

1.1 Senator ..... moves to amend S.F. No. 2611 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 APPROPRIATIONS

1.5 Section 1. JOBS AND ECONOMIC DEVELOPMENT APPROPRIATIONS.

1.6 The sums shown in the columns marked "Appropriations" are appropriated to the agencies  
1.7 and for the purposes specified in this article. The appropriations are from the general fund,  
1.8 or another named fund, and are available for the fiscal years indicated for each purpose.

1.9 The figures "2020" and "2021" used in this article mean that the appropriations listed under  
1.10 them are available for the fiscal year ending June 30, 2020, or June 30, 2021, respectively.  
1.11 "The first year" is fiscal year 2020. "The second year" is fiscal year 2021. "The biennium"  
1.12 is fiscal years 2020 and 2021.

1.13 APPROPRIATIONS

1.14 Available for the Year

1.15 Ending June 30

1.16 2020

2021

1.17 Sec. 2. DEPARTMENT OF EMPLOYMENT  
1.18 AND ECONOMIC DEVELOPMENT

1.19 Subdivision 1. Total Appropriation \$ 114,607,000 \$ 114,607,000

1.20 Appropriations by Fund

1.21		<u>2020</u>	<u>2021</u>
1.22	<u>General</u>	<u>82,810,000</u>	<u>82,810,000</u>
1.23	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
1.24	<u>Workforce</u>		
1.25	<u>Development</u>	<u>31,097,000</u>	<u>31,097,000</u>

1.26 The amounts that may be spent for each  
1.27 purpose are specified in the following  
1.28 subdivisions.

1.29 Subd. 2. Business and Community Development 38,286,000 38,286,000

1.30 Appropriations by Fund

1.31	<u>General</u>	<u>36,111,000</u>	<u>36,111,000</u>
1.32	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
1.33	<u>Workforce</u>		
1.34	<u>Development</u>	<u>1,475,000</u>	<u>1,475,000</u>

2.1 (a)(1) \$12,500,000 each year is for the  
2.2 Minnesota investment fund under Minnesota  
2.3 Statutes, section 116J.8731. Of this amount,  
2.4 up to two percent is for administration and  
2.5 monitoring of the program. This appropriation  
2.6 is available until spent. Notwithstanding  
2.7 Minnesota Statutes, section 116J.8731, funds  
2.8 appropriated to the commissioner for the  
2.9 Minnesota investment fund may be used for  
2.10 the redevelopment program under Minnesota  
2.11 Statutes, sections 116J.575 and 116J.5761, at  
2.12 the discretion of the commissioner. Grants  
2.13 under this paragraph are not subject to the  
2.14 grant amount limitation under Minnesota  
2.15 Statutes, section 116J.8731;

2.16 (2) of the amount appropriated in fiscal year  
2.17 2020, \$2,000,000 is for a loan to a paper mill  
2.18 in Duluth to support the operation and  
2.19 manufacture of packaging paper grades. The  
2.20 company that owns the paper mill must spend  
2.21 \$25,000,000 on expansion activities by  
2.22 December 31, 2020, in order to be eligible to  
2.23 receive funds in this appropriation. This  
2.24 appropriation is onetime and may be used for  
2.25 the mill's equipment, materials, supplies, and  
2.26 other operating expenses. The commissioner  
2.27 of employment and economic development  
2.28 shall forgive a portion of the loan each year  
2.29 after verification that the mill has retained 200  
2.30 full-time jobs over a period of five years and  
2.31 has satisfied other performance goals and  
2.32 contractual obligations as required under  
2.33 Minnesota Statutes, section 116J.8731;

2.34 (3) of the amount appropriated in fiscal year  
2.35 2020, \$1,000,000 is for the airport

3.1 infrastructure renewal (AIR) grant program  
3.2 under Minnesota Statutes, section 116J.439;  
3.3 and  
3.4 (4) of the amount appropriated in fiscal year  
3.5 2020, \$100,000 is for a grant to FIRST in  
3.6 Upper Midwest to support competitive  
3.7 robotics teams. Funds must be used to make  
3.8 up to five awards of no more than \$20,000  
3.9 each to Minnesota-based public entities or  
3.10 private nonprofit organizations for the creation  
3.11 of competitive robotics hubs. Awards may be  
3.12 used for tools, equipment, and physical space  
3.13 to be utilized by robotics teams. At least 50  
3.14 percent of grant funds must be used outside  
3.15 of the seven-county metropolitan area, as  
3.16 defined under Minnesota Statutes, section  
3.17 473.121, subdivision 2. The grant recipient  
3.18 shall report to the chairs and ranking minority  
3.19 members of the legislative committees with  
3.20 jurisdiction over jobs and economic growth  
3.21 by February 1, 2021, on the status of awards  
3.22 and include information on the number and  
3.23 amount of awards made, the number of  
3.24 customers served, and any outcomes resulting  
3.25 from the grant. The grant requires a 50 percent  
3.26 match from nonstate sources.

