
 157.17 representatives committees having jurisdiction over taxes and workforce development
 157.18 specifying the projects that received grants under this section and the specific purposes for
 157.19 which the grant funds were used.

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

157.21 Sec. 3. Minnesota Statutes 2014, section 116J.8738, subdivision 3, is amended to read:

157.22 Subd. 3. **Certification of qualified business.** (a) A business may apply to
 157.23 the commissioner for certification as a qualified business under this section. The
 157.24 commissioner shall specify the form of the application, the manner and times for applying,
 157.25 and the information required to be included in the application. The commissioner may
 157.26 impose an application fee in an amount sufficient to defray the commissioner's cost of
 157.27 processing certifications. Application fees are deposited in the greater Minnesota business
 157.28 expansion administration account in the special revenue fund. A business must file a copy
 157.29 of its application with the chief clerical officer of the city at the same time it applies to the
 157.30 commissioner. For an agricultural processing facility located outside the boundaries of a
 157.31 city, the business must file a copy of the application with the county auditor.

157.32 (b) The commissioner shall certify each business as a qualified business that:

157.33 (1) satisfies the requirements of subdivision 2;

157.34 (2) the commissioner determines would not expand its operations in greater
 157.35 Minnesota without the tax incentives available under subdivision 4; and

158.1 (3) enters a business subsidy agreement with the commissioner that pledges to
 158.2 satisfy the minimum expansion requirements of paragraph (c) within three years or less
 158.3 following execution of the agreement.

158.4 The commissioner must act on an application within 90 days after its filing. Failure
 158.5 by the commissioner to take action within the 90-day period is deemed approval of the
 158.6 application.

158.7 (c) The business must increase the number of full-time equivalent employees
 158.8 in greater Minnesota from the time the business subsidy agreement is executed by two
 158.9 employees or ten percent, whichever is greater.

39.32 (d) The city, or a county for an agricultural processing facility located outside the
 39.33 boundaries of a city, in which the business proposes to expand its operations may file
 39.34 comments supporting or opposing the application with the commissioner. The comments
 39.35 must be filed within 30 days after receipt by the city of the application and may include a
 40.1 notice of any contribution the city or county intends to make to encourage or support the
 40.2 business expansion, such as the use of tax increment financing, property tax abatement,
 40.3 additional city or county services, or other financial assistance.

40.4 (e) Certification of a qualified business is effective for the seven-year period
 40.5 beginning on the first day of the calendar month immediately following the date that the
 40.6 commissioner informs the business of the award of the benefit.

40.7 EFFECTIVE DATE. This section is effective retroactively from August 1, 2014.

40.8 Sec. 6. Minnesota Statutes 2014, section 116J.8738, is amended by adding a
 40.9 subdivision to read:

40.10 Subd. 6. Funds. Amounts in the greater Minnesota business expansion
 40.11 administration account in the special revenue fund are appropriated to the commissioner of
 40.12 employment and economic development for costs associated with processing applications
 40.13 under subdivisions 3, 4, and 5, and for personnel and administrative expenses related to
 40.14 administering the greater Minnesota business expansion program.

40.15 EFFECTIVE DATE. This section is effective retroactively from August 1, 2014.

40.16 Sec. 7. Minnesota Statutes 2014, section 116J.8747, subdivision 1, is amended to read:

40.17 Subdivision 1. **Grant allowed.** The commissioner may provide a grant to a qualified
 40.18 job training program from money appropriated for the purposes of this section as follows:

40.19 (1) a ~~\$9,000~~ \$11,000 placement grant paid to a job training program upon placement
 40.20 in employment of a qualified graduate of the program; and

40.21 (2) a ~~\$9,000~~ \$11,000 retention grant paid to a job training program upon retention in
 40.22 employment of a qualified graduate of the program for at least one year.

40.23 Sec. 8. Minnesota Statutes 2014, section 116J.8747, subdivision 2, is amended to read:

40.24 Subd. 2. **Qualified job training program.** To qualify for grants under this section,
 40.25 a job training program must satisfy the following requirements:

40.26 (1) the program must be operated by a nonprofit corporation that qualifies under
 40.27 section 501(c)(3) of the Internal Revenue Code;

40.28 (2) the program must spend at least, on average, \$15,000 or more per graduate
 40.29 of the program;

158.10 (d) The city, or a county for an agricultural processing facility located outside the
 158.11 boundaries of a city, in which the business proposes to expand its operations may file
 158.12 comments supporting or opposing the application with the commissioner. The comments
 158.13 must be filed within 30 days after receipt by the city of the application and may include a
 158.14 notice of any contribution the city or county intends to make to encourage or support the
 158.15 business expansion, such as the use of tax increment financing, property tax abatement,
 158.16 additional city or county services, or other financial assistance.

158.17 (e) Certification of a qualified business is effective for the seven-year period
 158.18 beginning on the first day of the calendar month immediately following the date that the
 158.19 commissioner informs the business of the award of the benefit.

158.20 EFFECTIVE DATE. This section is effective retroactively from August 1, 2014.

158.21 Sec. 4. Minnesota Statutes 2014, section 116J.8738, is amended by adding a
 158.22 subdivision to read:

158.23 Subd. 6. Funds. Amounts in the greater Minnesota business expansion
 158.24 administration account in the special revenue fund are appropriated to the commissioner of
 158.25 employment and economic development for costs associated with processing applications
 158.26 under subdivisions 3, 4, and 5, and for personnel and administrative expenses related to
 158.27 administering the greater Minnesota business expansion program.

158.28 EFFECTIVE DATE. This section is effective retroactively from August 1, 2014.

40.30 (3) the program must provide education and training in:

40.31 (i) basic skills, such as reading, writing, mathematics, and communications;

41.1 (ii) thinking skills, such as reasoning, creative thinking, decision making, and

41.2 problem solving; and

41.3 (iii) personal qualities, such as responsibility, self-esteem, self-management,

41.4 honesty, and integrity;

41.5 (4) the program ~~must~~ may provide income supplements, when needed, to participants

41.6 for housing, counseling, tuition, and other basic needs;

41.7 (5) the program's education and training course must last for an average of at least

41.8 six months;

41.9 (6) individuals served by the program must:

41.10 (i) be 18 years of age or older;

41.11 (ii) have federal adjusted gross income of no more than ~~\$11,000~~ \$12,000 per year in

41.12 the calendar year immediately before entering the program;

41.13 (iii) have assets of no more than ~~\$7,000~~ \$10,000, excluding the value of a

41.14 homestead; and

41.15 (iv) not have been claimed as a dependent on the federal tax return of another person

41.16 in the previous taxable year; and

41.17 (7) the program must be certified by the commissioner of employment and economic

41.18 development as meeting the requirements of this subdivision.

158.29 Sec. 5. Minnesota Statutes 2014, section 116L.05, subdivision 5, is amended to read:

158.30 Subd. 5. **Use of workforce development funds.** After March 1 of any fiscal year,

158.31 the board ~~may use~~ shall make recommendations to the legislature for additional uses of

158.32 workforce development funds ~~for the purposes outlined in sections 116L.02 and 116L.04,~~

159.1 ~~or to provide incumbent worker training services under section 116L.18~~ if the following

159.2 conditions have been met:

159.3 (1) the board examines relevant economic indicators, including the projected

159.4 number of layoffs for the remainder of the fiscal year and the next fiscal year, evidence of

159.5 declining and expanding industries, the number of initial applications for and the number

159.6 of exhaustions of unemployment benefits, job vacancy data, and any additional relevant

159.7 information brought to the board's attention;

159.8 (2) the board accounts for all allocations made in section 116L.17, subdivision 2;

41.19 Sec. 9. Minnesota Statutes 2014, section 116L.17, subdivision 4, is amended to read:

41.20 Subd. 4. **Use of funds.** Funds granted by the board under this section may be used

41.21 for any combination of the following, except as otherwise provided in this section:

41.22 (1) employment transition services such as developing readjustment plans for
 41.23 individuals; outreach and intake; early readjustment; job or career counseling; testing;
 41.24 orientation; assessment of skills and aptitudes; provision of occupational and labor market
 41.25 information; job placement assistance; job search; job development; prelayoff assistance;
 41.26 relocation assistance; programs provided in cooperation with employers or labor
 41.27 organizations to provide early intervention in the event of plant closings or substantial
 41.28 layoffs; and entrepreneurial training and business consulting;

41.29 (2) support services, including assistance to help the participant relocate to employ
 41.30 existing skills; out-of-area job search assistance; family care assistance, including child
 41.31 care; commuting assistance; emergency housing and rental assistance; counseling
 41.32 assistance, including personal and financial; health care; emergency health assistance;
 41.33 emergency financial assistance; work-related tools and clothing; and other appropriate
 41.34 support services that enable a person to participate in an employment and training program
 41.35 with the goal of reemployment;

42.1 (3) specific, short-term training to help the participant enhance current skills
 42.2 in a similar occupation or industry; entrepreneurial training, customized training, or
 42.3 on-the-job training; basic and remedial education to enhance current skills; and literacy
 42.4 and work-related English training for non-English speakers; ~~and~~

42.5 (4) long-term training in a new occupation or industry, including occupational skills
 42.6 training or customized training in an accredited program recognized by one or more
 42.7 relevant industries. Long-term training shall only be provided to dislocated workers whose
 42.8 skills are obsolete and who have no other transferable skills likely to result in employment
 42.9 at a comparable wage rate. Training shall only be provided for occupations or industries
 42.10 with reasonable expectations of job availability based on the service provider's thorough
 42.11 assessment of local labor market information where the individual currently resides or
 42.12 is willing to relocate. This clause shall not restrict training in personal services or other
 42.13 such industries; and

159.9 (3) based on the past expenditures and projected revenue, the board estimates future
 159.10 funding needs for services under section 116L.17 for the remainder of the current fiscal
 159.11 year and the next fiscal year;

159.12 (4) the board determines there will be unspent funds after meeting the needs of
 159.13 dislocated workers in the current fiscal year and there will be sufficient revenue to meet
 159.14 the needs of dislocated workers in the next fiscal year; and

159.15 (5) the board reports its findings in clauses (1) to (4) to the chairs of legislative
 159.16 committees with jurisdiction over the workforce development fund, to the commissioners
 159.17 of revenue and management and budget, and to the public.

