

Letters and Handouts for HF 2441 (Pinto)



May 5, 2025

Re: HF2440 (Pinto) Omnibus Workforce, Labor and Economic Development Bill

Dear Chair Baker, Chair Pinto and Members of the Workforce, Labor and Economic Development Finance & Policy Committee,

On behalf of the League of Minnesota Cities, Association of Minnesota Counties, Minnesota Inter-County Association, Minnesota Association of Townships, and the Minnesota School Boards Association, thank you for the opportunity to provide feedback on HF2440, the Omnibus Workforce, Labor and Economic Development bill.

Throughout this legislative session, the committee has had numerous meaningful conversations on the new Earned Sick and Safe Time and Minnesota Paid Leave programs and their impacts on both employees and employers throughout the state. We have appreciated the opportunity to provide public employer perspectives on both of these significant laws in the hopes of forwarding reasonable changes that reflect logistical, administrative, and cost concerns of local governments, and that have bipartisan support. While those changes are not reflected in this current bill, we are hopeful these conversations will continue throughout session and are eager to be of assistance.

We reiterate the following positions that cities and counties would like to see the Minnesota Paid Leave program administratively improved by:

- Clarifying that the premium payment between the employer and employee be a clearly defined split as fifty percent paid by the employer and 50 percent paid by the employee.
- Clarifying that Minnesota Paid Leave may not be used consecutively with other state leave programs, such as the Pregnancy and Parental Leave.
- Exempting elected officials from qualifying for the program.
- Implementing an exemption for certain short-term positions like election judges by requiring an employee to work at least 80 total hours to qualify for the program.

As it relates to Earned Sick and Safe time, we also encourage the committee to consider important and helpful changes made to statute by removing the “Effect on More Generous Sick Leave” section (Minn. Stat. §181.9448), eliminating the requirement on public employers to negotiate usage of ESST during a critical weather event, and expanding the definition of a seasonal employee.

Thank you, Chair Baker, Chair Pinto, and committee members, for your continued consideration of the position of public employers as it relates to changes to these important state leave mandates.

Sincerely,



Owen Wirth
League of Minnesota Cities



Matt Hilgart
Association of Minnesota Counties



Nathan Jesson
Minnesota Inter-County Association



Kim Lewis
Minnesota School Boards Association



Graham Berg-Moberg
Minnesota Association of Townships

Chair Dave Pinto

Workforce, Labor, and Economic Development Finance and Policy Committee
5th Floor
Centennial Office Building
St. Paul, MN 55155

Chair Dave Baker

Workforce, Labor, and Economic Development Finance and Policy Committee
2nd Floor
Centennial Office Building
St. Paul, MN 55155

May 6, 2025

Dear Chair Pinto and Chair Baker,

On behalf of the Department of Employment and Economic Development (DEED), I am writing to provide feedback on the House Workforce, Labor, and Economic Development Committee omnibus bill.

I want to extend my gratitude to the members of the House Workforce, Labor, and Economic Development Committee for their work in crafting a budget omnibus bill.

Governor Walz and Lieutenant Governor Flanagan proposed a reasonable and measured budget that includes responsible reductions to help address the projected budgetary imbalance, coupled with targeted investments to help address the state's key challenges.

Thank you for including several important provisions that will support DEED in its mission to empower the growth of the Minnesota economy, for everyone. Those include:

- Modifications to the Minnesota Forward Fund, which will catalyze large-scale business expansion projects.
- Technical corrections, which will ensure existing appropriations and programs function as the legislature intended.
- Updates to the Minnesota Job Skills Partnership statute, helping higher education institutions deliver impactful training services.
- Alignment of the State Services for the Blind statute with federal statute, which will ensure consistency.
- Preservation of key childcare programming, which will help to address the childcare shortage crisis felt across the state.

That said, we look forward to continuing to work together to find ways to include critical investments in programs that help continue Minnesota's economic growth and address our statewide workforce shortage. These include:

- The operating adjustment at \$2.274 million in FY26-27 and \$3.044 million in FY28-29 so DEED can continue providing high quality services and program oversight.
- Increases to Vocational Rehabilitation Services at \$5 million each year in FY26-27 and FY28-29 from the Workforce Development Fund. Additional funding is necessary to safeguard essential services that help people with disabilities to pursue satisfying employment and independent living.
- The Service to Success Initiative at \$6 million in FY26-27 and \$1 million in FY28-29, which will help promote public service opportunities and develop career pathways for participants in high-wage, high-demand sectors upon completion of their public service.
- The Drive for 5 Workforce Initiative at \$8 million each year in FY26-27, providing training for workers in five of Minnesota's most in-demand sectors while also connecting employers to new trainees.

We respect that the committee had a difficult budget target to meet. However, **gutting economic development programs will have a devastating impact on Minnesota's economic future.** The Job Creation Fund ("JCF") and Minnesota Investment Fund ("MIF") are Minnesota's core business expansion programs. These programs are essential in driving business expansions that create and retain high wage jobs, resulting in an increased tax base for communities statewide.

Since 2020, **JCF has leveraged \$2.44 billion in capital investment** with only \$38 million in State-funded awards; a return on investment of \$64 for every State dollar. Since 2020, **MIF has leveraged \$1.98 billion in capital investment, created 4,675 jobs, and retained 1,390 jobs.** MIF has accomplished this massive impact with only \$59.4 million in State-funded awards. MIF's return on investment is \$33.32 for every State dollar invested. Awardees for these programs are held accountable and they must repay funds when they do not meet the outcomes they agreed to.

Eliminating JCF and MIF to meet the short-term budget reduction needs will be far outweighed by the long-term loss of economic growth opportunity in Minnesota.

To address the state's budgetary challenges, the Governor proposes the following reductions to DEED programs over the next two biennia:

- Greater Minnesota Business Development Public Infrastructure - \$2,287,000/yr
- Host Community Economic Development Grant Program - \$750,000/yr
- Emerging Entrepreneur Loan Program - \$500,000/yr

- Small Business Assistance Partnership Program – \$1,000,000/yr
- Pathways to Prosperity Grant Program - \$1,000,000/yr
- Individual Placement and Supports - \$1,000,000/yr
- Job Creation Fund - \$3,000,000 FY26; \$3,232,000 FY 27; \$2,400,000/yr FY28-29
- Contaminated Site Cleanup - \$750,000/yr
- Redevelopment Grant Program - \$1,000,000/yr

In closing, I would again like to thank Chair Pinto, Chair Baker, Vice Chair Greenman, Vice Chair Mekeland, and the entire committee for your support and partnership.

Please do not hesitate to contact me or Director of Government Relations, Deven Bowdry (deven.bowdry@state.mn.us) with any questions.

With warm regards,



Matt Varilek
Commissioner



May 5, 2025

Dear Chair Baker and Chair Pinto:

On behalf of Explore Minnesota, I am writing to provide feedback on the House Workforce, Labor, and Economic Development Finance Bill HF2440.

I want to extend my gratitude to the members of the House Workforce, Labor, and Economic Development Committee for their work in crafting a budget and to the members of the House Ways and Means Committee for your review and consideration of its provisions.

Explore Minnesota's mission is to support the growth of Minnesota's economy by managing the state's tourism, livability and economic opportunity, outdoor recreation, film, and other statewide promotion efforts as directed. We drive people worldwide to discover our great state, the Star of the North, and drive critical revenue growth.

Knowing that Explore Minnesota creates \$24.2 billion of economic impact in Minnesota through targeted and measured promotion to potential visitors worldwide, it is vital to ensure the budget remains intact moving into FY2027-2028. Governor Walz and Lieutenant Governor Peggy Flanagan have proposed a reasonable and measured budget for FY2027- 2028, which does not include reductions for Explore Minnesota in the next biennium. The proposed reduction in this omnibus however, unfortunately eliminated the base budget for the new Explore Minnesota Film office which not only drives tourism at a time when it is more important than ever, but also helps create jobs and drive economic impact to every county in the state.

Since its establishment in 2021, Minnesota's Film Production Tax Credit has issued over 12 credit certificates, totaling more than \$4.4 million. These credits have supported a variety of projects, including feature films, documentaries, and commercials. In 2024, the State Legislature saw the enormous potential of film and television production in Minnesota and approved the creation of the state's first-ever Film Office. This office administers a \$25 million per year incentive program, supporting a film industry comprising crew members, actors, writers, directors, skilled laborers, and more. Additionally, it serves as an extension of the state's tourism marketing efforts by encouraging productions from around the world to film in Minnesota.