3.27 (b) \$8,000,000 each year is for the Minnesota  
3.28 job creation fund under Minnesota Statutes,  
3.29 section 116J.8748. Of this amount, up to two  
3.30 percent is for administration and monitoring  
3.31 of the program. This appropriation is available  
3.32 until spent.

3.33 (c) \$1,000,000 each year is for the Minnesota  
3.34 emerging entrepreneur loan program under  
3.35 Minnesota Statutes, section 116M.18. Funds

4.1 available under this paragraph are for transfer  
4.2 into the emerging entrepreneur program  
4.3 special revenue fund account created under  
4.4 Minnesota Statutes, chapter 116M, and are  
4.5 available until spent.

4.6 (d) \$1,350,000 each year from the workforce  
4.7 development fund is for job training costs  
4.8 under Minnesota Statutes, section 116L.42.

4.9 (e) \$1,787,000 each year is for the greater  
4.10 Minnesota business development public  
4.11 infrastructure grant program under Minnesota  
4.12 Statutes, section 116J.431. This appropriation  
4.13 is available until spent.

4.14 (f) \$139,000 each year is for the Center for  
4.15 Rural Policy and Development.

4.16 (g) \$1,772,000 each year is for contaminated  
4.17 site cleanup and development grants under  
4.18 Minnesota Statutes, sections 116J.551 to  
4.19 116J.558. This appropriation is available until  
4.20 spent.

4.21 (h) \$700,000 each year is from the remediation  
4.22 fund for contaminated site cleanup and  
4.23 development grants under Minnesota Statutes,  
4.24 sections 116J.551 to 116J.558. This  
4.25 appropriation is available until spent.

4.26 (i) \$1,425,000 each year is for the business  
4.27 development competitive grant program. Of  
4.28 this amount, up to two percent is for  
4.29 administration and monitoring of the business  
4.30 development competitive grant program. All  
4.31 grant awards shall be for two consecutive  
4.32 years. Grants shall be awarded in the first year.

4.33 (j) \$4,195,000 each year is for the Minnesota  
4.34 job skills partnership program under

5.1 Minnesota Statutes, sections 116L.01 to  
5.2 116L.17. If the appropriation for either year  
5.3 is insufficient, the appropriation for the other  
5.4 year is available. This appropriation is  
5.5 available until spent.

5.6 (k) \$875,000 each year is from the general  
5.7 fund for the host community economic  
5.8 development program established in  
5.9 Minnesota Statutes, section 116J.548.

5.10 (l) \$25,000 each year is for the administration  
5.11 of state aid for the Destination Medical Center  
5.12 under Minnesota Statutes, sections 469.40 to  
5.13 469.47.

5.14 (m) \$125,000 each year from the workforce  
5.15 development fund is for a grant to the White  
5.16 Earth Nation for the White Earth Nation  
5.17 Integrated Business Development System to  
5.18 provide business assistance with workforce  
5.19 development, outreach, technical assistance,  
5.20 infrastructure and operational support,  
5.21 financing, and other business development  
5.22 activities. This is a onetime appropriation.

5.23 (n) \$12,000 each year is from the general fund  
5.24 for a grant to the Upper Minnesota Film  
5.25 Office.

5.26 (o) \$163,000 each year is from the general  
5.27 fund for the Minnesota Film and TV Board.  
5.28 The appropriation in each year is available  
5.29 only upon receipt by the board of \$1 in  
5.30 matching contributions of money or in-kind  
5.31 contributions from nonstate sources for every  
5.32 \$3 provided by this appropriation, except that  
5.33 each year up to \$50,000 is available on July

6.1 1 even if the required matching contribution  
 6.2 has not been received by that date.  
 6.3 (p) \$500,000 each year is from the general  
 6.4 fund for a grant to the Minnesota Film and TV  
 6.5 Board for the film production jobs program  
 6.6 under Minnesota Statutes, section 116U.26.  
 6.7 This appropriation is available until spent.