159.18 Sec. 6. Minnesota Statutes 2014, section 116L.17, subdivision 4, is amended to read:

159.19 Subd. 4. **Use of funds.** Funds granted by the board under this section may be used

159.20 for any combination of the following, except as otherwise provided in this section:

159.21 (1) employment transition services such as developing readjustment plans for
 159.22 individuals; outreach and intake; early readjustment; job or career counseling; testing;
 159.23 orientation; assessment of skills and aptitudes; provision of occupational and labor market
 159.24 information; job placement assistance; job search; job development; prelayoff assistance;
 159.25 relocation assistance; programs provided in cooperation with employers or labor
 159.26 organizations to provide early intervention in the event of plant closings or substantial
 159.27 layoffs; and entrepreneurial training and business consulting;

159.28 (2) support services, including assistance to help the participant relocate to employ
 159.29 existing skills; out-of-area job search assistance; family care assistance, including child
 159.30 care; commuting assistance; emergency housing and rental assistance; counseling
 159.31 assistance, including personal and financial; health care; emergency health assistance;
 159.32 emergency financial assistance; work-related tools and clothing; and other appropriate
 159.33 support services that enable a person to participate in an employment and training program
 159.34 with the goal of reemployment;

160.1 (3) specific, short-term training to help the participant enhance current skills
 160.2 in a similar occupation or industry; entrepreneurial training, customized training, or
 160.3 on-the-job training; basic and remedial education to enhance current skills; and literacy
 160.4 and work-related English training for non-English speakers; ~~and~~

160.5 (4) long-term training in a new occupation or industry, including occupational skills
 160.6 training or customized training in an accredited program recognized by one or more
 160.7 relevant industries. Long-term training shall only be provided to dislocated workers whose
 160.8 skills are obsolete and who have no other transferable skills likely to result in employment
 160.9 at a comparable wage rate. Training shall only be provided for occupations or industries
 160.10 with reasonable expectations of job availability based on the service provider's thorough
 160.11 assessment of local labor market information where the individual currently resides or
 160.12 is willing to relocate. This clause shall not restrict training in personal services or other
 160.13 such industries; and

42.14 (5) incumbent worker training.

160.14 (5) direct training services to provide a measurable increase in the job-related
 160.15 skills of participating incumbent workers, including basic assessment, counseling, and
 160.16 preemployment training services requested by the qualifying employer.

42.15 Sec. 10. Minnesota Statutes 2014, section 116L.20, subdivision 1, is amended to read:

42.16 Subdivision 1. **Determination and collection of special assessment.** (a) In addition
 42.17 to amounts due from an employer under the Minnesota unemployment insurance program,
 42.18 each employer, except an employer making reimbursements is liable for a special
 42.19 assessment levied at the rate of ~~10.08~~ 12 percent per year on all taxable wages, as defined in
 42.20 section 268.035, subdivision 24, ~~except that effective July 1, 2009, until June 30, 2011, the~~
 42.21 ~~special assessment shall be levied at a rate of .12 percent per year on all taxable wages as~~
 42.22 ~~defined in section 268.035, subdivision 24.~~ The assessment shall become due and be paid
 42.23 by each employer on the same schedule and in the same manner as other amounts due
 42.24 from an employer under section 268.051, subdivision 1.

42.25 (b) The special assessment levied under this section shall be subject to the same
 42.26 requirements and collection procedures as any amounts due from an employer under the
 42.27 Minnesota unemployment insurance program.

42.28 **EFFECTIVE DATE.** This section is effective July 1, 2017.

42.29 Sec. 11. **[116L.31] DUAL TRAINING COMPETENCY GRANTS.**

42.30 Subdivision 1. **Program created.** The commissioner of employment and economic
 42.31 development shall make grants for the training of employees to achieve the competency
 42.32 standard for an occupation identified by the commissioner of labor and industry under
 42.33 section 175.45 and Laws 2014, chapter 312, article 3, section 21. "Competency standard"
 42.34 has the meaning given in section 175.45, subdivision 2.

43.1 Subd. 2. **Eligible grantees.** An employer or an organization representing the
 43.2 employer is eligible to apply for a grant to train employees if the employer has employees
 43.3 who are in, or are to be trained to be in, an occupation for which a competency standard
 43.4 has been identified and the employee has not attained the competency standard prior
 43.5 to the commencement of the planned training. Training need not address all aspects
 43.6 of a competency standard but may address only the competencies of a standard that an
 43.7 employee is lacking. Employees who have previously received a grant under this program
 43.8 are not eligible to receive another grant. Each employee must apply for federal Pell and
 43.9 state grants as a condition of participating in the program.

43.10 Subd. 3. **Training institution.** (a) Prior to applying for a grant, an employer or an
 43.11 organization representing the employer must enter into an agreement with a state college
 43.12 or university operated by the Board of Trustees of the Minnesota State Colleges and
 43.13 Universities to provide the employee competency standard training.

- 43.14 (b) For the purposes of this section, "training institution" means an institution
43.15 operated by the Board of Trustees of the Minnesota State Colleges and Universities or an
43.16 institution designated by the chancellor of the Minnesota State Colleges and Universities.
- 43.17 **Subd. 4. Contract required.** Prior to the start of a training program, an employer
43.18 and employee must enter into a contract detailing the terms of the work relationship during
43.19 and after the training program.
- 43.20 **Subd. 5. Application.** Applications must be made to the commissioner on a form
43.21 provided by the commissioner. The commissioner must, to the extent possible, make
43.22 the application form short and simple to complete. The commissioner shall establish a
43.23 schedule for applications and grants. The application must include, without limitation:
- 43.24 (1) the projected number of employee trainees;
- 43.25 (2) the competency standard for which training will be provided;
- 43.26 (3) any credential the employee will receive upon completion of training;
- 43.27 (4) the name and address of the training institution and a signed statement by the
43.28 institution that it is able to and agrees to provide the training;
- 43.29 (5) the period of the training; and
- 43.30 (6) the cost of the training charged by the training institution and certified by the
43.31 institution.
- 43.32 An application may be made for training of employees of multiple employers either by the
43.33 employers or by an organization on their behalf.
- 43.34 **Subd. 6. Grant criteria.** To the extent there are sufficient applications, the
43.35 commissioner shall award at least an equal dollar amount of grants for training for
43.36 employees whose work site is projected to be outside the metropolitan area as defined
44.1 in section 473.121, subdivision 2, as for employees whose work site is projected to be
44.2 within the metropolitan area. In determining the award of grants, the commissioner must
44.3 consider, among other factors:
- 44.4 (1) the aggregate state and regional need for employees with the competency to
44.5 be trained;
- 44.6 (2) the competency standards developed by the commissioner of labor and industry
44.7 as part of the Minnesota PIPELINE Project;
- 44.8 (3) the per employee cost of training;
- 44.9 (4) the additional employment opportunities for employees as a result of the training;
- 44.10 (5) projected increases in compensation for employees receiving the training; and

- 44.11 (6) the amount of employer training cost match, on both a per employee and
44.12 aggregate basis.
- 44.13 Subd. 7. **Employer match.** (a) Employers must pay to the training institution a
44.14 percentage of a training institution's charge for the training after subtracting federal Pell
44.15 and state grants for which an employee is eligible. The amount that an employer must pay
44.16 to the training institution shall be determined as follows:
- 44.17 (1) an employer with greater than or equal to \$50,000,000 in annual revenue in the
44.18 previous calendar year must pay at least 66 percent of the training institution's charge
44.19 for the training;
- 44.20 (2) an employer with less than \$50,000,000 in annual revenue in the previous
44.21 calendar year but greater than or equal to \$20,000,000 in annual revenue in the previous
44.22 calendar year must pay at least 50 percent of the training institution's charge for the training;
- 44.23 (3) an employer with less than \$20,000,000 in annual revenue in the previous calendar
44.24 year but greater than or equal to \$10,000,000 in annual revenue in the previous calendar
44.25 year must pay at least 33 percent of the training institution's charge for the training; and
- 44.26 (4) an employer with less than \$10,000,000 in annual revenue in the previous
44.27 calendar year must pay at least 20 percent of the training institution's charge for the training.
- 44.28 (b) The match required under this subdivision shall be based solely on the annual
44.29 revenue of the individual employer without regard to any organization representing the
44.30 employer.
- 44.31 Subd. 8. **Payment of grant.** The commissioner shall make grant payments to the
44.32 training institution in a manner determined by the commissioner after receiving notice
44.33 from the institution that the employer has paid the employer match.
- 44.34 Subd. 9. **Grant amounts.** (a) The commissioner shall determine a maximum
44.35 amount that may be awarded in a single grant, and a maximum amount that may be
44.36 awarded per employee trained under a grant. The commissioner shall set the maximum
45.1 grant amount at a level that ensures sufficient funding will be available for multiple
45.2 employers. The maximum grant amount per employee trained may not exceed the cost of
45.3 tuition up to 60 credits.
- 45.4 (b) A grant for a particular employee must be reduced by the amounts of any federal
45.5 Pell grant or state grant the employee is eligible to receive for the training and the amount
45.6 of the employer match.
- 45.7 Subd. 10. **Reporting.** Commencing in 2017, the commissioner shall annually by
45.8 February 1 report on the activity of the grant program for the preceding fiscal year to the
45.9 chairs of the legislative committees with jurisdiction over workforce policy and finance.
45.10 At a minimum, the report must include:

- 45.11 (1) research and analysis on the costs and benefits of the grants for employees and
45.12 employers;
- 45.13 (2) the number of employees who commenced training and the number who
45.14 completed training; and
- 45.15 (3) recommendations, if any, for changes to the program.
- 45.16 Sec. 12. **[116L.40] DEFINITIONS.**
- 45.17 Subdivision 1. **Scope.** When used in sections 116L.40 to 116L.42, the following
45.18 terms have the meanings given them unless the context requires otherwise.
- 45.19 Subd. 2. **Agreement.** "Agreement" means the agreement between an employer and
45.20 the commissioner for a project.
- 45.21 Subd. 3. **Commissioner.** "Commissioner" means the commissioner of employment
45.22 and economic development.
- 45.23 Subd. 4. **Disability.** "Disability" has the meaning given under United States Code,
45.24 title 42, chapter 126.
- 45.25 Subd. 5. **Employee.** "Employee" means the individual employed in a new job.
- 45.26 Subd. 6. **Employer.** "Employer" means the individual, corporation, partnership,
45.27 limited liability company, or association providing new jobs and entering into an agreement.
- 45.28 Subd. 7. **New job.** "New job" means a job:
- 45.29 (1) that is provided by a new or expanding business at a location in Minnesota
45.30 outside of the metropolitan area, as defined in section 473.121, subdivision 2;
- 45.31 (2) that provides at least 32 hours of work per week for a minimum of nine months
45.32 per year and is permanent with no planned termination date;
- 45.33 (3) that is certified by the commissioner as qualifying under the program before the
45.34 first employee is hired to fill the job; and
- 46.1 (4) for which an employee hired was not (i) formerly employed by the employer
46.2 in the state, or (ii) a replacement worker, including a worker newly hired as a result of a
46.3 labor dispute.
- 46.4 Subd. 8. **Program.** "Program" means the project or projects established under
46.5 sections 116L.40 to 116L.42.
- 46.6 Subd. 9. **Program costs.** "Program costs" means all necessary and incidental
46.7 costs of providing program services, except that program costs are increased by \$1,000
46.8 per employee for an individual with a disability. The term does not include the cost of
46.9 purchasing equipment to be owned or used by the training or educational institution or
46.10 service.

- 46.11 Subd. 10. **Program services.** "Program services" means training and education
- 46.12 specifically directed to new jobs that are determined to be appropriate by the commissioner,
- 46.13 including in-house training; services provided by institutions of higher education and
- 46.14 federal, state, or local agencies; or private training or educational services. Administrative
- 46.15 services and assessment and testing costs are included.
- 46.16 Subd. 11. **Project.** "Project" means a training arrangement that is the subject of an
- 46.17 agreement entered into between the commissioner and an employer to provide program
- 46.18 services.
- 46.19 Sec. 13. **[116L.41] COMMISSIONER'S DUTIES AND POWERS;**
- 46.20 **AGREEMENTS.**
- 46.21 Subdivision 1. **Service provision.** Upon request, the commissioner shall provide
- 46.22 or coordinate the provision of program services under sections 116L.40 to 116L.42 to
- 46.23 a business eligible for grants under section 116L.42. The commissioner shall specify
- 46.24 the form of and required information to be provided with applications for projects to be
- 46.25 funded with grants under section 116L.42.
- 46.26 Subd. 2. **Agreements; required terms.** (a) The commissioner may enter into an
- 46.27 agreement to establish a project with an employer that:
- 46.28 (1) identifies program costs to be paid from sources under the program;
- 46.29 (2) identifies program costs to be paid by the employer;
- 46.30 (3) provides that on-the-job training costs for employees may not exceed 50 percent
- 46.31 of the annual gross wages and salaries of the new jobs in the first full year after execution
- 46.32 of the agreement up to a maximum of \$10,000 per eligible employee;
- 46.33 (4) provides that each employee must be paid wages at least equal to the median
- 46.34 hourly wage for the county in which the job is located, as reported in the most recently
- 47.1 available data from the United States Bureau of the Census, plus benefits, by the earlier of
- 47.2 the end of the training period or 18 months of employment under the project; and
- 47.3 (5) provides that job training will be provided and the length of time of training.
- 47.4 (b) Before entering into a final agreement, the commissioner shall:
- 47.5 (1) determine that sufficient funds for the project are available under section
- 47.6 116L.42; and
- 47.7 (2) investigate the applicability of other training programs and determine whether
- 47.8 the job skills partnership grant program is a more suitable source of funding for the
- 47.9 training and whether the training can be completed in a timely manner that meets the
- 47.10 needs of the business.

- 47.11 The investigation under clause (2) must be completed within 15 days or as soon
47.12 as reasonably possible after the employer has provided the commissioner with all the
47.13 requested information.
- 47.14 Subd. 3. **Grant funds sufficient.** The commissioner must not enter into an agreement
47.15 under subdivision 2 unless the commissioner determines that sufficient funds are available.
- 47.16 Subd. 4. **Allocation.** The commissioner shall allocate grant funds under section
47.17 116L.42 to project applications based on a first-come, first-served basis, determined on the
47.18 basis of the commissioner's receipt of a complete application for the project, including the
47.19 provision of all of the required information. The agreement must specify the amount of
47.20 grant funds available to the employer for each year covered by the agreement.
- 47.21 Subd. 5. **Application fee.** The commissioner may charge each employer an
47.22 application fee to cover part or all of the administrative and legal costs incurred, not to
47.23 exceed \$500 per employer. The fee is deemed approved under section 16A.1283. The fee
47.24 is deposited in the jobs training account in the special revenue fund and amounts in the
47.25 account are appropriated to the commissioner for the costs of administering the program.
47.26 The commissioner shall refund the fee to the employer if the application is denied because
47.27 program funding is unavailable.
- 47.28 Sec. 14. **[116L.42] JOBS TRAINING GRANTS.**
- 47.29 Subdivision 1. **Recovery of program costs.** Amounts paid by employers for
47.30 program costs are repaid by a job training grant equal to the lesser of the following:
- 47.31 (1) the amount of program costs specified in the agreement for the project; or
47.32 (2) the amount of program costs paid by the employer for new employees under
47.33 a project.
- 47.34 Subd. 2. **Reports.** (a) By February 1, 2018, the commissioner shall report to the
47.35 governor and the legislature on the program. The report must include at least:
- 48.1 (1) the amount of grants issued under the program;
48.2 (2) the number of individuals receiving training under the program, including the
48.3 number of new hires who are individuals with disabilities;
48.4 (3) the number of new hires attributable to the program, including the number of
48.5 new hires who are individuals with disabilities;
48.6 (4) an analysis of the effectiveness of the grant in encouraging employment; and
48.7 (5) any other information the commissioner determines appropriate.
- 48.8 (b) The report to the legislature must be distributed as provided in section 3.195.

48.9 Sec. 15. **[116L.65] CUSTOMIZED TRAINING FOR SKILLED**
48.10 **MANUFACTURING INDUSTRIES.**

48.11 Subdivision 1. **Program.** The commissioner of employment and economic
48.12 development, in consultation with the commissioner of labor and industry, shall
48.13 collaborate with Minnesota State Colleges and Universities (MnSCU) institutions
48.14 and employers to develop and administer a customized training program for skilled
48.15 manufacturing industries that integrates academic instruction and job-related learning
48.16 in the workplace and MnSCU institutions. The commissioner shall actively recruit
48.17 participants in a customized training program for skilled manufacturing industries from
48.18 the following groups: secondary and postsecondary school systems, individuals with
48.19 disabilities, dislocated workers, retired and disabled veterans, individuals enrolled in
48.20 MFIP under chapter 256J, minorities, previously incarcerated individuals, individuals
48.21 residing in labor surplus areas as defined by the United States Department of Labor, and
48.22 any other disadvantaged group as determined by the commissioner.

48.23 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this
48.24 subdivision have the meanings given them.

48.25 (b) "Commissioner" means the commissioner of employment and economic
48.26 development.

48.27 (c) "Employer" means an employer in Minnesota in the skilled manufacturing
48.28 industry who employs no more than 50 employees and who enters into the agreements
48.29 with MnSCU institutions and the commissioner under subdivisions 3 to 5.

48.30 (d) "MnSCU institution" means an institution designated by the commissioner
48.31 unless otherwise specified by the legislature.

48.32 (e) "Participant" means an employee who enters into a customized training program
48.33 for skilled manufacturing industries participation agreement under subdivision 4.