When a film production takes place in Minnesota, it has a significant economic impact on the state. Productions spend substantial money on hotels, dining at local restaurants, and creating jobs. Furthermore, they develop content that highlights the state for years to come. For instance, a recent production of the Netflix series "Love is Blind" spent \$1.9 million on hotels, restaurants, event venues, and other locations throughout Minnesota. This series ranks among the top 10 on Netflix, with a reported 6 billion minutes watched worldwide. Our tourism office could never afford such extensive marketing on its own. Yet, we have successfully leveraged the show to gain

additional media coverage, attracting the interest of national publications eager to highlight the places visited by the participants.

A recent production titled “Hope in the Water,” produced by David E. Kelley, Andrew Zimmern, and Martha Stewart, was nominated for a News & Documentary Emmy, as announced on May 1, 2025. This production received the Minnesota Film & Television Production Credit, employed 21 individuals, and spent over \$950,000 in wages, contributing more than \$1.2 million to the Minnesota economy.

The annual budget for Explore Minnesota Film is \$825,000, which supports three full-time employees, marketing efforts, and the management of the industry engagement and incentive programs. The return on investment (ROI) a small film office can generate for our state is remarkable; just imagine the potential of maintaining this momentum.

The elimination of the Explore Minnesota Film budget will necessitate the reduction of three full-time positions, which represent over 5.5% of our workforce. This decision would directly hinder Minnesota’s ability to offer vital incentives and production support for feature films, television pilot programs, documentaries, music videos, and commercials with budgets exceeding \$1 million spent in the state. The available incentive funding, which will continue accumulating for the next five years, will go untapped, leading to a significant loss of economic impact when Minnesota should be seeking new revenue opportunities. Furthermore, we would be dismantling an office that can play a crucial role in fostering collaboration and building strong connections among industry professionals, ultimately weakening our state’s position in the creative economy.

Nearly every state in the United States has established a film office, with over half of these offices operating under state tourism departments. This structure facilitates the promotion of each state's unique narratives on a global platform. Eliminating funding for Explore Minnesota Film could result in productions and their associated economic benefits relocating to neighboring states such as Wisconsin or Illinois. In 2024, Illinois reported \$653 million in film production revenue, along with estimated wages of \$351 million and the creation of approximately 18,200 jobs within the industry. This data illustrates the substantial impact that film funding programs can have on a state's economy.

Reducing or eliminating funding and programs from Explore Minnesota could pose challenges for our state, as we currently rank 8th out of 9 in our region regarding budget allocations. In contrast, our neighboring states continue investing in their marketing initiatives, which may put us at a competitive disadvantage. We fully understand the state’s budget constraints and are eager to be part of the solution. Rather than cutting funding for programs that help drive revenue, we believe there are more constructive approaches. We aim to support job growth and enhance revenue; we appreciate the opportunity to work together toward these objectives.



We respectfully request that the committee and fellow house members consider reinstating the budget for Explore Minnesota Film. By doing so, we can continue to share the remarkable stories that highlight what makes our state an exceptional place to visit, live, and work. We appreciate your support in fostering an environment where revenue-generating programs can flourish.

Thank you to Chair Baker and Chair Pinto and to the House Ways and Means Committee for their work and support of Explore Minnesota.

Sincerely,

A handwritten signature in black ink that reads 'Lauren Bennett McGinty'.

Lauren Bennett McGinty
Executive Director, Explore Minnesota
lauren.bennett.mcginty@state.mn.us
651.757.1844



Chair Dave Baker
House Workforce, Labor, and Economic
Development Finance and Policy Committee
2nd Floor Centennial Office Building
Saint Paul, MN 55155

Chair Dave Pinto
House Workforce, Labor, and Economic
Development Finance and Policy Committee
5th Floor Centennial Office Building
Saint Paul, MN 55155

May 2, 2025

Dear Chair Pinto and Chair Baker,

On behalf of the Bureau of Mediation Services (BMS), I am writing to provide feedback on the House Workforce, Labor, and Economic Development Committee omnibus bill. I want to extend my gratitude to the members of the House Workforce, Labor, and Economic Development Committee for their work in crafting a budget and to the members of the House Ways and Means Committee for your review and consideration of its provisions.

Governor Walz and Lieutenant Governor Flanagan proposed a reasonable and measured budget that includes BMS operating adjustment which would help offset inflationary costs and enable the Bureau to maintain the services Minnesotans expect.

The recent closure of the Federal Mediation and Conciliation Service (FMCS) offices in Minnesota and lay-off of 8 federal mediators has dramatically increased the demand on the services BMS provides. As the Bureau strives not only to maintain the current level of services we provide, we are under immediate and increasing pressure to support Employer/Employee relations in the public sector that the elimination of FMCS created statewide. I respectfully request that the committee and fellow house members consider including the small operating adjustment for the BMS as recommended by the Governor and contained in the Senate companion bill (SF1832).

In closing, I would again like to thank Chair Pinto, Chair Baker, and the entire committee for your support and partnership. Please do not hesitate to contact me with any questions.

With warm regards,

A handwritten signature in black ink that reads 'Johnny J. Villarreal'.

Johnny J. Villarreal
Commissioner



May 5, 2025

Co-Chairs Baker and Pinto,

On behalf of the Minnesota International Brotherhood of Electrical Workers (IBEW) State Council and the Minnesota Pipe Trades Association jointly representing over 24,000 union members in the construction trades industry, and Minnesota Mechanical (MMCA) and MN National Electrical Contractors Associations (NECA) representing over 250 construction contractors we are submitting this joint letter to reiterate our support of the Construction Code and Licensing Division (CCLD) fee alignments proposed by the Minnesota Department of Labor and Industry.

The [HF2440 DE Amendment](#) on the agenda of the May 2nd meeting of the House Ways and Means Committee does not include the CCLD fee alignments. We believe its omission in the final bill would have catastrophic consequences for the construction industry and Minnesota economy. DLI has informed us that plumbing plan review times would increase to a minimum of 15 weeks. This is a drastic increase from the current average of 7 weeks and crushes the construction industry's goals of bringing it back to the historical average of 3 weeks. They have also informed us that the electrical inspections unit, which is currently providing service within two days of request, will need to cut staff resulting in two-week delays across much of the state and limit the availability of virtual inspections.

These fees have not been adjusted in nearly 20 years, causing the CCLD inspections units to operate at a deficit. Leaving fees the same is unsustainable for DLI and the construction industry. If the fee alignments aren't enacted this session, ordinary folks throughout the state looking to build out a place of business, construct or fix up a home, or invest in other infrastructure that supports their community will pay far greater costs associated with project delays than what the CCLD fee alignments bring.

Thank you for your time and consideration in this matter. We hope we can get the fee alignments added to the final bill.

Joel Johnson
Legislative Director
IBEW State Council

Andrew Campeau
President of the Minnesota
Pipe Trades Association

Ryan SanCartier
Government Affairs Director
MN Contractors NECA/MMCA



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March 6, 2025

House File 2441 (Pinto)

Chair Baker, Chair Pinto, and House Workforce, Labor, and Economic Development Committee Members -

The National Federation of Independent Business (NFIB) represents over 10,000 small and independently owned businesses across Minnesota. Our mission is to promote and protect the rights of our members to own, operate, and grow their businesses. Thank you for the opportunity to provide comments on the DE Amendment to House File 2441.

The House Workforce, Labor and Economic Development Committee has had extensive debate over proposed modifications to the recently enacted Earned Sick and Safe Time (ESST) and Minnesota Paid Family and Medical Leave (PFML) programs. It is no surprise that our members have grave concerns with both mandates, and we respectfully urge you to include reasonable limits on the scope of these requirements in the final omnibus bill.

We support the inclusion of provisions that are within HF 2962 (Rep. Baker) / SF 3141 (Sen. Frentz) and HF 2025 (Rep. Baker)/SF 2300 (Sen. Seeberger), including the small business exemptions, a reduction in the number of annual weeks of leave permitted under PFML, a reduced PFML payroll tax cap, and other reasonable adjustments to employer requirements and responsibilities.

Thank you for your consideration of our position on these issues.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Boesche", written in a cursive style.