6.8 **Subd. 3. Minnesota Trade Office** 2,292,000 2,292,000

6.9 (a) \$300,000 each year is for the STEP grants  
 6.10 in Minnesota Statutes, section 116J.979.

6.11 (b) \$180,000 each year is for the Invest  
 6.12 Minnesota Marketing Initiative in Minnesota  
 6.13 Statutes, section 116J.9781.

6.14 (c) \$270,000 each year is for the Minnesota  
 6.15 Trade Offices under Minnesota Statutes,  
 6.16 section 116J.978.

6.17 (d) \$50,000 each year is for the trade policy  
 6.18 advisory group under Minnesota Statutes,  
 6.19 section 116J.9661.

6.20 **Subd. 4. Workforce Development** 26,242,000 26,242,000

6.21	<u>Appropriations by Fund</u>		
6.22	<u>General</u>	<u>4,450,000</u>	<u>4,450,000</u>
6.23	<u>Workforce</u>		
6.24	<u>Development</u>	<u>21,792,000</u>	<u>21,792,000</u>

6.25 (a) \$4,604,000 each year from the workforce  
 6.26 development fund is for the pathways to  
 6.27 prosperity competitive grant program. Of this  
 6.28 amount, up to two percent is for administration  
 6.29 and monitoring of the program.

6.30 (b) \$4,065,000 each year is from the  
 6.31 workforce development fund for the  
 6.32 Minnesota youth program under Minnesota  
 6.33 Statutes, sections 116L.56 and 116L.561.

7.1 (c) \$1,000,000 each year is from the workforce  
7.2 development fund for the youthbuild program  
7.3 under Minnesota Statutes, sections 116L.361  
7.4 to 116L.366.

7.5 (d) \$750,000 each year is from the general  
7.6 fund and \$3,348,000 each year is from the  
7.7 workforce development fund for the youth at  
7.8 work competitive grant program under  
7.9 Minnesota Statutes, section 116L.562. Of this  
7.10 amount, up to two percent is for administration  
7.11 and monitoring of the youth workforce  
7.12 development competitive grant program. All  
7.13 grant awards shall be for two consecutive  
7.14 years. Grants shall be awarded in the first year.

7.15 (e) \$500,000 each year from the general fund  
7.16 and \$500,000 each year from the workforce  
7.17 development fund are for rural career  
7.18 counseling coordinators in the workforce  
7.19 service areas and for the purposes specified  
7.20 under Minnesota Statutes, section 116L.667.

7.21 (f) \$250,000 each year is for the higher  
7.22 education career advising program.

7.23 (g) \$1,000,000 each year is for a competitive  
7.24 grant program for grants to organizations  
7.25 providing services to relieve economic  
7.26 disparities in the Southeast Asian community  
7.27 through workforce recruitment, development,  
7.28 job creation, assistance of smaller  
7.29 organizations to increase capacity, and  
7.30 outreach. Of this amount, up to two percent is  
7.31 for administration and monitoring of the  
7.32 program.

7.33 (h) \$1,000,000 each year is for a competitive  
7.34 grant program to provide grants to

8.1 organizations that provide support services for  
8.2 individuals, such as job training, employment  
8.3 preparation, internships, job assistance to  
8.4 fathers, financial literacy, academic and  
8.5 behavioral interventions for low-performing  
8.6 students, and youth intervention. Grants made  
8.7 under this section must focus on low-income  
8.8 communities, young adults from families with  
8.9 a history of intergenerational poverty, and  
8.10 communities of color. Of this amount, up to  
8.11 two percent is for administration and  
8.12 monitoring of the program.

8.13 (i) \$750,000 each year is for the high-wage,  
8.14 high-demand, nontraditional jobs grant  
8.15 program under Minnesota Statutes, section  
8.16 116L.99. Of this amount, up to two percent is  
8.17 for administration and monitoring of the  
8.18 program.

8.19 (j) \$500,000 each year is from the workforce  
8.20 development fund for the Opportunities  
8.21 Industrialization Center programs. This  
8.22 appropriation shall be divided equally among  
8.23 the eligible centers.

8.24 (k) \$250,000 each year is from the workforce  
8.25 development fund for a grant to YWCA St.  
8.26 Paul to provide job training services and  
8.27 workforce development programs and  
8.28 services, including job skills training and  
8.29 counseling. This is a onetime appropriation.

8.30 (l) \$750,000 each year is from the workforce  
8.31 development fund for a grant to the  
8.32 Minneapolis Foundation for a strategic  
8.33 intervention program designed to target and  
8.34 connect program participants to meaningful,



9.1 sustainable living-wage employment. This is  
9.2 a onetime appropriation.