48.34 (f) "Related instruction" means classroom instruction or technical or vocational
48.35 training required to perform the duties of the skilled manufacturing job.

49.1 (g) "Skilled manufacturing" means occupations in manufacturing industry sectors 31
49.2 to 33 as defined by the North American Industry Classification System (NAICS).

49.3 Subd. 3. **Skilled manufacturing customized training program employer**

49.4 **agreement.** (a) The commissioner, employer, and MnSCU institution shall enter into a
49.5 skilled manufacturing customized training program employer agreement that is specific to
49.6 the identified skilled manufacturing training needs of an employer.

49.7 (b) The agreement must contain the following:

49.8 (1) the name of the employer;

- 49.9 (2) a statement showing the number of hours to be spent by a participant in work and
49.10 the number of hours to be spent, if any, in concurrent, supplementary instruction in related
49.11 subjects. The maximum number of hours of work per week, not including time spent in
49.12 related instruction, for any participant shall not exceed either the number prescribed by
49.13 law or the customary regular number of hours per week for the employees of the employer.
49.14 A participant may be allowed to work overtime provided that the overtime work does not
49.15 conflict with supplementary instruction course attendance. All time spent by the participant
49.16 in excess of the number of hours of work per week as specified in the skilled manufacturing
49.17 customized training program participation agreement shall be considered overtime;
- 49.18 (3) the hourly wage to be paid to the participant and requirements for reporting to
49.19 the commissioner on actual wages paid to the participant;
- 49.20 (4) an explanation of how the employer agreement or participant agreement may
49.21 be terminated;
- 49.22 (5) a statement setting forth a schedule of the processes of the occupation in which
49.23 the participant is to be trained and the approximate time to be spent at each process;
- 49.24 (6) a statement by the MnSCU institution and the employer describing the related
49.25 instruction that will be offered, if any, under subdivision 5, paragraph (c); and
- 49.26 (7) any other provision the commissioner deems necessary to carry out the purposes
49.27 of this section.
- 49.28 (c) The commissioner may periodically review the adherence to the terms of the
49.29 customized training program employer agreement. If the commissioner determines that
49.30 an employer or employee has failed to comply with the terms of the agreement, the
49.31 commissioner shall terminate the agreement. An employer must report to the commissioner
49.32 any change in status for the participant within 30 days of the change in status.
- 49.33 **Subd. 4. Skilled manufacturing customized training program participation**
49.34 **agreement.** (a) The commissioner, the prospective participant, and the employer shall
49.35 enter into a skilled manufacturing customized training program participation agreement
49.36 that is specific to the training to be provided to the participant.
- 50.1 (b) The participation agreement must contain the following:
- 50.2 (1) the name of the employer;
- 50.3 (2) the name of the participant;
- 50.4 (3) a statement setting forth a schedule of the processes of the occupation in which
50.5 the participant is to be trained and the approximate time to be spent at each process;
- 50.6 (4) a description of any related instruction;

50.7 (5) a statement showing the number of hours to be spent by a participant in work and
50.8 the number of hours to be spent, if any, in concurrent, supplementary instruction in related
50.9 subjects. The maximum number of hours of work per week, not including time spent in
50.10 related instruction, for any participant shall not exceed either the number prescribed
50.11 by law or the customary regular number of hours per week for the employees of the
50.12 employer. A participant may be allowed to work overtime provided that the overtime
50.13 work does not conflict with supplementary instruction course attendance. All time spent
50.14 by the participant in excess of the number of hours of work per week as specified in the
50.15 customized training program participation agreement shall be considered overtime;

50.16 (6) the hourly wage to be paid to the participant; and

50.17 (7) an explanation of how the parties may terminate the participation agreement.

50.18 (c) The commissioner may periodically review the adherence to the terms of the
50.19 customized training program participation agreement. If the commissioner determines
50.20 that an employer or participant has failed to comply with the terms of the agreement, the
50.21 commissioner shall terminate the agreement. An employer must report to the commissioner
50.22 any change in status for the participant within 30 days of the change in status.

50.23 Subd. 5. **MnSCU instruction.** (a) The MnSCU institution shall collaborate
50.24 with an employer to provide related instruction that the employer deems necessary to
50.25 instruct participants of a skilled manufacturing customized training program. The related
50.26 instruction provided must be, for the purposes of this section, career-level, as negotiated
50.27 by the commissioner and the MnSCU institution. The related instruction may be for credit
50.28 or noncredit, and credit earned may be transferable to a degree program, as determined by
50.29 the MnSCU institution. The MnSCU institution shall provide a summary of the related
50.30 instruction to the commissioner prior to disbursement of any funds.

50.31 (b) The commissioner, in conjunction with the MnSCU institution, shall issue a
50.32 certificate of completion to a participant who completes all required components of the
50.33 skilled manufacturing customized training program participation agreement.

50.34 (c) As part of the skilled manufacturing customized training program, an employer
50.35 shall collaborate with the MnSCU institution for any related instruction required to
50.36 perform the skilled manufacturing job. The agreement shall include:

51.1 (1) a detailed explanation of the related instruction; and

51.2 (2) the number of hours of related instruction needed to receive a certificate of
51.3 completion.

51.4 (d) The commissioner shall follow the requirements of section 116L.98 regardless of
51.5 the funding source. The MnSCU institution shall provide the commissioner with the data
51.6 needed for the commissioner to fulfill the requirements of section 116L.98.

160.17 Sec. 7. **[116L.667] RURAL CAREER COUNSELING COORDINATORS.**

160.18 Subdivision 1. **Requirement.** Each workforce service area located outside of the
160.19 metropolitan area, as defined in section 473.121, subdivision 2, except for a service area
160.20 that serves a single city outside of the metropolitan area, must have a career counseling
160.21 coordinator who is responsible for improving coordination and communication of
160.22 workforce development programs and services within the workforce service area, with
160.23 other workforce service areas and career counseling coordinators, and with administering
160.24 agencies. A career counseling coordinator may serve as the coordinator for up to two
160.25 service areas.

160.26 Subd. 2. **Responsibilities.** A career counseling coordinator is responsible for:

160.27 (1) understanding the needs of existing, new, and prospective service area businesses
160.28 in regard to workforce development programs, resources, and other services;

160.29 (2) connecting job seekers, secondary and higher education institutions, employers,
160.30 and other stakeholders and partners;

160.31 (3) providing services to job seekers including career counseling, training, and
160.32 work experience opportunities;

160.33 (4) assessing and compiling information about all workforce development programs
160.34 and services offered in the assigned workforce service area, including adult basic
161.1 education programs and programs and services at higher education institutions and
161.2 kindergarten through grade 12 schools;

161.3 (5) making recommendations to the commissioner regarding ways to improve
161.4 career counseling coordination, possible program changes, and new workforce programs
161.5 or initiatives;

161.6 (6) sharing best practices and collaborating with other career counseling coordinators
161.7 to promote and enable state-level coordination among workforce development programs
161.8 and administering agencies including, but not limited to, the Departments of Employment
161.9 and Economic Development, Education, and Labor and Industry, and the Office of Higher
161.10 Education; and

161.11 (7) promoting available workforce development and career counseling programs and
161.12 resources in the workforce service area.

161.13 Subd. 3. **Reporting; consolidation.** The workforce council in each of the workforce
 161.14 service areas having a career counseling coordinator shall submit an annual report to
 161.15 the commissioner that includes, but is not limited to, a narrative of and the number of
 161.16 businesses, job seekers, and other stakeholders served by the career counseling coordinator
 161.17 function, an accounting of workforce development and career counseling programs
 161.18 and services offered in the assigned workforce service area, and any recommendations
 161.19 for changes to workforce development efforts in the workforce service area. Beginning
 161.20 January 15, 2016, and each year thereafter, the commissioner shall consolidate the reports
 161.21 and submit the consolidated report to the legislative committees with jurisdiction over
 161.22 economic development and workforce policy and finance.

51.7 Sec. 16. Minnesota Statutes 2014, section 116L.98, subdivision 1, is amended to read:

51.8 Subdivision 1. **Requirements.** The commissioner shall develop and implement a
 51.9 uniform outcome measurement and reporting system for adult workforce-related programs
 51.10 funded in whole or in part by ~~the workforce development fund~~, state funds. For the purpose
 51.11 of this section, "workforce-related programs" means all education and training programs
 51.12 administered by the commissioner and includes programs and services administered by the
 51.13 commissioner and provided to individuals enrolled in adult basic education under section
 51.14 124D.52, and the Minnesota family investment program under chapter 256J.