Jon Boesche
Minnesota State Director
National Federation of Independent Business
jonathan.boesche@nfib.org



May 5, 2025

Representative Dave Pinto
Chair, House Workforce, Labor, and Economic Development Finance and Policy Committee
5th Floor Centennial Office Building
658 Cedar Street
St. Paul, MN 55155

Re: Support for funding for the Center for Rural Policy and Development

Dear Chair Pinto and committee member,

Created in 1994, the MRHA has grown to be a recognized advocate for rural health in Minnesota. Our mission is to strengthen health care for rural Minnesotans. On behalf of our nearly 200 members, we share our support for continued legislative funding for the Center for Rural Policy and Development (CRPD).

Rural Minnesotans face many difficulties with accessing quality health services compared to their urban counterparts. Currently approximately 2 million people live in rural areas of our great state. While the difficulties they face are much like those experienced in urban communities, the information needed to support investments in rural communities is often difficult to access.

MRHA along with many other agencies and organizations that work to support rural communities utilize the information provided by the Center for Rural Policy and Development. The Center for Rural Policy and Development is a non-partisan, not-for-profit policy research organization dedicated to benefiting Minnesota by providing its policy makers with unbiased information and evaluation of issues from a rural perspective. Much of their work has guided our efforts in every area of supporting health care in rural Minnesota.

I am writing to request continued budgetary support for the Center for Rural Policy and Development be included in the Omnibus Workforce and Economic Development Finance bill. This funding is crucial to their continued operations and support for policy decisions that affect rural Minnesota.

Once again, we appreciate the opportunity to share our support for the funding of The Center for Rural Policy and Development. If you have any questions regarding MRHA's position, feel free to contact me at mark@mnruralhealth.org or 218-201-0098.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark T. Jones", with a long horizontal flourish extending to the right.

Mark T. Jones
Executive Director



May 5, 2025

Co-chair Baker, Co-chair Pinto, and members of the House Workforce committee:

As Minnesota's labor federation, we want to thank you for your work to put together a workforce and labor budget this session to meet the needs of Minnesotans in these challenging times. We are glad to see funding to combat worker misclassification fraud in the DE amendment to HF2441.

As you know, when employers misclassify workers, they deny those workers all of the rights and benefits associated with employment. This causes significant harm to workers and law-abiding employers, reduces tax revenue, and strains social safety net programs. As both the Office of the Legislative Auditor and the Attorney General's Task Force on Worker Misclassification have recently confirmed, misclassification is a growing problem and occurs in many industries.

Legislation enacted in 2024 strengthened and streamlined enforcement of misclassification laws and created an Intergovernmental Misclassification Enforcement Partnership to coordinate enforcement among state agencies. To carry out the duties in the updated statute, DLI needs these resources to conduct outreach, handle an uptick in misclassification complaints, and conduct complex investigations.

We also support the policy language and funding for a biennial report on misclassification that will estimate the prevalence of misclassification by industry and the cost to workers, law-abiding employers, and taxpayers. This will help inform enforcement efforts and provide important metrics to policymakers.

Best regards,

Melissa Hysing
Legislative Director





Workforce, Labor, and Economic
Development Finance and Policy Committee
658 Cedar Street
Saint Paul, MN 55155

May 5, 2025

Dear Co-Chairs Baker and Pinto, and Workforce, Labor, and Economic Development Finance and Policy Committee:

Thank you to everyone on the committee for your time and for your consideration of Rep. Frazier's bill, HF 2623, in support of Bolder Options youth mentoring, career exploration and skill training program. We appreciate the strong advocacy of our authors and the kind and thoughtful responses from committee chairs throughout the session.

Bolder Options is known for our 1:1, wellness focused mentoring program. Our CEO, Darrell Thompson, has been guiding our high-quality mentorship program for 30 of the program's 32 years in service. In 2024, our board and staff made a bold commitment to stay engaged - all the way through to college and/or career - with every young person who completes our first-year mentorship program.

Research shows that starting career exploration in middle school is a developmentally appropriate time to think about future possibilities and understand the diverse range of careers available. **Considering options early teaches youth about skills and aptitude needed for careers of interest and allows them to make more concrete career choices later in high school.**

Funding last biennium helped us double the number of young people participating in our mentorship and career exploration programming. By supporting our current bill, you are investing in the potential of more than 500 young people in the Twin Cities and Rochester.

We hope that funding will become available during the conference committee and respectfully request that our project be considered for a direct appropriation at that time. Bolder Options is grateful to be included in the Senate bill.

On behalf of all of us at Bolder Options, **thank you for your support** - and for your service to our communities.

Peace,

A handwritten signature in cursive script that reads "Darrell Thompson".

Darrell Thompson
President & CEO



May 6, 2025

Re: HF2441 (Workforce, Labor, and Economic Development Finance Omnibus bill)

Dear Chairs Baker and Pinto and members of the Workforce, Labor and Economic Development Finance Committee,

On behalf of the Greater Minnesota Partnership (GMNP), an organization focused on expanding economic prosperity in Greater Minnesota, I wanted to share our concerns with HF2441, the House Jobs Omnibus bill.

The Greater Minnesota Partnership advocates for economic development programs that support business development and expansion, job creation, and economic growth throughout Greater Minnesota. There are several key tools that support Greater Minnesota prosperity funded in the DEED budget, including the Business Development Public Infrastructure program, the Child Care Economic Development grant program, the Minnesota Investment Fund, and the Job Creation Fund. These programs help communities attract and retain businesses who pay family-sustaining wages, support small businesses and expand childcare availability. Without adequate funding for these programs, Minnesota will lose out on both supporting our current business growth and attracting new businesses to our state.

It is therefore concerning to our membership that HF2441 makes cuts to the base funding for key programs across the next two biennium. The base budget cuts that our membership are most concerned about include:

- Job Creation Fund – funding eliminated over both biennium
- Minnesota Investment Fund - funding eliminated over both biennium
- Contaminated Site Cleanup & Investigation Grants - \$1.5 million cut over both biennium
- Redevelopment Grant Program - \$2 million cut over both biennium
- Business Development Public Infrastructure (BDPI) Program - \$2.5 million cut over both biennium

Greater Minnesota communities are making investments in their economic future, but they need the state to adequately fund key programs that support business development, expansion, job creation and economic growth throughout Greater Minnesota. I encourage you to find the resources to undo these base budget cuts for key programs and thank you for this opportunity to weigh in on HF2441.

Sincerely,

A handwritten signature in black ink, appearing to read "Darielle", written over a light blue horizontal line.

Darielle Dannen, Executive Director

Greater Minnesota Partnership

Representative Dave Pinto

Co-Chair, Workforce and Economic Development Finance and Policy Committee
Minnesota House of Representatives
5th Floor, Centennial Office Building
rep.dave.pinto@house.mn.gov

Representative Dave Baker

Co-Chair, Workforce and Economic Development Finance and Policy Committee
Minnesota House of Representatives
2nd Floor, Centennial Office Building
rep.dave.baker@house.mn.gov

St. Paul, MN 55155

Dear Co-Chairs Pinto, Baker, and Members of the Workforce and Economic,

Thank you for your bipartisan leadership on HF 2441 and for your ongoing commitment to strengthening Minnesota's workforce. We're grateful for the work you've done to support jobseekers and employers across the state, and we're reaching out today in the spirit of partnership to lift up a gap that still needs attention: the lack of dedicated supports for immigrant and refugee workers in Ramsey County—particularly those pursuing careers in front-line healthcare.

Programs like Manos que Dan la Bienvenida: Caminos Profesionales para Nuevos Americanos, operated by Interfaith Action of Greater Saint Paul, offer no-cost, bilingual training for Personal Care Attendants (PCAs) and Certified Nursing Assistants (CNAs). These are essential roles in our long-term care system, and the program has proven to be a lifeline—both for community members entering the workforce and for employers struggling to fill vacancies. Many participants are new Americans who are excluded from traditional employment programs, yet deeply committed to serving their communities.

While HF 2441 includes several helpful technical extensions, including for Ramsey County and Youthprise (Article 2, Section 2), it does not include any new investments in culturally responsive, linguistically accessible training programs. Without that support, critical capacity in Ramsey County may be lost—at a time when the need for equitable healthcare staffing is only growing.

We respectfully ask the committee to consider the following:

Include a targeted appropriation or directive to DEED to support healthcare and early childhood workforce training programs in Ramsey County that serve immigrant and refugee communities;

Ensure future workforce investments prioritize access and inclusion, particularly for Minnesotans facing systemic barriers to employment.