9.3 (m) \$800,000 each year is from the workforce  
9.4 development fund for performance grants  
9.5 under Minnesota Statutes, section 116J.8747,  
9.6 to Twin Cities R!SE to provide training to  
9.7 hard-to-train individuals. This is a onetime  
9.8 appropriation.

9.9 (n) \$600,000 each year from the workforce  
9.10 development fund is for a grant to Ujamaa  
9.11 Place for job training, employment  
9.12 preparation, internships, education, training  
9.13 in the construction trades, housing, and  
9.14 organizational capacity-building. This is a  
9.15 onetime appropriation.

9.16 (o) \$200,000 each year is for a grant to  
9.17 AccessAbility Incorporated to provide job  
9.18 skills training to individuals who have been  
9.19 released from incarceration for a felony-level  
9.20 offense and are no more than 12 months from  
9.21 the date of release. AccessAbility Incorporated  
9.22 shall annually report to the commissioner on  
9.23 how the money was spent and what results  
9.24 were achieved. The report must include, at a  
9.25 minimum, information and data about the  
9.26 number of participants; participant  
9.27 homelessness, employment, recidivism, and  
9.28 child support compliance; and training  
9.29 provided to program participants. This is a  
9.30 onetime appropriation.

9.31 (p) \$450,000 each year is from the workforce  
9.32 development fund for grants to Minnesota  
9.33 Diversified Industries, Inc. to provide  
9.34 progressive development and employment

- 10.1 opportunities for people with disabilities. This  
10.2 is a onetime appropriation.
- 10.3 (q) \$750,000 each year is from the workforce  
10.4 development fund for a grant to the Minnesota  
10.5 Alliance of Boys and Girls Clubs to administer  
10.6 a statewide project of youth job skills and  
10.7 career development. This project, which may  
10.8 have career guidance components including  
10.9 health and life skills, must be designed to  
10.10 encourage, train, and assist youth in early  
10.11 access to education and job-seeking skills,  
10.12 work-based learning experience including  
10.13 career pathways in STEM learning, career  
10.14 exploration and matching, and first job  
10.15 placement through local community  
10.16 partnerships and on-site job opportunities. This  
10.17 grant requires a 25 percent match from  
10.18 nonstate resources. This is a onetime  
10.19 appropriation.
- 10.20 (r) \$500,000 each year is from the workforce  
10.21 development fund for a grant to Avivo to  
10.22 provide low-income individuals with career  
10.23 education and job skills training that is fully  
10.24 integrated with chemical and mental health  
10.25 services. This is a onetime appropriation.
- 10.26 (s) \$1,500,000 each year is from the workforce  
10.27 development fund for a grant to the Minnesota  
10.28 High Tech Association to support  
10.29 SciTechsperience, a program that supports  
10.30 science, technology, engineering, and math  
10.31 (STEM) internship opportunities for two- and  
10.32 four-year college students and graduate  
10.33 students in their field of study. The internship  
10.34 opportunities must match students with paid  
10.35 internships within STEM disciplines at small,

- 11.1 for-profit companies located in Minnesota  
11.2 having fewer than 250 employees worldwide.  
11.3 At least 400 students must be matched in the  
11.4 first year and at least 425 students must be  
11.5 matched in the second year. No more than 15  
11.6 percent of the hires may be graduate students.  
11.7 Selected hiring companies shall receive from  
11.8 the grant 50 percent of the wages paid to the  
11.9 intern, capped at \$3,000 per intern. The  
11.10 program must work toward increasing the  
11.11 participation among women or other  
11.12 underserved populations. This is a onetime  
11.13 appropriation.
- 11.14 (t) \$250,000 each year is from the workforce  
11.15 development fund for a grant to Big Brothers  
11.16 Big Sisters of the Greater Twin Cities for  
11.17 workforce readiness, employment exploration,  
11.18 and skills development for youth ages 12 to  
11.19 21. The grant must serve youth in the Big  
11.20 Brothers Big Sisters chapters in the Twin  
11.21 Cities, central Minnesota, and southern  
11.22 Minnesota. This is a onetime appropriation.
- 11.23 (u) \$200,000 each year is from the workforce  
11.24 development fund for a grant to 180 Degrees  
11.25 to expand their job readiness training program  
11.26 to: young adults in group homes; sexually  
11.27 exploited girls at Brittany's Place; and men  
11.28 who have recently been released from prison  
11.29 at the Clifton Residence. This is a onetime  
11.30 appropriation.
- 11.31 (v) \$150,000 each year is from the workforce  
11.32 development fund for displaced homemaker  
11.33 programs under Minnesota Statutes, section  
11.34 116L.96. The commissioner, through the adult  
11.35 career pathways program, shall distribute the

