

HF2017 - 1A - State Employees with Disabilities; Task Force

Chief Author: **Liz Reyer**  
 Committee: **State Government Finance and Policy**  
 Date Completed: **2/9/2022 11:35:22 AM**  
 Lead Agency: **Minn Management and Budget**  
 Other Agencies:  
     Employment and Economic  
     Dvlpmt

| State Fiscal Impact       | Yes | No |
|---------------------------|-----|----|
| Expenditures              | X   |    |
| Fee/Departmental Earnings |     | X  |
| Tax Revenue               |     | X  |
| Information Technology    |     | X  |
| Local Fiscal Impact       |     | X  |

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

| State Cost (Savings)              | Biennium             |        |           | Biennium  |           |            |
|-----------------------------------|----------------------|--------|-----------|-----------|-----------|------------|
|                                   | Dollars in Thousands | FY2021 | FY2022    | FY2023    | FY2024    | FY2025     |
| <b>Minn Management and Budget</b> |                      |        |           |           |           |            |
| General Fund                      | -                    | -      | 93        | 53        | 53        |            |
| <b>State Total</b>                |                      |        |           |           |           |            |
| General Fund                      | -                    | -      | 93        | 53        | 53        |            |
| <b>Total</b>                      | -                    | -      | <b>93</b> | <b>53</b> | <b>53</b> |            |
| <b>Biennial Total</b>             |                      |        | <b>93</b> |           |           | <b>106</b> |

| Full Time Equivalent Positions (FTE) | Biennium |        |            | Biennium |        |
|--------------------------------------|----------|--------|------------|----------|--------|
|                                      | FY2021   | FY2022 | FY2023     | FY2024   | FY2025 |
| <b>Minn Management and Budget</b>    |          |        |            |          |        |
| General Fund                         | -        | -      | .36        | -        | -      |
| <b>Total</b>                         | -        | -      | <b>.36</b> | -        | -      |

**Lead LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Joel Enders      **Date:** 2/9/2022 11:35:22 AM  
**Phone:** 651-284-6542      **Email:** joel.enders@lbo.mn.gov

**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

| <b>State Cost (Savings) = 1-2</b>                        |  | <b>Biennium</b> |               |               | <b>Biennium</b> |               |
|--|--|-----------------|---------------|---------------|-----------------|---------------|
| <b>Dollars in Thousands</b>                              |  | <b>FY2021</b>   | <b>FY2022</b> | <b>FY2023</b> | <b>FY2024</b>   | <b>FY2025</b> |
| <b>Minn Management and Budget</b>                        |  |                 |               |               |                 |               |
| General Fund   |  | -               | -             | 93            | 53              | 53            |
| <b>Total</b>   |  | <b>-</b>        | <b>-</b>      | <b>93</b>     | <b>53</b>       | <b>53</b>     |
| <b>Biennial Total</b>                                    |  |                 |               | <b>93</b>     |                 | <b>106</b>    |
| <b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b> |  |                 |               |               |                 |               |
| Minn Management and Budget                               |  |                 |               |               |                 |               |
| General Fund   |  | -               | -             | 93            | 53              | 53            |
| <b>Total</b>   |  | <b>-</b>        | <b>-</b>      | <b>93</b>     | <b>53</b>       | <b>53</b>     |
| <b>Biennial Total</b>                                    |  |                 |               | <b>93</b>     |                 | <b>106</b>    |
| <b>2 - Revenues, Transfers In*</b>                       |  |                 |               |               |                 |               |
| Minn Management and Budget                               |  |                 |               |               |                 |               |
| General Fund   |  | -               | -             | -             | -               | -             |
| <b>Total</b>   |  | <b>-</b>        | <b>-</b>      | <b>-</b>      | <b>-</b>        | <b>-</b>      |
| <b>Biennial Total</b>                                    |  |                 |               | <b>-</b>      |                 | <b>-</b>      |

**HF2017 - 1A - State Employees with Disabilities; Task Force**

Chief Author: **Liz Reyer**  
 Committee: **State Government Finance and Policy**  
 Date Completed: **2/9/2022 11:35:22 AM**  
 Agency: **Minn Management and Budget**

| State Fiscal Impact       | Yes | No |
|---------------------------|-----|----|
| Expenditures              | X   |    |
| Fee/Departmental Earnings |     | X  |
| Tax Revenue               |     | X  |
| Information Technology    |     | X  |
| Local Fiscal Impact       |     | X  |