Provide direct appropriations to community-based organizations that are already delivering results—meeting workforce demand, filling critical service gaps, and helping the state address urgent labor shortages efficiently and effectively.

Thank you again for your time and leadership. We look forward to continuing this important work together and ensuring every Minnesotan has a fair shot at a meaningful, stable career.

Sincerely,

Liliana Letran-Garcia , Chief Executive Officer – Interfaith Action of Greater St. Paul



May 5, 2025

TO: Chair Dave Pinto and Chair Dave Baker
FROM: WorkWell MN

Dear Chair Baker and Chair Pinto:

On behalf of Hired participants, staff, board and community partners, thank you for your thoughtful consideration upon hearing testimony in support of Hired's bill (House File 718).

Knowing of the significant impact that Hired's current direct appropriation is making in preparing workers for open jobs with engaged employer partners—nearly 120 people have been trained for living wage positions for in-demand positions—I see Hired's bill as an opportunity to make positive investment of public resources with an established, reliable, accountable, and impactful organization.

Hired's bill seeks funds to support Hired's **career pathway job training and placement program** that connects lower-skilled job seekers to entry-level and gateway jobs in high-growth sectors. It also includes funds to provide **job retention services**, which are customized employment coaching and supports for Minnesotans with low incomes who have started employment...so they can keep their job, and thrive.

As you know, Hired is a long-standing, stable workforce development nonprofit with strong outcomes. Every day we work to connect jobseekers to employers across the Twin Cities. We holistically support individuals through job coaching, training, and support services.

I am writing in hopes that funds will become available during the conference committee process and respectfully request that Hired's bill be considered for a direct appropriation at that time. Hired's bill was included in the Senate's bill and I'm hopeful for your unanimous support as well.

There is still a worker shortage in Minnesota, and we continue to see a mismatch between existing jobseeker skills and the skills that are needed by employers. We need to invest in job training programs like those at Hired that help people skill up, connect to employers, and help people get and keep family sustaining jobs. Your inclusion of HF 718 will result in:

- growing the talent pipeline - **training more workers**
- help workers —and increase job retention

This unquestionably leads to greater stability for the worker, employers, and keeping Minnesota's economy strong and growing.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Julie Brekke', is written over a light blue rectangular background.

Julie Brekke
President & CEO
Julie.Brekke@Hired.org
612-715-3628

Empowered people & families. A prepared workforce. An inclusive economy.

217 Fifth Avenue North - Third Floor, Minneapolis, MN 55401 · TEL 612-808-9500 · FAX 612-338-1375 · www.hired.org



SUMMIT

ACADEMY OIC

May 05, 2025

Via E-Mail Delivery

Representative Dave Baker, Co-Chair
Representative Dave Pinto, Co-Chair
House Workforce, Labor, and Economic Development Committee
Saint Paul, MN 55155

Dear Chairs Baker and Pinto:

As the House considers and passes the Workforce, Labor, and Economic Finance bill to the floor, I want to submit this letter to provide legislators with background information as budget decisions are made final before adjournment of the legislature.

Summit Academy's mission is focused and empowers individuals to develop their ability to earn and become contributing citizens in their communities and economic drivers of the State of Minnesota.

At Summit Academy, we are engaged and working with employer partners to provide a 20-week training program for students in high demand fields including in the construction, electrical, health care, financial services, and Information Technology (IT) industries. Summit Academy currently has a waiting list for the electrician program through November 2025.

Summit Academy distinguishes itself through several avenues, operating in partnership with employers, unions, and higher education institutions. This includes:

- Licensed by the U.S. Department of Education and the Office of Higher Education in the State of Minnesota. And, accredited by the Council on Occupational Education (COE) accreditation for Career and Technical Education (CTE).
- Articulation agreements for certain trainings with several Minnesota State institutions, including St. Paul College and Hennepin Tech. Through these articulation agreements, Summit Academy graduates have the option to transfer credits to a two-year institution. In addition, Summit Academy awards the most certifications in construction in the State of Minnesota (Lightcast, 2025), surpassing any individual two-year or technical higher education institution.
- Strong relationships with the trade unions, including the IBEW. Students at Summit Academy can graduate from its 20-week training and enter employment with an employer partner or enroll into an apprenticeship program through IBEW.

- Strong relationships with large and mid-sized employer partners who hire Summit students, including but not limited to Mortenson, Kraus-Anderson, Atomic Data, Heath Partners, and U.S. Bank, Ameriprise, and Thrivent.
- Launch of a new dental assistant program in partnership with employer partners including Park Dental, Aspen, and Heartland. This program will launch in the Fall 2025. Summit Academy has invested significant capital raised through private philanthropic efforts to build the facilities and lab necessary for a state-of-the art training to meet employer demand in the State of Minnesota.
- As one of the few accelerated GED programs in the state, Summit Academy offers a 10-week contextualized GED program designed to equip adults with this critical credential leading to pathways into post-secondary education or training and living wage employment.
- Lastly, and most important, Summit Academy students are earning significantly higher wages once they successfully complete the 20-week training program. On average, Summit students' income rises from \$19,000 per year to over \$45,000 after graduation.

State funding for Summit Academy will allow the organization to accomplish its goal of doubling enrollment to 2,000 annually. We urge you to consider the forthcoming needs of the workforce and opportunity Summit Academy can provide as you continue to engage in budget discussions.

Please feel free to contact me at lwest@saoic.org or 651-206-9297 (mobile) if you have any questions.

Sincerely,



Leroy West
President

C: House Workforce, Labor, and Economic Development Committee Members



Re: HF2441 Pinto DE Amendment

May 4, 2025

Co-Chair Baker, Co-Chair Pinto, and members of the Workforce, Labor, and Economic Development Finance & Policy Committee,

On behalf of the homebuilding industry in Minnesota, Housing First Minnesota offers this letter in support of reasonable adjustments to the electrical inspections and plumbing review and inspections proposed by the Minnesota Department of Labor & Industry.

By way of background, Housing First Minnesota is a trade association of nearly one thousand members of the housing industry with the mission of homeownership opportunities for all. Electrical and plumbing inspections are an important piece of the construction process in Minnesota.

Today, we proudly build some of the safest, most durable and most-energy efficient homes in the country. As we've shared with the committee in recent hearings, the housing industry supports proper fees for service. With these fees not being adjusted since 2007, we believe that an adjustment is fair and appropriate.

We urge the committee to include these necessary and reasonable adjustments in an effort to maintain the highest standards of construction safety and inspection services.

Sincerely,

A handwritten signature in black ink that reads "Mark Foster". The signature is fluid and cursive.

Mark Foster,
Vice President, Legislative & Political Affairs
Housing First Minnesota





6499 University Ave NE Suite 200
Fridley, MN 55432
763-786-8334
info@rise.org



May 5, 2025

Rep. Dave Pinto
Co-Chair, House Workforce Committee
5th Floor Centennial Office Building
St. Paul, MN 55155

Rep. Dave Baker
Co-Chair, House Workforce Committee
2nd Floor Centennial Office Building
St. Paul, MN 55155

Dear Chairs Pinto and Baker:

On behalf of thousands of Minnesotans with mental illness who desire to work, the Individual Placement Supports (IPS) Provider Coalition urges you to adequately fund the Employment Support for Persons (ESP) with Mental Illness Program at DEED in HF2441. While the provider coalition appreciates your efforts to preserve the base funding for the ESP Program, this will still result in the loss of critical workforce support to hundreds of people or nearly 60% of the ESP Program.

The IPS Provider Coalition believes there is a better way to serve Minnesotans in a more cost-effective way without cost increases:

- Require remaining FY24-25 IPS one-time funding (\$1.2 million) to only be spent in FY26. However, 30 Minnesotans will still lose ESP services.
- Shift \$150,000 proposed for DEED's "VRS Funding Increase" in FY26 and combine it with the remaining (FY24-25) \$1.2 million ESP amount. This will allow the remaining 30 people to keep IPS services.
- In FY27, shift \$1.5 million from DEED's "VRS Funding Increase" to keep any IPS clients from losing service.

IPS providers have also proven to offer these ESP services to more individuals at a lower cost point than DEED. Therefore, the IPS providers recommend that DEED must be required to increase Community Rehab Provider (CRP) case referrals by 5% (for FY26) above current levels.