- 12.1 funds to existing nonprofit and state displaced  
12.2 homemaker programs. This is a onetime  
12.3 appropriation.
- 12.4 (w) \$500,000 each year is from the workforce  
12.5 development fund for a grant to Goodwill  
12.6 Easter Seals Minnesota and its partners. The  
12.7 grant shall be used to continue the FATHER  
12.8 Project in Rochester, Park Rapids, St. Cloud,  
12.9 Minneapolis, and the surrounding areas to  
12.10 assist fathers in overcoming barriers that  
12.11 prevent fathers from supporting their children  
12.12 economically and emotionally. This is a  
12.13 onetime appropriation.
- 12.14 (x) \$500,000 each year is from the workforce  
12.15 development fund for a grant to Summit  
12.16 Academy OIC to expand their contextualized  
12.17 GED and employment placement program and  
12.18 STEM program. This is a onetime  
12.19 appropriation.
- 12.20 (y) \$250,000 each year is from the workforce  
12.21 development fund for a grant to Bridges to  
12.22 Healthcare to provide career education,  
12.23 wraparound support services, and job skills  
12.24 training in high-demand health care fields to  
12.25 low-income parents, nonnative speakers of  
12.26 English, and other hard-to-train individuals,  
12.27 helping families build secure pathways out of  
12.28 poverty while also addressing worker  
12.29 shortages in one of Minnesota's most  
12.30 innovative industries. Funds may be used for  
12.31 program expenses, including but not limited  
12.32 to hiring instructors and navigators; space  
12.33 rental; and supportive services to help  
12.34 participants attend classes, including assistance  
12.35 with course fees, child care, transportation,

- 13.1 and safe and stable housing. In addition, up to  
13.2 five percent of grant funds may be used for  
13.3 Bridges to Healthcare's administrative costs.  
13.4 This is a onetime appropriation.
- 13.5 (z) \$75,000 each year is from the workforce  
13.6 development fund for grants to the Minnesota  
13.7 Grocers Association Foundation for Carts to  
13.8 Careers, a statewide initiative to promote  
13.9 careers, conduct outreach, provide job skills  
13.10 training, and grant scholarships for careers in  
13.11 the retail food industry. This is a onetime  
13.12 appropriation.
- 13.13 (aa) \$250,000 each year is from the workforce  
13.14 development fund for grants to the American  
13.15 Indian Opportunities and Industrialization  
13.16 Center, in collaboration with the Northwest  
13.17 Indian Community Development Center, to  
13.18 reduce academic disparities for American  
13.19 Indian students and adults. The grant funds  
13.20 may be used to provide:
- 13.21 (1) student tutoring and testing support  
13.22 services;
- 13.23 (2) training and employment placement in  
13.24 information technology;
- 13.25 (3) training and employment placement within  
13.26 trades;
- 13.27 (4) assistance in obtaining a GED;
- 13.28 (5) remedial training leading to enrollment or  
13.29 to sustain enrollment in a postsecondary higher  
13.30 education institution;
- 13.31 (6) real-time work experience in information  
13.32 technology fields and in the trades;
- 13.33 (7) contextualized adult basic education;

14.1 (8) career and educational counseling for  
 14.2 clients with significant and multiple barriers;  
 14.3 and

14.4 (9) reentry services and counseling for adults  
 14.5 and youth.

14.6 After notification to the legislature, the  
 14.7 commissioner may transfer this appropriation  
 14.8 to the commissioner of education.

14.9 **Subd. 5. Vocational Rehabilitation** 36,961,000 36,961,000

14.10 Appropriations by Fund

14.11 General 28,861,000 28,861,000

14.12 Workforce  
 14.13 Development 7,830,000 7,830,000

14.14 (a) \$14,300,000 each year is for the state's  
 14.15 vocational rehabilitation program under  
 14.16 Minnesota Statutes, chapter 268A.

14.17 (b) \$3,011,000 each year is from the general  
 14.18 fund for grants to centers for independent  
 14.19 living under Minnesota Statutes, section  
 14.20 268A.11.