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

| State Cost (Savings)  | Biennium             |        |           | Biennium  |           |            |
|-----------------------|----------------------|--------|-----------|-----------|-----------|------------|
|                       | Dollars in Thousands | FY2021 | FY2022    | FY2023    | FY2024    | FY2025     |
| General Fund          | -                    | -      | 93        | 53        | 53        |            |
| <b>Total</b>          | -                    | -      | <b>93</b> | <b>53</b> | <b>53</b> |            |
| <b>Biennial Total</b> |                      |        | <b>93</b> |           |           | <b>106</b> |

| Full Time Equivalent Positions (FTE) | Biennium |        |            | Biennium |        |
|--------------------------------------|----------|--------|------------|----------|--------|
|                                      | FY2021   | FY2022 | FY2023     | FY2024   | FY2025 |
| General Fund                         | -        | -      | .36        | -        | -      |
| <b>Total</b>                         | -        | -      | <b>.36</b> | -        | -      |

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

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**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

| <b>State Cost (Savings) = 1-2</b>                        |   | Biennium |           |           | Biennium  |            |
|--|---|----------|-----------|-----------|-----------|------------|
| Dollars in Thousands                                     |   | FY2021   | FY2022    | FY2023    | FY2024    | FY2025     |
| General Fund   | - | -        | 93        | 53        | 53        | 53         |
| <b>Total</b>   | - | -        | <b>93</b> | <b>53</b> | <b>53</b> | <b>53</b>  |
| <b>Biennial Total</b>                                    |   |          | <b>93</b> |           |           | <b>106</b> |
| <b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b> |   |          |           |           |           |            |
| General Fund   | - | -        | 93        | 53        | 53        | 53         |
| <b>Total</b>   | - | -        | <b>93</b> | <b>53</b> | <b>53</b> | <b>53</b>  |
| <b>Biennial Total</b>                                    |   |          | <b>93</b> |           |           | <b>106</b> |
| <b>2 - Revenues, Transfers In*</b>                       |   |          |           |           |           |            |
| General Fund   | - | -        | -         | -         | -         | -          |
| <b>Total</b>   | - | -        | -         | -         | -         | -          |
| <b>Biennial Total</b>                                    |   |          | -         |           |           | -          |

**Bill Description**

This bill makes changes throughout Minnesota Statutes Chapter 43A. Section 1 requires that hiring managers and supervisors must be made aware of implicit and explicit biases that may be in the hiring process. Sections 2-5 add definitions to the definitions section of 43A for “accommodation fund,” “Americans with Disabilities Act,” “digital accessibility,” and “reasonable accommodation.” Section 6 adds to Minnesota Management and Budget’s (MMB) mission that, within the agency’s resources, the commissioner shall endeavor to: provide accessible, usable, and timely technology; and use recruitment processes that are equitable and inclusive of protected class employees, eliminate discrimination, and provide equitable access to development, training, advancement, and promotional opportunities. Section 7 requires that when MMB makes new administrative procedures available for comment, the administrative procedures and the public notice must be in accessible digital formats and provide multiple formats for providing comment. Section 8 requires the MMB Jobs report to be posted online, accessible, and MMB must advertise the reports in multiple formats.

Section 9 provides MMB’s classified service career paths must include career paths available to qualified individuals with disabilities. Section 10 includes qualified individuals with disabilities as protected group members for which special emphasis shall be given for recruitment, and that recruiting and hiring technology must be accessible to and usable by individuals with disabilities. Section 11 provides that MMB must ensure postings are nondiscriminatory and job-related, C-700 is considered as an alternative, noncompetitive hiring process for classified positions, hiring managers are aware of the accommodation fund for reimbursement of hiring process accommodations, and online application processes are accessible and usable. Section 12 provides for reasonable accommodation in the selection process, and that MMB must provide agencies information about the accommodation fund. Section 13 specifically identifies representation of people with disabilities as part of achieving and maintaining a representative workforce.

Section 14 makes some changes to the Connect 700 (C-700) program. Under the bill, MMB must consult with Department of Employment and Economic Development (DEED) Vocational Rehabilitation Services, State Services for the Blind, the Disability Agency Forum and other disability experts in establishing, reviewing and modifying the C-700 program. The section also provides that all permanent classified jobs are eligible for the C-700 program and postings must provide information about C-700. The section also provides that qualified C-700 employees should be converted from the C-700 appointment to probationary appointments when they have demonstrated the ability to perform the essential job functions with or without reasonable accommodation. The section requires MMB to develop and administer a formal grievance process for individuals in C-700 appointments and in the supported work program and requires agencies to provide timely reasonable accommodations to C-700 applicants and appointees. The section provides that MMB administers and oversees the C-700 program, policies, procedures, data collection, reporting, and compliance, and must design and implement training on C-700 annually for agency leaders

Section 15 requires MMB to annually: collect and report data on C-700; conduct an annual survey of C-700 applicants, appointees, and managers; consult with the disability experts on the survey results, assess the program, and recommend

continuous improvement; and publish an annual report on MMB's website.