Finally, based on growing financial challenges at DEED, the IPS providers would like DEED to return to a more transparent and accountable partnership. We recommend that the DEED Community Rehab Advisory Committee for all VRS programs be reinstated. Furthermore, we recommend that an annual report of percentage use of service dollars per provider and share percentage of cases referred out to CRPs over last five years. This report must be shared publicly and specifically with providers and legislators.



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The current ESP Program only serves 1100 Minnesotans. While the IPS providers would prefer that the state meets the desire of significantly more individuals with mental illness and serious barriers to employment, we believe that the recommendations listed above – if included in HF2441 - will at least maintain the current and bare-minimum level of service.

Thank you for your time and consideration.

A handwritten signature in black ink, appearing to read 'Robert RA Reedy'.

Robert RA Reedy
Sr. Director of Vocational Services

equaspace

workspace ■ community asset ■ collective

Dear Co-Chairs Pinto, Baker, and Members of the Committee.

We understand the fiscal constraints within the current bill and appreciate the difficult decisions before the committee. As the bill moves into conference committee with the Senate, we respectfully ask you to consider including HF 1638 as a direct appropriation. I write in support of HF 1638 because the nonprofit sector plays a vital role in Minnesota's economy—employing 15% of the state's workforce. Nonprofit employees are taxpayers who contribute meaningfully to our state's vitality. This investment delivers a strong return by supporting essential services, fueling economic growth, and creating jobs that complement, not compete with, government efforts.

EquaSpace is a resource hub that supports nonprofit organizations by offering affordable, high-functioning workspaces and essential operational support. We have created a collaborative environment where leaders and teams can share resources, knowledge, and expertise, helping organizations strengthen their operations and achieve their goals more effectively.

By providing proximity to other nonprofits, we create efficiencies that allow small and mid-sized organizations to meet the same standards as larger organizations, despite having fewer resources. EquaSpace offers a range of critical services, including IT support, professional development, and shared meeting spaces, all designed to help nonprofits streamline their operations and better serve their communities.

Importantly, EquaSpace helps reduce the risk of fraud, waste, and abuse by ensuring that leaders and teams have access to the resources they need to comply with local, state, and federal regulations. This enables organizations to maintain accountability, transparency, and efficiency in their work.

Investing in EquaSpace is an investment in the future success of the groups and initiatives that strengthen our state. By providing the support and infrastructure these organizations need, we are helping them fulfill their missions more effectively, create jobs, and contribute to the economic well-being of our communities. Funding EquaSpace will lead to stronger, more sustainable organizations that are equipped to make a meaningful impact across the state

Thank you for the consideration,



Sarah Clyne, Executive Director

REPOWERED

Fair chances for people, planet, and technology.

Minnesota House of Representatives
Centennial Office Building
658 Cedar Street
St Paul, MN 55155

May 3, 2025

Dear Co-Chairs Pinto, Baker, and members of the Committee,

Thank you for your continued work to support innovative workforce solutions. I'm writing to respectfully request that **Jobs Foundation (dba Repowered)** HF 996 be considered as you move toward finalizing the Workforce Committee omnibus bill. We're encouraged that the Senate included our request in their omnibus at \$125,000 annually for two years, and we hope funding will be made available during conference committee deliberations.

Repowered's program is designed to be intensive, holistic, and proven to create lasting change for individuals reentering society after incarceration. Participants gain real-world job experience across multiple roles—production, logistics, truck operations—and receive the training, support, and mentorship necessary to build a stable, self-sufficient future.

The results speak for themselves:

- **Average starting wage at graduation exceeds \$20/hour**
- **Recidivism rate is under 4%, compared to the average of over 25%**

One powerful story is Shane Pierson, who testified in the Senate. After serving 30 years of a life sentence, Shane left prison with no job history and despite his engagement in pre-release programming, could not find employment. At Repowered, he began in materials sorting, progressed to equipment teardown, joined our truck team, and became a team lead. He is now attending school for HVAC training and preparing to graduate into a job earning more than \$25/hour. Shane's journey mirrors that of many of our participants—starting with a desire to work and growing into confident, skilled professionals ready to give back to their communities.

Another powerful story is from the perspective of an employer of our graduates, Joseph Long from Soldier Trucking. Joseph emailed, "I could not be more impressed with all four of my new employees. Punctual, respectful, eager to learn, and most importantly no attitude. We are blessed to have a relationship with Repowered." Strong employer satisfaction like this demonstrates the quality of our program.

Repowered is both fiscally responsible and programmatically effective. With this funding, we aim to responsibly grow our program, stabilizing and enhancing employment, training, and wraparound support services for an additional 10–20 participants annually. These are individuals at high risk for recidivism who, with our support, are instead becoming contributing taxpayers and community members.

This investment will pay dividends for the state: reducing incarceration costs, increasing workforce participation, and strengthening families and neighborhoods.

Thank you for considering our request. We appreciate your support and commitment to second chances and workforce equity.

Sincerely,



Heather Walch
CEO, Repowered
Jobs Foundation dba Repowered

House Workforce, Labor and
Economic Development Committee
Centennial Office Building
St. Paul, MN 55155



May 5, 2025

Dear Chair Baker, Chair Pinto and Members of the Committee,

The Minnesota Consortium of Community Developers (MCCD) is an association of nonprofit community development organizations and Community Development Financial Institutions (CDFIs) committed to expanding the wealth and resources of communities through housing opportunities and economic development initiatives. MCCD's mission to build strong and stable communities can only be achieved by addressing the harms and inequities that have shaped housing and economic development policies at every level of government. These policies have prevented many communities from achieving housing stability, accessing capital, and building generational wealth.

MCCD is writing to thank you for preserving base funding for critically needed small business development programs in your omnibus funding bill.

- The **Small Business Assistance Partnerships Program** is a proven program that has been helping small businesses receive the support they need to succeed in every county in Minnesota for 14 years. The return on investment in this program is huge! In 2023, the program helped create or retain over 20,000 jobs, it serves the entire state, and leveraged over \$150 million in additional public and private financing.
- The **Emerging Entrepreneur Loan Fund** is a complementary program to the small business assistance partnerships program and provides affordable loan capital that can help with startup costs and leverages private financing from community banks, credit unions and philanthropic dollars.

Additionally, MCCD would like to thank the committee for preserving funding for the CanStartUp Program to support affordable lending to legal cannabis microbusinesses. However, we would like to request that \$2 million of the funds from the CanStartUp program be reallocated to continue to support the CanNavigate Program to provide technical assistance to entrepreneurs.

Thank you again and as end of session negotiations take place, please reach out to me should you need any additional information or have any questions. I can be reached at 612-387-6398 or kjohnson@mccdmn.org.

Sincerely,

Kari Johnson

Kari Johnson
Director of State Policy, MCCD



May 5, 2025

Chairs and Members of the House Workforce, Labor, and Economic Development Finance and Policy Committee,

Metro Cities, representing the shared interests of cities across the metropolitan area, appreciates the opportunity to comment on HF 2441 – Pinto, the omnibus Workforce, Labor, and Economic Development Finance bill.

Metro Cities is concerned with reductions to the base funding for economic development programs in the bill. The economic viability of the metropolitan area is enhanced by an array of economic development tools that create infrastructure, revitalize previously developed property, provide incentives for business development, support technological advances, support a trained workforce, and address disparities in economic development and workforce development. These programs ultimately enhance regional and state competitiveness in a global marketplace.

Metro Cities has long supported funding for the Job Creation Fund, Minnesota Investment Fund, Contaminated Site Cleanup & Investigation Grants, the Job Skills Partnership Program, and the Redevelopment Grant Program. These funds are critical to supporting economic development, redevelopment, and workforce training programs in the metropolitan area.

Redevelopment of properties supports community vibrancy and revitalization and increases the local property tax base, provides more efficient use of new or existing public infrastructure (including public transit), reduces urban sprawl, and enhances the livability of neighborhoods. Jobs are created three times – at demolition and cleanup, during construction, and ongoing jobs tied to the new use. Economic development programs, including the Job Creation Fund and the Minnesota Investment Fund, support new and expanding businesses, infrastructure development and public-private partnerships.

These cuts will have impacts for cities across the metropolitan area seeking funds to address these needs. We urge you reconsider the funding cuts to these important programs.

Thank you for your consideration of this letter.