51.15 Sec. 17. Minnesota Statutes 2014, section 116L.98, subdivision 3, is amended to read:

51.16 Subd. 3. **Uniform outcome report card; reporting by commissioner.** (a) By
 51.17 December 31 of each even-numbered year, the commissioner must report to the chairs
 51.18 and ranking minority members of the committees of the house of representatives and the
 51.19 senate having jurisdiction over economic development and workforce policy and finance
 51.20 the following information separately for each of the previous two fiscal or calendar years,
 51.21 for each program subject to the requirements of subdivision 1:

51.22 (1) the total number of participants enrolled;

51.23 (2) the median pre-enrollment wages based on participant wages for the second
 51.24 through the fifth calendar quarters immediately preceding the quarter of enrollment
 51.25 excluding those with zero income;

51.26 (3) the total number of participants with zero income in the second through fifth
 51.27 calendar quarters immediately preceding the quarter of enrollment;

51.28 (4) the total number of participants enrolled in training;

51.29 (5) the total number of participants enrolled in training by occupational group;

51.30 (6) the total number of participants that exited the program and the average
 51.31 enrollment duration of participants that have exited the program during the year;

51.32 (7) the total number of exited participants who completed training;

- 51.33 (8) the total number of exited participants who attained a credential;
- 52.1 (9) the total number of participants employed during three consecutive quarters
- 52.2 immediately following the quarter of exit, by industry;
- 52.3 (10) the median wages of participants employed during three consecutive quarters
- 52.4 immediately following the quarter of exit;
- 52.5 (11) the total number of participants employed during eight consecutive quarters
- 52.6 immediately following the quarter of exit, by industry; and
- 52.7 (12) the median wages of participants employed during eight consecutive quarters
- 52.8 immediately following the quarter of exit;
- 52.9 (13) the total cost of the program;
- 52.10 (14) the total cost of the program per participant;
- 52.11 (15) the cost per credential received by a participant; and
- 52.12 (16) the administrative cost of the program.
- 52.13 (b) The report to the legislature must contain participant information by education
- 52.14 level, race and ethnicity, gender, and geography, and a comparison of exited participants
- 52.15 who completed training and those who did not.
- 52.16 (c) The requirements of this section apply to programs administered directly by the
- 52.17 commissioner or administered by other organizations under a grant made by the department.
- 52.18 Sec. 18. Minnesota Statutes 2014, section 116L.98, subdivision 5, is amended to read:
- 52.19 Subd. 5. **Information.** (a) The information collected and reported under
- 52.20 subdivisions 3 and 4 shall be made available on the department's Web site.
- 52.21 (b) The commissioner must provide analysis of the data required under subdivision 3.
- 52.22 (c) The analysis under paragraph (b) must also include an executive summary of
- 52.23 program outcomes, including but not limited to enrollment, training, credentials, pre-
- 52.24 and post-program employment and wages, and a comparison of program outcomes by
- 52.25 participant characteristics.
- 52.26 (d) The data required in the comparative analysis under paragraph (c) must be
- 52.27 presented in both written and graphic format.
- 52.28 Sec. 19. Minnesota Statutes 2014, section 116L.98, subdivision 7, is amended to read:
- 52.29 Subd. 7. **Workforce program net impact analysis.** (a) By January 15, 2015, the
- 52.30 commissioner must report to the committees of the house of representatives and the senate
- 52.31 having jurisdiction over economic development and workforce policy and finance on
- 52.32 the results of the net impact pilot project already underway as of the date of enactment
- 52.33 of this section.

53.1 (b) The commissioner shall contract with an independent entity to conduct an
53.2 ongoing net impact analysis of the programs included in the net impact pilot project under
53.3 paragraph (a), career pathways programs, and any other programs deemed appropriate
53.4 by the commissioner. The net impact methodology used by the independent entity under
53.5 this paragraph must be based on the methodology and evaluation design used in the net
53.6 impact pilot project under paragraph (a).

53.7 (c) By January 15, 2017, and every four years thereafter, the commissioner must
53.8 report to the committees of the house of representatives and the senate having jurisdiction
53.9 over economic development and workforce policy and finance the following information
53.10 for each program subject to paragraph (b):

53.11 (1) the net impact of workforce services on individual employment, earnings, and
53.12 public benefit usage outcomes; and

53.13 (2) a cost-benefit analysis for understanding the monetary impacts of workforce
53.14 services from the participant and taxpayer points of view.

53.15 The report under this paragraph must be made available to the public in an electronic
53.16 format on the Department of Employment and Economic Development's Web site.

53.17 (d) The department is authorized to create and maintain data-sharing agreements
53.18 with other departments, including corrections, human services, and any other department
53.19 that are necessary to complete the analysis. The department shall supply the information
53.20 collected for use by the independent entity conducting net impact analysis pursuant to the
53.21 data practices requirements under chapters 13, 13A, 13B, and 13C.

53.22 Sec. 20. Minnesota Statutes 2014, section 116M.14, is amended by adding a
53.23 subdivision to read:

53.24 Subd. 6. **Low-income person.** "Low-income person" means a person who has an
53.25 annual income, adjusted for family size, of not more than 80 percent of the area median
53.26 family income for the seven-county metropolitan area.

53.27 Sec. 21. Minnesota Statutes 2014, section 116M.18, subdivision 1, is amended to read:

53.28 Subdivision 1. **Eligibility rules.** The board shall make urban challenge grants
53.29 ~~for use in low-income areas~~ for use in the seven-county metropolitan area to nonprofit
53.30 corporations to encourage private investment, to provide jobs for minority persons and
53.31 others in low-income areas, to create and strengthen minority and low-income persons'
53.32 business enterprises, and to promote economic development in a low-income area. The
53.33 board shall adopt rules to establish criteria for determining loan eligibility.

54.1 Sec. 22. Minnesota Statutes 2014, section 116M.18, subdivision 2, is amended to read:

54.2 Subd. 2. **Challenge grant eligibility; nonprofit corporation.** The board may enter
54.3 into agreements with nonprofit corporations to fund and guarantee loans the nonprofit
54.4 corporation makes in low-income areas under subdivision 4 and to low-income persons. A
54.5 corporation must demonstrate that:

54.6 (1) its board of directors includes citizens experienced in development, minority
54.7 business enterprises, and creating jobs in low-income areas;

54.8 (2) it has the technical skills to analyze projects;

54.9 (3) it is familiar with other available public and private funding sources and
54.10 economic development programs;

54.11 (4) it can initiate and implement economic development projects;

54.12 (5) it can establish and administer a revolving loan account; and

54.13 (6) it can work with job referral networks which assist minority and other persons in
54.14 low-income areas.

54.15 Sec. 23. Minnesota Statutes 2014, section 116M.18, subdivision 3, is amended to read:

54.16 Subd. 3. **Revolving loan fund.** (a) The board shall establish a revolving loan fund to
54.17 make grants to nonprofit corporations for the purpose of making loans and loan guarantees
54.18 to new and expanding businesses in a low-income area, and to low-income persons to
54.19 promote ~~minority~~ business enterprises and job creation for minority and ~~other persons in~~
54.20 ~~low-income areas~~ low-income persons throughout the seven-county metropolitan area.

54.21 (b) Eligible business enterprises include, but are not limited to, technologically
54.22 innovative industries, value-added manufacturing, and information industries. Loan
54.23 applications given preliminary approval by the nonprofit corporation must be forwarded to
54.24 the board for approval. The commissioner must give final approval for each loan or loan
54.25 guarantee made by the nonprofit corporation. The amount of the state funds contributed to
54.26 any loan or loan guarantee may not exceed 50 percent of each loan.

54.27 Sec. 24. Minnesota Statutes 2014, section 116M.18, subdivision 4, is amended to read:

54.28 Subd. 4. **Business loan criteria.** (a) The criteria in this subdivision apply to loans
54.29 made or guaranteed by nonprofit corporations under the urban challenge grant program.

54.30 (b) Loans or guarantees must be made to businesses that are not likely to undertake
54.31 a project for which loans are sought without assistance from the urban challenge grant
54.32 program.

55.1 ~~(e) A loan or guarantee must be used for a project designed to benefit persons in~~
55.2 ~~low-income areas through the creation of job or business opportunities for them. Priority~~
55.3 ~~must be given for loans to the lowest income areas.~~

55.4 ~~(d)~~ (c) The minimum state contribution to a loan or guarantee is \$5,000 and the
55.5 maximum is \$150,000.

55.6 ~~(e)~~ (d) The state contribution must be matched by at least an equal amount of new
55.7 private investment.

55.8 ~~(f)~~ (e) A loan may not be used for a retail development project.

55.9 ~~(g)~~ (f) The business must agree to work with job referral networks that focus on
55.10 minority applicants from low-income areas.

55.11 Sec. 25. Minnesota Statutes 2014, section 116M.18, subdivision 8, is amended to read:

55.12 Subd. 8. **Reporting requirements.** A nonprofit corporation that receives a

55.13 challenge grant shall:

55.14 (1) submit an annual report to the board by September 30 of each year that includes a
55.15 description of projects supported by the urban challenge grant program, an account of loans
55.16 made during the calendar year, the program's impact on minority business enterprises and
55.17 job creation for minority persons and low-income persons ~~in low-income areas~~, the source
55.18 and amount of money collected and distributed by the urban challenge grant program, the
55.19 program's assets and liabilities, and an explanation of administrative expenses; and

55.20 (2) provide for an independent annual audit to be performed in accordance with

55.21 generally accepted accounting practices and auditing standards and submit a copy of each

55.22 annual audit report to the board.

161.23 Sec. 8. **[116U.27] MINNESOTA FILM AND TV BOARD; REPORTING**

161.24 **REQUIREMENTS.**

161.25 (a) The Minnesota Film and TV Board, in consultation with the Department
161.26 of Employment and Economic Development, shall develop grant agreements that
161.27 include clear board duties and measurable goals, as well as eligibility criteria. The grant
161.28 agreements developed must be submitted to the chairs and ranking minority members of
161.29 the senate and house of representatives committees having jurisdiction over employment
161.30 and economic development policy and finance by September 15, 2015.