Section 16 modifies the affirmative action program by stating that the purpose of the program is to provide equal opportunity by eliminating effects of past and present discrimination. The section requires agency reporting of affirmative action procedures and methods, and affirmative action reports must be posted by agencies and MMB, with accessible copies available. The section further requires a statewide ADA and disability employment director at MMB to administer the C-700, supported work, and disabled veteran's employment programs.

Section 17 provides that agency affirmative action officers must not be unclassified. It further provides that affirmative action plans must have a specific section that addresses hiring and advancement opportunities for individuals with disabilities at all levels of state employment and provides specific items that must be in the plans. The section also requires that MMB must report its affirmative action audit findings to the governor's office if a state agency fails to meet affirmative action requirements for two consecutive years. The section also requires MMB's affirmative action progress report to be publicly available on its website.

Sections 18-21 address training and require MMB to develop annual training for all state agency employees on ADA Title II, affirmative action, equal employment opportunity, and digital accessibility. Managers and supervisors would also receive training on inclusion, disability awareness, cultural competence, and other DEI areas. MMB is required to provide accessible training content and reasonable accommodations must be provided. Agencies are also required to conduct annual ADA self-assessment on training programs.

Section 22 and 24 provide that each agency must designate an ADA coordinator who reports directly to the commissioner, and section 24 sets forth the responsibilities and qualifications.

Section 23 makes changes to the supported work program statute, including that MMB create and implement annual training on the supported work program for agency leaders, and develop and administer a formal grievance process for individuals in the supported work program.

Section 25 requires MMB to convene an advisory committee on service worker class specifications, and report to the legislature by January 15, 2023, on recommendations for changes to Minnesota Statutes, section 43A.071.

### **Assumptions**

It is assumed that MMB's technology is already required to be accessible according to MNIT accessibility standards. It is assumed that "usability" is a standard different from accessibility and is not currently legally required. As a result, it is assumed that there will be a cost to making MMB's technology, such as Recruiting Solutions, "usable" beyond simply accessible. However, those costs are unknown.

It is assumed that creating training for all supervisors related to implicit bias will require 200 hours of work performed by an employee in the State Program Administrator (SPA) Principal job classification. It is assumed that this training can be made available and tracked on the Enterprise Training Development platform at no cost other than costs related to creating the content.

It is assumed that since all classified positions are available to qualified individuals with disabilities in the same way as to qualified individuals without disabilities, MMB is not required to develop new career paths only for individuals with disabilities, except for the supported work program. It is assumed that qualified individuals with disabilities are currently considered protected group members for special emphasis for recruitment, so no additional costs are anticipated for recruiting. It is assumed that there may be some MMB staffing costs required for developing and administering a formal grievance process for individuals in C-700 or supported work appointments; however, it is anticipated that this work can be conducted within existing MMB staffing levels.

It is assumed that creating training for all managers and supervisors related to C-700 will require 150 hours of work performed by an employee in the SPA Principal job classification. It is assumed that this training can be made available and tracked on the Enterprise Training Development platform at no cost other than costs related to creating the content.

It is assumed that the annual C-700 report required by this bill can be performed by a vendor at an annual cost of \$52,750. MMB's fiscal note for SF1570-1A, the companion to this bill, which was completed in 2021 assumed \$50,000 based upon the costs associated with a recent C-700 evaluation and report compiled by the Wilder Foundation. To account for cost inflation, this amount has been increased in this fiscal note by 5.5 percent, which is the 12-month rate of inflation as of

December 2021 for all items less food and energy in the Consumer Price Index. It is assumed that future surveys and reports will follow a similar format as the first survey and report.

It is assumed that the changes required by section 16 to modify and publish agency Affirmative Action plans can be conducted within existing MMB and agency staff resources.

It is assumed that there will be costs to create content for the ADA Title II, affirmative action, equal opportunity, digital accessibility, inclusion, disability awareness, cultural competence, and other training required by sections 18 through 21. It is estimated that to create all the content required by these sections will take 400 hours by an employee in the SPA Principal job classification. It is assumed that this training can be made available and tracked on the Enterprise Training Development platform at no cost other than costs related to creating the content.

It is assumed that creating the materials required for agencies to perform an annual ADA self-assessment can be accommodated by existing MMB staff at no additional cost.

It is assumed that sections 22 and 24 are referencing the ADA coordinator duties that already exist within agencies, and do not require that an additional FTE with sole responsibility for coordination of ADA requests be placed at each agency. As each cabinet level agency already has a requirement to assign ADA coordination duties, it is assumed this requirement will not result in any additional costs. To the extent this bill requires an ADA coordinator to report directly to a Commissioner or Agency Head, it is assumed there will be no costs to changing the reporting structure within any specific agency.

It is assumed that any staff time and costs related to coordination of an advisory committee and the submission of a report, as directed by Section 25, may be conducted within existing MMB resources and carry no additional costs.