Sincerely,

A handwritten signature in black ink that reads "Ania McDonnell". The signature is written in a cursive, flowing style.

Ania McDonnell
Government Relations Specialist

The MN Family Resiliency Partnership

Formerly Known as the MN Displaced Homemaker Program

Dear Chairs Pinto and Baker and Members of the Workforce, Labor, and Economic Development Finance and Policy Committee:

On behalf of the statewide Minnesota Family Resiliency Partnership (MFRP) thank you very much for your time and for considering our legislative request. We appreciate your hard work and the commitment we all share to MFRP's mission of increasing the self-sufficiency of Minnesota's most vulnerable unseen unemployed or under-employed.

Should funds become available during the conference committee we would greatly appreciate being considered for a direct appropriation at that time. MFRP is grateful to have been included in the Senate bill. This 45 year old program has a long and successful history of serving displaced homemakers and being totally transparent and accountable for any funding we have received. **As a matter of practice, any direct appropriations MFRP has ever received required the exact same pre-award risk assessments, work plans, reporting, and monitoring as any other DEED competitive grants.** A competitive grant would create months of lag time from application to award to implementation.

The Minnesota Family Resiliency Partnership is not a single nonprofit organization, but rather a statewide program. We are the **only** entity in the state specifically designed to provide PREemployment services to displaced homemakers. A direct appropriation would increase our capacity to provide wrap around services and long-term solutions that help break down the barriers that keep our participants and their children trapped in poverty after a major life transition like divorce, death, abandonment, or disability of a partner.

We are immensely proud of the resilience of our participants and the excellent results the program helps them achieve. Nearly 97% of participants successfully complete the program by attaining the goals they set at intake, which include completing an individualized self-sufficiency plan which demonstrates stability, pursuing a degree or certificate program, and/or becoming employed! Of those participants who became employed & exited the program they earned an average hourly wage in 2024 of \$20.38. At last calculation, the state realized a \$26.89 to \$1 return on its investment in the program by moving people away from public assistance.

Once again, thank you for all that you are doing to support the individuals served by the Minnesota Family Resiliency Partnership.

Respectfully,

Jean M. Keenan

Jean M. Keenan

On Behalf of the Minnesota Family Resiliency Partnership





May 6, 2025

Re: HF2441 (Workforce, Labor, and Economic Development Finance Omnibus bill)

Dear Chairs Baker and Pinto and members of the Workforce, Labor and Economic Development Finance Committee,

We are reaching out on behalf of the Minnesota Initiative Foundations to provide feedback on HF2441, the House Jobs Omnibus bill. The Minnesota Initiative Foundations are six regional foundations that work to strengthen the communities and economies of Greater Minnesota. Each Foundation serves its geographic region by delivering grants, business financing, regional programs, belonging work and donor services. We are also regular collaborators on statewide initiatives.

The work of the Minnesota Initiative Foundations (MIFs) intersects with this Committee in a few key ways; awarding PROMISE Act grants in Greater Minnesota, managing PROMISE Act loans in Greater Minnesota and strengthening and expanding childcare availability in Greater Minnesota. For the PROMISE Act grant and loan programs, **we are encouraging this Committee to include some common-sense policy changes for both the PROMISE Act grant and loan programs that were included in the Senate bill SF1832 on lines 90.25 - 94.9** as well as additional PROMISE Act grant funding in your bill as it moves forward. Including these policy changes would provide greater program clarity for the the balance of program funding awards to eligible small businesses. Small businesses are one of the keys to growing Greater Minnesota community vitality and these resources are one way that the MIFs support those entrepreneurs.

We are additionally appreciative that HF2441 includes ongoing funding that supports the **Minnesota Initiative Foundation's childcare work**, but as the bill continues to evolve, **we urge you to increase resources for this key work**. We are aware of the budget constraints that the state and this Committee are working within, but the childcare crisis continues to be acute in Greater Minnesota with a shortage of almost 42,000 childcare slots and these resources are unlikely to be sufficient to meet the needs. The funding level for this work included in HF2441 is a funding drop of \$5 million from FY24-25, which will reduce key Greater Minnesota childcare initiatives. This funding represents a key area where the MIFs meet the mission they were created to serve - to be a critical partner to the committee and the state Legislature to deliver on their priorities for all of rural Minnesota.

Background - MIFs Overall Childcare Impact

Each of the MIFs developed multi-year work plans designed to meet the unique needs and opportunities within their respective regions within the four legislated objective areas. Over the past five years, the MIFs have:

- Assisted 183 rural communities and collaborated with more than 1,100 local partners to develop 131 childcare action plans aimed at growing, expanding, and stabilizing licensed childcare.
- Leveraged funding and community resources to help create 4,362 new childcare slots through 157 start-up and expansion projects.

May 6, 2025

- Provided 8,831 hours of expert tailored technical assistance to 1,728 childcare programs at various stages including start-up, expansion, and/or stabilization.
- Conducted 634 childcare trainings for 7,551 participants to support improved business acumen and program quality improvement. Topics included business planning, leadership development, social-emotional learning, early literacy, and more.
- Supported 1,412 licensed childcare providers to earn, maintain, and/or increase their Parent Aware Quality Improvement Rating, as well as receive curriculum, assessments, and other resources to support program quality.

As you continue your work on this bill, we would urge you to commit additional resources toward this childcare work to help close the childcare shortage in Greater Minnesota. When parents cannot find childcare, it keeps them out of the workforce. Parents can either not participate or cannot fully participate in the labor market and businesses are constrained in hiring and retaining these workers.

Thank you for the opportunity to provide feedback on HF2441 and we look forward to working with you as you finalize the Jobs Omnibus bill.

Thank you,

Tony Sertich, President/CEO - Northland Foundation
Karen White, President/CEO - Northwest Minnesota Foundation
Anna Wasescha, President- West Central Initiative
Brian Voerding, President - Initiative Foundation
Tim Penny, President/CEO - Southern Minnesota Initiative Foundation
Scott Marquardt, President- Southwest Initiative Foundation

House Workforce, Labor and
Economic Development Committee
Centennial Office Building
St. Paul, MN 55155



May 5, 2025

Dear Chair Baker, Chair Pinto, and Members of the Committee,

The Minnesota CDFI Coalition is a statewide coalition supporting the work of Community Development Financial Institutions (CDFIs) with connections, learning, and collective advocacy to advance shared goals. The Coalition includes the 40 federally certified CDFIs in Minnesota and other mission-driven lenders. These CDFIs work in communities across the state to offer training and financing to support small businesses, housing development, homeownership, childcare, cooperatives, and nonprofit organizations.

As federally certified institutions, CDFIs are accountable to their communities and responsible with their lending. **Certified CDFIs must meet annual audit and reporting standards in order to maintain their certification by the CDFI Fund at the U.S. Treasury Department.** CDFIs are also effective investments for public and private resources – every dollar invested by a CDFI is leveraged eight times over to support Minnesota’s economy.

CDFIs offer technical assistance like entrepreneurship training and financial literacy education, resulting in deep community relationships and responsible borrowing. **Collectively, we are writing to thank you for including the full base funding for the Small Business Assistance Partnerships program in their Omnibus Workforce, Labor and Economic Development Finance and Policy Bill.** This program helps support the work of CDFIs across Minnesota and in 2023 alone the program was able to create or preserve over 20,000 jobs and leverage \$158 million in public and private financing.

Thank you for your leadership and recognition of the value of Minnesota CDFIs and the role this program plays in supporting small businesses and entrepreneurs all across our great state. Please reach out to Kari Johnson (kjohnson@mccdmn.org), with the Minnesota Consortium of Community Developers should you need any further information.