161.31 (b) On or before July 15, 2015, and annually thereafter in any year that grant
161.32 funds are available to the Minnesota Film and TV Board, the board shall provide a full
161.33 accounting of its activities and achievements related to state grant funds to the chairs and
161.34 ranking minority members of the senate and house of representatives committees having
161.35 jurisdiction over employment and economic development policy and finance.

55.23 Sec. 26. Minnesota Statutes 2014, section 268A.01, subdivision 6, is amended to read:

55.24 Subd. 6. **Community rehabilitation facility provider.** "Community rehabilitation
55.25 ~~facility provider~~" means an entity which meets the definition of community rehabilitation
55.26 program in the federal Rehabilitation Act of 1973, as amended. However, for the
55.27 purposes of sections 268A.03, clause (1), 268A.06, 268A.085, and 268A.15, community
55.28 rehabilitation facility provider means an a nonprofit or public entity which is operated for
55.29 the primary purpose of providing or facilitating employment for persons with a severe
55.30 disability that provides at least one extended employment subprogram for persons with
55.31 the most significant disabilities.

55.32 **EFFECTIVE DATE.** This section is effective July 1, 2015.

55.33 Sec. 27. Minnesota Statutes 2014, section 268A.01, subdivision 10, is amended to read:

56.1 Subd. 10. **Extended employment program.** "Extended employment program"
56.2 means ~~the center-based~~ noncompetitive employment and supported employment
56.3 subprograms.

56.4 Sec. 28. Minnesota Statutes 2014, section 268A.01, is amended by adding a
56.5 subdivision to read:

56.6 Subd. 15. **Noncompetitive employment.** "Noncompetitive employment" means
56.7 paid work:

56.8 (1) that is performed on a full-time or part-time basis, including self-employment,
56.9 for which the person is compensated at a rate that is less than the higher rate specified in
56.10 the Fair Labor Standards Act of 1938, United States Code, title 29, section 206, subsection
56.11 (a)(1), or the rate specified in the applicable state or local minimum wage law; and

56.12 (2)(i) for which the person is paid less than the customary rate paid by the employer
56.13 for the same or similar work performed by other nondisabled employees who are similarly
56.14 situated in similar occupations by the same employer and who have similar training,
56.15 experience, and skills; or

56.16 (ii) which is performed at a location where the employee does not interact with
56.17 nondisabled persons, not including supervisory personnel or persons who are providing
56.18 services to the employee, to the same extent that nondisabled persons who are in
56.19 comparable positions interact with other persons.

56.20 Sec. 29. Minnesota Statutes 2014, section 268A.03, is amended to read:

56.21 **268A.03 POWERS AND DUTIES.**

56.22 The commissioner shall:

56.23 (1) certify the community rehabilitation facilities providers to offer extended
56.24 employment programs, grant funds to the extended employment programs, and perform
56.25 the duties as specified in section 268A.15;

56.26 (2) provide vocational rehabilitation services to persons with disabilities in
56.27 accordance with the federal Rehabilitation Act of 1973, Public Law 93-112, as amended.
56.28 Persons with a disability are entitled to free choice of vendor for any medical, dental,
56.29 prosthetic, or orthotic services provided under this paragraph;

56.30 (3) expend funds and provide technical assistance for the establishment,
56.31 improvement, maintenance, or extension of public and other nonprofit rehabilitation
56.32 facilities or centers;

56.33 (4) maintain a contractual or regulatory relationship with the United States as
56.34 authorized by the Social Security Act, as amended. Under this relationship, the state will
57.1 undertake to make determinations referred to in those public laws with respect to all
57.2 individuals in Minnesota, or with respect to a class or classes of individuals in this state that
57.3 is designated in the agreement at the state's request. It is the purpose of this relationship to
57.4 permit the citizens of this state to obtain all benefits available under federal law;

57.5 (5) provide an in-service training program for rehabilitation services employees by
57.6 paying for its direct costs with state and federal funds;

57.7 (6) conduct research and demonstration projects; provide training and instruction,
57.8 including establishment and maintenance of research fellowships and traineeships, along
57.9 with all necessary stipends and allowances; disseminate information to persons with a
57.10 disability and the general public; and provide technical assistance relating to vocational
57.11 rehabilitation and independent living;

57.12 (7) receive and disburse pursuant to law money and gifts available from
57.13 governmental and private sources including, but not limited to, the federal Department
57.14 of Education and the Social Security Administration, for the purpose of vocational
57.15 rehabilitation or independent living;

57.16 (8) design all state plans for vocational rehabilitation or independent living services
57.17 required as a condition to the receipt and disbursement of any money available from
57.18 the federal government;

57.19 (9) cooperate with other public or private agencies or organizations for the purpose
57.20 of vocational rehabilitation or independent living. Money received from school districts,
57.21 governmental subdivisions, mental health centers or boards, and private nonprofit
57.22 organizations is appropriated to the commissioner for conducting joint or cooperative
57.23 vocational rehabilitation or independent living programs;

57.24 (10) enter into contractual arrangements with instrumentalities of federal, state, or
57.25 local government and with private individuals, organizations, agencies, or facilities with
57.26 respect to providing vocational rehabilitation or independent living services;

57.27 (11) take other actions required by state and federal legislation relating to vocational
57.28 rehabilitation, independent living, and disability determination programs;

57.29 (12) hire staff and arrange services and facilities necessary to perform the duties
57.30 and powers specified in this section; and

57.31 (13) adopt, amend, suspend, or repeal rules necessary to implement or make
57.32 specific programs that the commissioner by sections 268A.01 to 268A.15 is empowered
57.33 to administer.

171.13 Sec. 24. **[268A.031] COMMISSIONER AND EMPLOYEES NOT SUBJECT**
171.14 **TO SUBPOENA.**

171.15 The commissioner and employees of the department shall not be subject to subpoena
171.16 for purposes of providing testimony regarding any client served under this chapter.

57.34 Sec. 30. Minnesota Statutes 2014, section 268A.06, is amended to read:

57.35 **268A.06 COMMUNITY REHABILITATION FACILITIES PROVIDERS.**

58.1 Subdivision 1. **Application.** Any city, town, county, nonprofit corporation,
58.2 ~~regional treatment center~~, or any combination thereof, may apply to the commissioner for
58.3 assistance in establishing or operating a ~~community rehabilitation facility~~ an extended
58.4 employment program. Application for assistance must be on forms prescribed by the
58.5 commissioner. ~~An applicant is not eligible for a grant under this section unless its audited~~
58.6 ~~financial statements of the prior fiscal year have been approved by the commissioner.~~

58.7 Subd. 2. **Funding.** In order to provide the necessary funds for extended employment
58.8 programs offered by a community rehabilitation facility provider, the governing body of
58.9 any city, town, or county may expend money which may be available for such purposes in
58.10 the general fund, and may levy a tax on the taxable property in the city, town, or county. Any
58.11 city, town, county, or nonprofit corporation may accept gifts or grants from any source for
58.12 the ~~rehabilitation facility~~ extended employment program. Any money appropriated, taxed,
58.13 or received as a gift or grant may be used to match funds available on a matching basis.

58.14 Sec. 31. Minnesota Statutes 2014, section 268A.07, is amended to read:

58.15 **268A.07 REQUIREMENTS FOR CERTIFICATION.**

58.16 Subdivision 1. **Benefits.** A community rehabilitation facility provider must, as
58.17 a condition for receiving program certification, provide employees in ~~center-based~~
58.18 noncompetitive employment with personnel benefits prescribed in rules adopted by the
58.19 commissioner of the ~~Department~~ of employment and economic development.

58.20 Subd. 2. **Grievance procedure.** A community rehabilitation facility provider must,
58.21 as a condition for receiving program certification, provide to employees in ~~center-based~~
58.22 noncompetitive employment subprograms, a grievance procedure which has as its final
58.23 step provisions for final and binding arbitration.

58.24 Sec. 32. Minnesota Statutes 2014, section 268A.085, is amended to read:

58.25 **268A.085 COMMUNITY REHABILITATION FACILITY PROVIDER**

58.26 **GOVERNING BOARDS.**

58.27 Subdivision 1. **Appointment; membership.** Every city, town, county, nonprofit
 58.28 corporation, or combination thereof establishing a ~~rehabilitation facility~~ an extended
 58.29 employment program shall appoint a ~~rehabilitation facility~~ governing board of no fewer
 58.30 than seven voting members before becoming eligible for the assistance provided by
 58.31 sections 268A.06 to 268A.15. When any city, town, or county singly establishes ~~such a~~
 58.32 ~~rehabilitation facility~~ an extended employment program, the governing board shall be
 58.33 appointed by the chief executive officer of the city or the chair of the governing board
 58.34 of the county or town. When any combination of cities, towns, counties, or nonprofit
 59.1 corporations establishes a ~~rehabilitation facility~~ an extended employment program, the
 59.2 chief executive officers of the cities, nonprofit corporations, and the chairs of the governing
 59.3 bodies of the counties or towns shall appoint the board. If a nonprofit corporation singly
 59.4 establishes a ~~rehabilitation facility~~ an extended employment program, the corporation
 59.5 shall appoint the board of directors. Membership on a board shall be representative of
 59.6 the community served and shall include a person with a disability. If a county establishes
 59.7 an extended employment program and manages the program with county employees, the
 59.8 governing board shall be the county board of commissioners, and other provisions of this
 59.9 chapter pertaining to membership on the governing board do not apply.