Fringe costs for MMB employee salary costs are assumed to be 32.84 percent of salary, which is the average percentage for all MMB employees as projected in the state's SEMA4 HR/payroll system in FY 2022. Employee overhead costs are assumed to be 16.32 percent of total salary and fringe costs. Overhead includes costs such as space, IT, phone, supplies, printing, training, and travel. This percentage is the average of MMB's general fund operating expenditures in FY 2020 and 2021 spent on non-payroll employee overhead costs.

The assumed hourly wage for the SPA Principal is \$34.94, which is the mid-point for this classification.

**Expenditure and/or Revenue Formula**

|   | FY 2023 | FY 2024 | FY 2025 |
|---|---------|---------|---------|
| Create supervisor training-implicit bias  | 6,988   | 0       | 0       |
| Create manager and supervisor training - C-700  | 5,241   | 0       | 0       |
| Create ADA Title II, affirmative action, equal opportunity, digital accessibility, inclusion, disability awareness, cultural competence, and other training | 13,976  | 0       | 0       |
| Fringe at 32.84 percent   | 8,606   | 0       | 0       |

|   |        |        |        |
|---|--------|--------|--------|
| of salary                                       |        |        |        |
| Overhead at 16.32 percent of total compensation | 5,681  | 0      | 0      |
| MMB employee costs subtotal                     | 40,492 | 0      | 0      |
| C-700 professional-technical contract subtotal  | 52,750 | 52,750 | 52,750 |
| TOTAL costs                                     | 93,242 | 52,750 | 52,750 |

FY 2023 FTE: (150 hour + 200 hours + 400 hours = 750 hours) / 2,080 hours = 0.36 FTE

**Long-Term Fiscal Considerations**

**Local Fiscal Impact**

**References/Sources**

**Agency Contact:**

**Agency Fiscal Note Coordinator Signature:** Paul Moore

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**HF2017 - 1A - State Employees with Disabilities; Task Force**

Chief Author: **Liz Reyer**  
 Committee: **State Government Finance and Policy**  
 Date Completed: **2/9/2022 11:35:22 AM**  
 Agency: **Employment and Economic Dvlpmt**

| State Fiscal Impact       | Yes | No |
|---------------------------|-----|----|
| Expenditures              |     | X  |
| Fee/Departmental Earnings |     | X  |
| Tax Revenue               |     | X  |
| Information Technology    |     | X  |
| Local Fiscal Impact       |     | X  |

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| State Cost (Savings)  | Biennium             |        |        | Biennium |        |        |
|-----------------------|----------------------|--------|--------|----------|--------|--------|
|                       | Dollars in Thousands | FY2021 | FY2022 | FY2023   | FY2024 | FY2025 |
| <b>Total</b>          | -                    | -      | -      | -        | -      | -      |
| <b>Biennial Total</b> |                      |        | -      |          |        | -      |

| Full Time Equivalent Positions (FTE) | Biennium |        |        | Biennium |        |        |
|--------------------------------------|----------|--------|--------|----------|--------|--------|
|                                      |          | FY2021 | FY2022 | FY2023   | FY2024 | FY2025 |
| <b>Total</b>                         | -        | -      | -      | -        | -      | -      |

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Darren Sheets    **Date:** 2/9/2022 11:29:13 AM  
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| State Cost (Savings) = 1-2                               |  | Biennium |        |        | Biennium |        |
|--|--|----------|--------|--------|----------|--------|
|  |  | FY2021   | FY2022 | FY2023 | FY2024   | FY2025 |
| Dollars in Thousands                                     |  |          |        |        |          |        |
| Total  |  | -        | -      | -      | -        | -      |
| Biennial Total   |  |          |        | -      |          | -      |
| <b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b> |  |          |        |        |          |        |
| Total  |  | -        | -      | -      | -        | -      |
| Biennial Total   |  |          |        | -      |          | -      |
| <b>2 - Revenues, Transfers In*</b>                       |  |          |        |        |          |        |
| Total  |  | -        | -      | -      | -        | -      |
| Biennial Total   |  |          |        | -      |          | -      |

### Bill Description

HF 2017 as amended by the proposed A1 amendment would change policies and practices related to the state of Minnesota's hiring and retention of individuals with disabilities. The changes in the bill were recommended by the legislatively designated Advisory Task Force on State Employment and Retention of Employees with Disabilities.

### Assumptions

Vocational Rehabilitation Services and State Services for the Blind staff currently provide consultation to MMB regarding the recruitment, hiring, and retention of individuals with disabilities. DEED assumes the consultative functions outlined in the HF 2017 and the A1 amendment will not be more effort than the consultative work that is currently provided and thus no additional fiscal impact is anticipated.

### Expenditure and/or Revenue Formula

N/A

### Long-Term Fiscal Considerations

N/A

### Local Fiscal Impact

N/A

### References/Sources

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