Sincerely,

African Development Center, Nasibu Sareva
African Economic Development Solutions, Dr. Gene Gelgelu
Community Reinvestment Fund, Anisha Murphy
Entrepreneur Fund, Shawn Wellnitz
Exodus Lending & MN for Fair Lending, Anne Leland
Habitat Minnesota, Cristen Incitti
Hmong American Partnership, May yer Thao
Initiative Foundation, Brian Voerding
LISC – Twin Cities, Kate Speed
Midwest Minnesota Community Development Corporation, Julia Nelmark
Minnesota Consortium of Community Developers, Elena Gaarder
Neighborhood Development Center, Renay Dossman

Neighborworks Home Partners, Jason Peterson
Northcountry Cooperative Foundation, Victoria Clark-West
Northland Foundation, Tony Sertich
Northside Economic Opportunity Network, Warren McLean
Northwest Minnesota Foundation, Karen White
Propel Nonprofits, Henry Jimenez
Shared Capital Cooperative, Christina Jennings
Southwest Initiative Foundation, Scott Marquardt
WomenVenture, LeeAnn Rasachak



May 5, 2025

Dear Members of the House Workforce, Labor, and Economic Development Committee:

As the Committee considers the 2025 Jobs/Labor Omnibus bill (HF 2441), the Minnesota Chamber of Commerce, a statewide business organization representing over 6,300 business and over half a million employees throughout Minnesota, shares our disappointment that reasonable limits on the scope of and relief from the financial and operational impacts of the paid leave mandates enacted last biennium are not included in the bill. Our members are deeply concerned that without action this session, these programs will continue to create hardship for both employers and their employees.

Time is of the essence. With less than two weeks remaining, we respectfully ask that you include as part of HF 2441 two bipartisan bills: HF 2025 (Rep. Baker) / SF 2300 (Sen. Seeberger), legislation modifying the sick and safe time mandate, and HF 2962 (Rep. Baker)/SF 3141 (Sen. Frentz), legislation modifying the paid family and medical leave (PFML) mandate.

While it is well established that our members are opposed to the idea of the state mandating an employer benefit, policies that help employees shouldn't have to create an undue or uneven financial burden on employers. The recent onset of dozens of unfunded and unbalanced mandates placed on the business community has burdened employers of all sizes with increased costs (such as payroll taxes), operational and staffing challenges (such as additional unaccounted for paid time off), and the cost of staff time, or hiring new staff entirely, to spend on compliance. Small-and medium-sized businesses are disproportionately impacted, as they have less financial flexibility, less HR capacity or expertise, and instead could be focused on growth and investing in their workforce.

Of the roughly 35 new workplace mandates placed on business in the past two years, the sick and safe time mandate has burdened our members the most. It is because of this experience our members are adamant that the legislature refines the PFML mandate before it takes effect.

In recent focus group meetings held around the state, employers shared that the sick and safe time mandate is being misused by employees, causing legitimate operational challenges and cost impacts across the board. This is largely due to the fact that the mandate is so broad and the rules for requesting notice and documentation are so limited. Interestingly, our members have also identified that these challenges negatively impact their employees. HF 2025/FH 2300 includes a number of provisions to address these issues.

Given this experience, employers have understandably expressed serious concerns with the impending PFML mandate, which will raise payroll taxes on employees and employers by at least 0.88 percent – *a nearly \$2B annual tax on Minnesota's workers and economy* – and will continue to increase administrative burdens, exacerbate staffing shortages, and constrain operations. Employees right now are not looking for their pay to be decreased. Employers are anxious about how their employees will be treated by the

state as they deal with sensitive, personal leave needs. HF 2962/SF3141 includes a number of provisions to address these issues.

In the case of PFML, establishing a complex new state-run insurance program that every employer and employee in Minnesota must participate in and comply with is a massive undertaking. Comparisons to the Unemployment Insurance (UI) program are inaccurate considering the broad eligibility allowance, and the complexity of the different types and lengths of personal leave allowed. Currently, the Department of Employment and Economic Development (DEED) is hosting informational webinars that have hundreds of employers participating, still seeking yet-to-be-finalized information necessary for implementation.

As has been noted, Minnesota's track record with the successful rollout of customer-facing technology systems has been decidedly mixed – this concern isn't just MNsure and MNLARS from a decade ago. RentHelpMN in 2021; e-Bike Rebate Program in 2024; and now DNR licensing in March 2025 are all very recent examples of Minnesota not delivering new systems effectively and at great expense to taxpayers.

Changes are still necessary to address some of the issues with sick and safe time and prevent the unintended consequences we believe will happen under the new PFML law. HF 2025/SF2300 and HF 2962 /SF 3141 represent sensible and responsible approaches to achieving the goal of increasing access to paid time off. We appreciate that many of the recommendations the business community has advocated for, both before and after enactment, are included in these bills and look forward to continuing our work to make sure that paid leave works for employers and employees. It is not too late to achieve this goal.

The Chamber and its partners look forward to working with members of the legislature to retain a strong quality of life by focusing on solutions to grow our economy such as lowering costs for families and businesses; enacting policies to encourage private sector investment and innovation in Minnesota; adjusting uncompetitive new laws; and reducing workforce barriers and other cost burdens undermining growth.

We look forward to working with you to enact the provisions contained in both HF2025/SF2300 and HF2962/SF3141 this session and reiterate our support for including these bills in HF 2441 the Jobs/Labor Omnibus bill.

Thank you for the opportunity to share this perspective with the Committee.

Sincerely,
Lauryn Schothorst
Director, Workplace Management and Workforce Development Policy



1919 University Ave. W, Ste. 400, St. Paul, MN 55104 | 651-645-2948 | namimn.org

May 5, 2025

Dear Chairs & Members of the Workforce, Labor, and Economic Development Finance & Policy Committee:

People with mental illnesses have the highest unemployment rate among all categories of disability. **Between 60 and 70% of people with a serious mental illness want to work, but only about 10% do.** Work is an evidence-based practice proven to support recovery.

IPS is more accessible for the most marginalized members of our community than other employment programs. IPS does not exclude participants based on symptoms, diagnoses, substance use history, history of hospitalizations, homelessness, or legal system involvement.

Perhaps most importantly, IPS is unique because it integrates employment services with mental health services. It is the only employment program specifically for people with serious mental illnesses in the state.

We are grateful that you did not follow the Governor's recommendation to decimate IPS in Minnesota. However, the Workforce omnibus bill only continues current base funding without continuing one-time funding. **This will result in a decrease in the IPS services currently being provided – at a time when expansion to the tens of thousands of Minnesotans who don't have access to this service is crucial.**

People with mental illnesses are experiencing drastic and life-threatening cuts to their services across the board. The Department of Human Services is announcing the sudden termination of grants and funding to many critical programs all around the state, and the human services committee's budget target was abysmally low.

Minnesotans with serious mental illnesses are incredibly resilient; but they should not have to be. We need legislators to ensure they have strong supports in some aspects of their lives. It is untenable to ask them to deal with virtually every service, program, or treatment they are part of being reduced or terminated entirely.

Our Mental Health Legislative Network partners at Rise have sent recommendations for maintaining current funding levels, which we support. We understand that you are faced with very challenging budget decisions this year. We are asking you to ensure that Minnesotans with mental illnesses do not bear the brunt of them during an unprecedented mental health crisis.

Thank you for your consideration,

Sue Abderholden, MPH
Executive Director

Sarah Knispel, LGSW
Public Policy Coordinator

Representative Dave Baker
Representative Dave Pinto
Representative Paul Torkelson
Representative Zack Stephenson

May 2, 2025

Re: HF2441 (Workforce, Labor, and Economic Development Finance Omnibus bill)

Dear Chairs Baker and Pinto, Ways and Means Chairs Torkelson and Stephenson,

On behalf of the Economic Development Association of Minnesota (EDAM), Minnesota Brownfields, Commercial Real Estate Development Association (NAIOP), League of Minnesota Cities, and Metro Cities, we are reaching out with concerns about the proposed base budget cuts included in HF2441, the House Workforce, Labor, and Economic Development Finance omnibus bill.

We acknowledge the difficult budget situation your committee is dealing with, however, our members use the programs in DEED's Business and Community Development portfolio every day to support the attraction, retention and expansion of businesses that are key to the state's economic vitality. It is therefore concerning to our membership that HF2441 makes cuts to the base funding for two key programs across the next two biennium:

- Contaminated Site Cleanup & Investigation Grants - \$1.5 million cut each biennium
- Redevelopment Grant Program - \$2 million cut each biennium

With a cut of more than half of the base funding for the Contaminated Site Cleanup and Investigation Grant program, and a cut of about half of the Redevelopment grant program funds, Minnesota communities will have significantly less resources available to put contaminated and disinvested sites into productive use. More dilapidated and deteriorating structures will remain in communities and the state will lose out on the property tax increases, private investments and job creation and retention this program leverages.