59.10 Subd. 2. **Duties.** Subject to the provisions of sections 268A.06 to 268A.15 and the
 59.11 rules of the department, each ~~rehabilitation facility~~ governing board shall:

59.12 (1) review and evaluate the need for extended employment programs ~~offered by the~~
 59.13 ~~rehabilitation facility~~ provided under sections 268A.06 to 268A.15;

59.14 (2) recruit and promote local financial support for extended employment programs
 59.15 from private sources including: the United Way; business, industrial, and private
 59.16 foundations; voluntary agencies; and other lawful sources, and promote public support
 59.17 for municipal and county appropriations;

59.18 (3) promote, arrange, and implement working agreements with other educational
 59.19 and social service agencies, both public and private, and any other allied agencies; and

59.20 (4) when an extended employment program ~~offered by the rehabilitation facility~~ is
 59.21 certified, act as the its administrator of the ~~rehabilitation facility and its programs~~ for
 59.22 purposes of this chapter.

59.23 Sec. 33. Minnesota Statutes 2014, section 268A.15, subdivision 3, is amended to read:

59.24 Subd. 3. **Rule authority.** The commissioner shall adopt rules on an individual's
59.25 eligibility for the extended employment program, the certification of community
59.26 rehabilitation facilities providers, and the methods, criteria, and units of distribution for
59.27 the allocation of state grant funds to certified ~~rehabilitation facilities~~ extended employment
59.28 program providers. In determining the allocation, the commissioner must consider the
59.29 economic conditions of the community and the performance of community rehabilitation
59.30 facilities providers relative to their impact on the economic status of workers in the
59.31 extended employment program.

59.32 Sec. 34. Minnesota Statutes 2014, section 469.049, is amended to read:
59.33 **469.049 ESTABLISHMENT; CHARACTERISTICS.**

60.1 Subdivision 1. **Saint Paul, Duluth; establishment.** The Port Authority of Saint
60.2 Paul and the seaway port authority of Duluth are established. The Seaway Port Authority
60.3 of Duluth may also be known as the Duluth Seaway Port Authority. The Port Authority of
60.4 Saint Paul may also be known as the Saint Paul Port Authority, and the Saint Paul Port
60.5 Authority may file one or more certificates of assumed name with the secretary of state, as
60.6 provided in sections 333.01 to 333.065.

60.7 Subd. 2. **Public body characteristics.** A port authority is a body politic and
60.8 corporate with the right to sue and be sued in its own name.

60.9 A port authority is a governmental subdivision under section 282.01 and a political
60.10 subdivision.

60.11 A port authority carries out an essential governmental function of the state when it
60.12 exercises its power, but the authority is not immune from liability because of this.

60.13 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day
60.14 following timely compliance of the governing body of the Port Authority of Saint Paul, and
60.15 its chief clerical officer, with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

60.16 Sec. 35. Minnesota Statutes 2014, section 469.050, subdivision 4, is amended to read:

60.17 Subd. 4. **Term, vacancies.** (a) The first commissioners of a three-member
60.18 commission are appointed for initial terms as follows: one for two years; one for four
60.19 years; and one for six years. The first commissioners of a seven-member commission are
60.20 appointed for initial terms as follows: one member for a term of one, two, three, four, and
60.21 five years, respectively, and two members for terms of six years. For subsequent terms,
60.22 the term is six years. A vacancy is created in Saint Paul when a city council member of the
60.23 authority ends council membership and in Duluth when a county board member of the
60.24 authority ends county board membership. A vacancy on any port authority must be filled
60.25 by the appointing authority for the balance of the term subject to the same approval and
60.26 consent, if any, required for an appointment for a full term. For Duluth, if the governor
60.27 or the county board fails to make a required appointment within 60 days after a vacancy
60.28 occurs, the city council has sole power to appoint a successor.

60.29 (b) The term of each commissioner of the Saint Paul Port Authority begins August 1
60.30 of the year in which the commissioner is appointed and ends July 31 of the sixth year.
60.31 Notwithstanding the end of a term of appointment, a commissioner shall serve until
60.32 reappointed or a new commissioner has been appointed and taken office.

61.1 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day
61.2 following timely compliance of the governing body of the Port Authority of Saint Paul, and
61.3 its chief clerical officer, with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

61.4 Sec. 36. Minnesota Statutes 2014, section 469.084, subdivision 3, is amended to read:

61.5 Subd. 3. **Consent for city land.** The port authority must not take lands owned,
61.6 controlled, or used by the city of St. Paul without consent of the city council, or owned,
61.7 controlled, or used by Ramsey County without consent of the county board.

61.8 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day
61.9 following timely compliance of the governing body of the Port Authority of Saint Paul, and
61.10 its chief clerical officer, with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

61.11 Sec. 37. Minnesota Statutes 2014, section 469.084, subdivision 4, is amended to read:

61.12 Subd. 4. **Port jurisdiction.** For all other recreation purposes the port authority has
61.13 jurisdiction over the use of all the navigable rivers or lakes and all the parks and recreation
61.14 facilities abutting the rivers and lakes within its port district.

61.15 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day
61.16 following timely compliance of the governing body of the Port Authority of Saint Paul, and
61.17 its chief clerical officer, with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

61.18 Sec. 38. Minnesota Statutes 2014, section 469.084, subdivision 8, is amended to read:

61.19 Subd. 8. **Relation to industrial development provisions.** Notwithstanding any
61.20 law to the contrary, the port authority of the city of St. Paul, under sections 469.048 to
61.21 469.068 and this section, may do what a redevelopment agency may do or must do under
61.22 sections 469.152 to 469.165 to further any of the purposes of sections 469.048 to 469.068
61.23 and subdivisions 1 to 8. The port authority may use its powers and duties under sections
61.24 469.048 to 469.068 and subdivisions 1 to 8 to further the purposes of sections 469.152
61.25 to 469.165. The powers and duties in subdivisions 1 to 8 are in addition to the powers
61.26 and duties of the port authority under sections 469.048 to 469.068, and under sections
61.27 469.152 to 469.165. The port authority may use its powers for industrial development or
61.28 to establish industrial development districts. If the term "industrial" is used in relation to
61.29 industrial development purposes under sections 469.048 to 469.068, the term includes
61.30 "economic" and "economic development." The port authority may work with and provide
61.31 services to any federal or state agency, county, city, or other governmental unit or agency
61.32 with the written consent of that agency or governmental unit.

62.1 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day
62.2 following timely compliance of the governing body of the Port Authority of Saint Paul, and
62.3 its chief clerical officer, with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

62.4 Sec. 39. Minnesota Statutes 2014, section 469.084, subdivision 9, is amended to read:

62.5 Subd. 9. **May join in supplying small business capital.** Notwithstanding any
62.6 contrary law, the port authority of the city of St. Paul may participate with public or
62.7 private corporations or other entities, whose purpose is to provide venture capital to small
62.8 businesses that have facilities located or to be located in the port district. For that purpose
62.9 the port authority may use not more than ten percent of available annual net income
62.10 or \$400,000 annually, whichever is less, to acquire or invest in securities of, and enter
62.11 into financing arrangements and related agreements with, the corporations or entities.
62.12 The participation by the port authority must not exceed in any year 25 percent of the
62.13 total amount of funds provided for venture capital purposes by all of the participants.
62.14 The corporation or entity shall report in writing each month to the commissioners of the
62.15 port authority all investment and other action taken by it since the last report. Funds
62.16 contributed to the corporation or entity must be invested pro rata with each contributor of
62.17 capital taking proportional risks on each investment. As used in this subdivision, the term
62.18 "small business" has the meaning given it in section 645.445, subdivision 2.

62.19 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day
62.20 following timely compliance of the governing body of the Port Authority of Saint Paul, and
62.21 its chief clerical officer, with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

62.22 Sec. 40. Minnesota Statutes 2014, section 469.084, subdivision 10, is amended to read:

62.23 Subd. 10. **Recreation facilities on Mississippi River.** The port authority of the
62.24 ~~city of Saint Paul~~ has jurisdiction over the use of the Mississippi River for recreation
62.25 purposes within its port district and may acquire and may spend port authority money for
62.26 lands abutting the river within the port district to construct, operate directly, by lease or
62.27 otherwise, and maintain recreation facilities. The authority shall establish rules on the
62.28 use of the river and abutting lands, either individually, or in cooperation with the federal
62.29 government or its agencies, Ramsey County, the city of Saint Paul, the state, or a state
62.30 agency, or political subdivision.

62.31 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day
62.32 following timely compliance of the governing body of the Port Authority of Saint Paul, and
62.33 its chief clerical officer, with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

63.1 Sec. 41. Minnesota Statutes 2014, section 469.084, subdivision 14, is amended to read:

63.2 Subd. 14. **Bond for treasurer and assistant treasurer.** The treasurer and assistant
63.3 treasurer of the port authority of the ~~city of Saint Paul~~ shall give bond to the state in sums
63.4 not to exceed \$25,000 and \$10,000 respectively. The bonds must be conditioned for the
63.5 faithful discharge of their duties. The bonds must be approved as to both form and surety
63.6 by the port authority and must be filed with its secretary. The amount of the bonds must be
63.7 set at least annually by the port authority.