The Redevelopment Grant Program:

The Redevelopment Grant Program is a critical economic development tool. It helps communities with the costs of redeveloping blighted industrial, residential, or commercial sites and putting land back into productive use. This program delivers a tremendous return on investment. Since the program's inception in 1993, it has leveraged almost \$4 billion in non-state investments, created over 12,000 new jobs and retained almost 19,000 jobs, and increased property taxes by over \$60 million. This program is in high demand throughout the state and is slated to run out of funding this year.

Contaminated Site Cleanup & Investigation Grants:

The Contamination Cleanup and Investigation Grant Program helps communities pay for assessing and cleaning up contaminated sites for private or public redevelopment. Grants pay up to 75% of the costs to investigate and clean up polluted sites. Both publicly and privately owned sites with known or suspected soil or groundwater contamination qualify and the program is critical to help communities put sites back into productive use. Since the program's inception in 1995, the program has awarded 149 investigation grants totaling over \$4.67 million and 487 cleanup grants totaling over \$202.36 million statewide.

A recent project completed with both Redevelopment and Clean up Funds: The Hotel Mankato site occupies a 2-acre parcel that was contaminated with petroleum and other contaminants. The site was historically occupied by a hotel and an auto dealership, and was redeveloped into one four-story, 126-room hotel, and one 10-story, 156-room hotel and restaurant, the AC Hotel by Marriot and Element by Westin. The project was awarded \$1.1 million in Redevelopment grant funds and \$330,000 in Clean Up grant funds. The project created 111 jobs, built 282 new hotel rooms, increased the property tax base by \$640,800/yr and leveraged \$81.6 million in private investment. Matching funds were provided by the developer and tax increment financing.

Recent Site Cleanup Funds Example: The city of Minneapolis was awarded \$518,062 in cleanup funds for a 7.87-acre site that was contaminated with petroleum and other contaminants. Historically used for linseed oil processing, the site was redeveloped into a “high finish,” 131,000 square-foot, industrial office warehouse building. Known as the Northeast Business Center, the building is currently occupied by two tenants: CED Greentech Renewables and Kings Road Merchandising Inc. The project has created 50 jobs, retained 60 jobs, increased the property tax base by \$401,875, and leveraged \$18,800,000 in private investment. The required match was paid for by the developer and other grant sources. This project was the winner of the Minnesota Brownfields 2023 Reshape Award for economic impact.

Collectively, our members work every day to support community needs and to make public investments that support good jobs and economic vitality. Funding these programs at the levels needed to sustain this work is critical to the state’s future economic success and we urge the Committee to reconsider the base funding cuts included in this bill. Thank you for your consideration of this letter.

Sincerely,



Cc: Governor Tim Walz, Speaker of the House Lisa Demuth, Speaker Emerita, Melissa Hortman; GOP Floor Leader Harry Niska, DFL Floor Leader Jamie Long, Chris Schmitter, Patrick Tanis, Leah Montgomery, Nicauris Heredia-Rosario



1301 Bryant Ave N
Minneapolis, MN 55411

May 5, 2025

To: Co-Chair Baker, Co-Chair Pinto, and Members of the Workforce, Labor, and Economic Development Finance and Policy Committee

From: Emma Corrie, President and CEO, Twin Cities RISE

Subject: **Urgent Support Needed for Pay for Performance (PFP) Model and Funding**

Dear Co-Chair Baker, Co-Chair Pinto, and Committee Members,

Minnesota has a unique and proven tool in its workforce development portfolio - the Pay for Performance model which has been supported by the legislature for almost three decades. We request your leadership in continuing to fund this important tool. Since 1993, Twin Cities RISE (TCR) has been a leader in workforce innovation—equipping Minnesotans facing the greatest barriers to employment with the skills, support, and personal empowerment they need to succeed in family-sustaining careers. We don't just train workers—we empower our RISERS to shape the trajectory of their lives. And we hold ourselves accountable for outcomes.

In 1997, we introduced Minnesota's groundbreaking Pay for Performance (PFP) model—where the State only pays when we deliver: when a participant is placed in a job and stays employed for at least one year. Today, with a **76% one-year job retention rate—far above the national average of 53%**—TCR remains a national model for performance-based workforce development. States across the country look to Minnesota for inspiration. The PFP model aligns with the state's values of limiting waste, fraud and abuse because it is paying for services already rendered for job placement. As an organization with a 30+ year track record and a diverse funding model of private, corporate, foundation and public funding with regularly audited financial statements, the legislature can have great confidence that taxpayer funds are providing a safe return on taxpayer investment.

This session, we respectfully request a direct appropriation to sustain the PFP model (HF1938)—supporting 80+ long-term job placements annually with clear, measurable results. We urge you: **Do not allow Pay for Performance to sunset. Our communities count on us to support them in breaking the cycle of poverty, often generational poverty, towards financial independence.**

This initiative is not just a program; it builds Minnesota's economy. Our unique model creates lasting change not just for jobseekers, but for families, employers, and communities across Minnesota. We are expanding the much-needed talent pool for MN's employers, helping them gain access to the strengths and talents of our participants that have the skills employers need, fueled by the emotional intelligence that helps RISERS succeed in their employment. We also share this approach with unions, nonprofit, and employer partners—extending the ripple effect of transformation even further.

Yet, in the current **"delete-everything" amendment**, no direct appropriations were included for either of these TCR initiatives. **If not reversed, this decision would not just defund proven outcomes—it would dismantle an innovative and nationally respected model of success.**

As this bill moves toward the conference committee, we ask that you restore direct funding for HF1938 in the

final jobs and workforce bill. With your support, we will continue to deliver real, lasting results for Minnesotans who need it most.

Thank you for your leadership and for your commitment to building a more equitable, empowered workforce for our state.

With gratitude,

A handwritten signature in blue ink, appearing to read 'Emma Corrie', with a stylized flourish at the end.

Emma Corrie
President and CEO
Twin Cities R!SE



May 5, 2025

To: Workforce, Labor, and Economic Development Finance and Policy Committee

Dear Co-Chairs Pinto, Baker, and Members of the Committee;

On behalf of the International Institute of Minnesota, thank you for your consideration of our proposed legislation. We respectfully request a direct appropriation of **\$1.1 million** to support our **Medical Careers Pathway**, which provides high-quality training and support to New Americans entering or advancing in the healthcare industry—many of whom are committed to serving in long-term care.

The demand for skilled healthcare workers, particularly in long-term care, continues to grow as our population ages. Immigrants are essential to meeting this need. According to a recent study by the Minnesota Chamber of Commerce, **60% of job and labor force growth this decade is due to immigration**, which also accounts for **90% of our population growth**. In Minnesota, immigrants fill more than **20% of direct care healthcare jobs**. Investing in our program not only supports these individuals in finding meaningful employment and contributing to our tax base but also strengthens the healthcare system as a whole.

We are connected with a network of more than **100 employers** who count on the Institute's graduates to fill their job openings. The **high retention rate** of our graduates provides continuity of care to our seniors and reduces turnover costs for employers—making our program a vital workforce pipeline for the healthcare industry.

The Institute's Medical Careers Pathway has a proven track record of success:

- **3,495 graduates employed**, including:
 - **2,722 nursing assistants** trained onsite, now earning an average of **\$20.78/hour**
 - **763 healthcare professionals** who advanced into higher roles, many becoming RNs earning **\$41–\$48/hour**
- **97% graduation rate** for our on-site nursing assistant training program (2024)
- **90% certification rate**
- **78% employment rate** among certified graduates

- **80% one-year job retention rate** over the past five years

The direct appropriation we received in the last biennium enabled us to serve **350 New Americans**, including:

- **200 enrolled in nursing assistant training**
- **150 in Medical Career Advancement** (becoming nurses, both 2- and 4-year RNs)
- Resulting in **160 industry-recognized credentials** and **120 individuals employed in healthcare**

With renewed funding, we will continue to serve **350 individuals**, maintaining our commitment to workforce development and healthcare excellence. **Without this support**, our program capacity will **decrease by 35%**, shrinking our program and limiting our ability to meet the growing demand for skilled caregivers.

We urge the committee to recognize the essential role our Medical Careers Pathway plays in sustaining Minnesota's healthcare workforce. Your continued investment in the Institute's Medical Careers Pathway will ensure that we can meet the needs of both our healthcare system and the individuals striving to build stable, meaningful careers with livable wages. We are deeply grateful for your leadership and support.

Sincerely,

A handwritten signature in black ink, appearing to read "Jane Graupman", with a long horizontal line extending to the right.

Jane Graupman
Executive Director
International Institute of Minnesota