63.8 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day
63.9 following timely compliance of the governing body of the Port Authority of Saint Paul, and
63.10 its chief clerical officer, with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

63.11 Sec. 42. **SKILLED MANUFACTURING REPORT.**

63.12 The commissioner shall coordinate and monitor customized training programs for
63.13 skilled manufacturing industries at participating MnSCU institutions. By January 15,
63.14 2017, the commissioner, in conjunction with each participating MnSCU institution, shall
63.15 report to the standing committees of the house of representatives and the senate having
63.16 jurisdiction over employment and workforce development. The report must address the
63.17 progress and success of the implementation of a customized training program for skilled
63.18 manufacturing industries at each participating MnSCU institution. The report must
63.19 give recommendations on where a skilled manufacturing customized training program
63.20 should next be implemented, taking into consideration all current and potential skilled
63.21 manufacturing training providers available.

63.22 Sec. 43. **DIRECTION TO COMMISSIONER; LONG-TERM CARE**
63.23 **WORKFORCE DEVELOPMENT.**

63.24 The commissioner of employment and economic development, in consultation
 63.25 with the commissioner of health, shall review existing workforce development programs
 63.26 in order to further the advancement of long-term care careers in rural Minnesota. The
 63.27 commissioner shall report recommendations regarding training, retaining, and connecting
 63.28 employees to long-term care facilities in rural Minnesota to the chairs and ranking
 63.29 minority members of the legislative committees with jurisdiction over long-term care and
 63.30 workforce development by February 1, 2016.

63.31 Sec. 44. **REPEALER.**

63.32 Minnesota Statutes 2014, sections 116U.26; and 469.084, subdivisions 11 and 12,
 63.33 are repealed.

172.7 Sec. 26. Laws 2014, chapter 308, article 6, section 14, subdivision 5, is amended to read:

172.8 Subd. 5. **Allocation.** The amount of a grant may not exceed the lesser of \$400,000

172.9 \$1,000,000 or ten 25 percent of the rental housing development project cost. The

172.10 commissioner shall not award a grant to a city without certification by the city that the

172.11 amount of the grant shall be matched by a local unit of government, business, or nonprofit

172.12 organization with \$1 for every \$2 provided in grant funds.

172.13 Sec. 27. **MECHANISMS AND COSTS; MINNESOTA PAID FAMILY AND**

172.14 **MEDICAL LEAVE PROGRAM.**

172.15 The Department of Employment and Economic Development, in collaboration with

172.16 the Departments of Labor and Industry and Health and Human Services, shall report on

172.17 the most efficient and effective mechanisms that would provide partial wage replacement

172.18 for workers taking parental, family, or medical leave.

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

173.1 Sec. 29. **DAY TRAINING AND HABILITATION GRANT PROGRAM.**

173.2 Subdivision 1. **Establishment.** The commissioner of employment and economic

173.3 development shall establish a day training and habilitation grant program in fulfillment

173.4 of the Olmstead Plan purpose of ensuring that people with disabilities have choices for

173.5 competitive, meaningful, and sustained employment in the most integrated setting.

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

173.7 have the meanings given them.

173.8 (b) "Day training and habilitation providers" means those organizations whose
173.9 names are listed as Department of Human Services providers in the Minnesota Department
173.10 of Administration, Materials Management Division, ALP Manual, Appendix J, without
173.11 regard to whether they are listed as approved vendors with the Minnesota Department
173.12 of Employment and Economic Development, Division of Rehabilitation Services as a
173.13 community rehabilitation provider, limited-use vendor, or center for independent living,
173.14 and irrespective as to whether they are accredited by CARF International.

173.15 (c) "Competitive employment" means full-time or part-time employment, with or
173.16 without support, in an integrated setting in the community that pays at least minimum
173.17 wage, as defined by the Fair Labor Standards Act, but not less than the customary wage
173.18 and level of benefits paid by the employer for the same or similar work performed by
173.19 workers without a disability.

173.20 (d) "Olmstead Plan" means Minnesota's 2013 Olmstead Plan, dated November 1,
173.21 2013, and all subsequent modifications approved by the United States District Court.

173.22 Subd. 3. **Competitive process.** The commissioner shall issue a request for proposals
173.23 to day training and habilitation providers seeking proposals to assist the Department
173.24 of Employment and Economic Development in achieving its goals as provided in the
173.25 Olmstead Plan. Grant funds shall be used to improve individual employment outcomes
173.26 by aligning programs, funding, and policies to support people with disabilities to choose,
173.27 secure, and maintain competitive employment and self-employment, including, but not
173.28 limited to, the following activities:

173.29 (1) implementing policies and initiating processes that improve the employment
173.30 outcomes of working adults with disabilities;

173.31 (2) offering incentives for innovation that increase competitive employment in
173.32 the general work force;

173.33 (3) expanding the flexibility in current funding and services to increase competitive
173.34 employment outcomes;

173.35 (4) providing evidence of partnerships with private sector businesses and public
173.36 sector employment; and

174.1 (5) submitting outcome data, required by the department, according to the
174.2 stipulations of the Olmstead Plan.

174.3 Subd. 4. **Eligibility.** Any person who has a disability as determined by the Social
174.4 Security Administration or state medical review team is eligible to receive services
174.5 provided with grant funds.

174.6 Subd. 5. **Consultation required.** The commissioner shall consult with the
174.7 governor's Workforce Development Council, the Commission of Deaf, DeafBlind, and
174.8 Hard-of-Hearing Minnesotans, the governor's Council on Developmental Disabilities, and
174.9 other governor-appointed disability councils in designing, implementing, and evaluating
174.10 the competitive grant program.

174.11 Subd. 6. **Report.** On or before February 1, 2016, and annually thereafter, the
174.12 commissioner shall report to the chairs and ranking minority members of the senate and
174.13 house of representatives committees having jurisdiction over employment and economic
174.14 development policy and finance on the amount of funds awarded and the outcomes
174.15 reported by grantees.

174.16 Sec. 30. **"GETTING TO WORK" GRANT PROGRAM.**

174.17 Subdivision 1. **Creation.** The commissioner of employment and economic
174.18 development shall make grants to nonprofit organizations to establish and operate
174.19 programs under this section that provide, repair, or maintain motor vehicles to assist
174.20 eligible individuals to obtain or maintain employment.

174.21 Subd. 2. **Qualified grantee.** A grantee must:

174.22 (1) qualify under section 501(c)(3) of the Internal Revenue Code; and

174.23 (2) at the time of application offer, or have the demonstrated capacity to offer, a
174.24 motor vehicle program that provides the services required under subdivision 3.

174.25 Subd. 3. **Program requirements.** (a) A program must offer one or more of the
174.26 following services:

174.27 (1) provision of new or used motor vehicles by gift, sale, or lease;

174.28 (2) motor vehicle repair and maintenance services; or

174.29 (3) motor vehicle loans.

174.30 (b) In addition to the requirements of paragraph (a), a program must offer one or
174.31 more of the following services:

174.32 (1) financial literacy education;

174.33 (2) education on budgeting for vehicle ownership;

174.34 (3) car maintenance and repair instruction;

175.1 (4) credit counseling; or

175.2 (5) job training related to motor vehicle maintenance and repair.

175.3 (c) A program may also offer other transportation-related support services.

175.4 Subd. 4. **Application.** Applications for a grant must be by a form provided by the
175.5 commissioner and on a schedule set by the commissioner. Applications must, in addition
175.6 to any other information required by the commissioner, include the following:

175.7 (1) a detailed description of all services to be offered;

175.8 (2) the area to be served;

175.9 (3) the estimated number of program participants to be served by the grant; and

175.10 (4) a plan for leveraging resources from partners that may include, but are not

175.11 limited to:

175.12 (i) automobile dealers;

175.13 (ii) automobile parts dealers;

175.14 (iii) independent local mechanics and automobile repair facilities;

175.15 (iv) banks and credit unions;

175.16 (v) employers;

175.17 (vi) employment and training agencies;

175.18 (vii) insurance companies and agents;

175.19 (viii) local workforce centers; and

175.20 (ix) educational institutions including vocational institutions and jobs or skills

175.21 training programs.

175.22 Subd. 5. **Participant eligibility.** (a) To be eligible to receive program services,

175.23 a person must:

175.24 (1) have a household income at or below 200 percent of the federal poverty level;

175.25 (2) be at least 18 years of age;

175.26 (3) have a valid driver's license;

175.27 (4) provide the grantee with proof of motor vehicle insurance; and

175.28 (5) demonstrate to the grantee that a motor vehicle is required by the person to

175.29 obtain or maintain employment.

175.30 (b) This subdivision does not preclude a grantee from imposing additional

175.31 requirements, not inconsistent with paragraph (a), for the receipt of program services.

175.32 Subd. 6. **Allocation of grants.** The commissioner shall allocate grants to up to 15

175.33 grantees so that, to the extent feasible, program services are available in every county of

175.34 the state.

176.1 Subd. 7. **Report to legislature.** By February 15, 2017, the commissioner shall
176.2 submit a report to the chairs of the house of representatives and senate committees with
176.3 jurisdiction over workforce and economic development on program outcomes. At a
176.4 minimum, the report must include:

176.5 (1) the total number of program participants;

176.6 (2) the number of program participants who received each of the following:

176.7 (i) provision of a motor vehicle;

176.8 (ii) motor vehicle repair services; and

176.9 (iii) motor vehicle loan; and

176.10 (3) an analysis of the impact of the "Getting to Work" grant program on the
176.11 employment rate and wages of program participants.