14.21 (c) \$8,995,000 each year from the general fund  
 14.22 and \$6,830,000 each year from the workforce  
 14.23 development fund are for extended  
 14.24 employment services for persons with severe  
 14.25 disabilities under Minnesota Statutes, section  
 14.26 268A.15. Of the amounts appropriated from  
 14.27 the general fund, \$2,000,000 each year is for  
 14.28 rate increases to providers of extended  
 14.29 employment services for persons with severe  
 14.30 disabilities under Minnesota Statutes, section  
 14.31 268A.15.

14.32 (d) \$1,000,000 each year is from the  
 14.33 workforce development fund for grants under  
 14.34 Minnesota Statutes, section 268A.16, for

- 15.1 employment services for persons, including  
 15.2 transition-aged youth, who are deaf, deafblind,  
 15.3 or hard-of-hearing. If the amount in the first  
 15.4 year is insufficient, the amount in the second  
 15.5 year is available in the first year. Of this  
 15.6 amount, up to two percent is for administration  
 15.7 and monitoring of the program.
- 15.8 (e) \$2,555,000 each year is for grants to  
 15.9 programs that provide employment support  
 15.10 services to persons with mental illness under  
 15.11 Minnesota Statutes, sections 268A.13 and  
 15.12 268A.14.
- 15.13 **Subd. 6. Services for the Blind** 6,425,000 6,425,000
- 15.14 \$500,000 each year is to provide services for  
 15.15 senior citizens who are becoming blind. At  
 15.16 least half of the funds appropriated must be  
 15.17 used to provide training services for seniors  
 15.18 who are becoming blind. Training services  
 15.19 must provide independent living skills to  
 15.20 seniors who are becoming blind to allow them  
 15.21 to continue to live independently in their  
 15.22 homes.
- 15.23 **Subd. 7. General Support Services** 4,671,000 4,671,000
- 15.24 (a) \$250,000 each year is for the publication,  
 15.25 dissemination, and use of labor market  
 15.26 information under Minnesota Statutes, section  
 15.27 116J.4011.
- 15.28 (b) \$1,269,000 each year is for transfer to the  
 15.29 Minnesota Housing Finance Agency for  
 15.30 operating the Olmstead Implementation  
 15.31 Office.
- 15.32 (c) \$500,000 each year is for the  
 15.33 capacity-building grant program to assist  
 15.34 nonprofit organizations offering or seeking to





17.1 the service level agreement and must be paid  
 17.2 to the Office of MN.IT Services by the  
 17.3 commissioner of labor and industry under the  
 17.4 rates and mechanism specified in that  
 17.5 agreement.

17.6 **Subd. 3. Labor Standards and Apprenticeship** 4,231,000 4,231,000

17.7 Appropriations by Fund

17.8 General 2,548,000 2,548,000

17.9 Workforce

17.10 Development 1,683,000 1,683,000

17.11 (a) \$1,000,000 each year is for wage theft  
 17.12 prevention.

17.13 (b) \$250,000 each year is to develop an open  
 17.14 and competitive grant process in consultation  
 17.15 with the Office of Justice Programs in the  
 17.16 Department of Public Safety, law enforcement  
 17.17 organizations, and the Minnesota County  
 17.18 Attorneys Association to award a grant to a  
 17.19 nonprofit organization identifying and serving  
 17.20 victims of labor trafficking to: (1) develop a  
 17.21 statewide model protocol for law enforcement,  
 17.22 prosecutors, and other persons who in their  
 17.23 professional capacity encounter labor  
 17.24 trafficking to identify and intervene with  
 17.25 victims of labor trafficking; (2) conduct  
 17.26 statewide training for law enforcement and  
 17.27 prosecutors including, at a minimum, methods  
 17.28 under Minnesota Statutes, section 299A.79,  
 17.29 subdivision 2; and (3) develop and disseminate  
 17.30 investigative best practices to identify victims  
 17.31 of labor trafficking and traffickers to law  
 17.32 enforcement, prosecutors, and other persons  
 17.33 who in their professional capacity encounter  
 17.34 labor trafficking. The grant recipient may use  
 17.35 the money appropriated in this paragraph to

18.1 partner with other entities to implement  
18.2 clauses (1) to (3).

18.3 (c) By January 15, 2021, the grant recipient  
18.4 shall report to the chairs and ranking minority  
18.5 members of the senate and house of  
18.6 representatives committees and divisions with  
18.7 jurisdiction over criminal justice and labor and  
18.8 industry policy and funding on the grant  
18.9 process and how the grant money was spent  
18.10 and details and results of the implementation  
18.11 of paragraph (a), clauses (1) to (3). This  
18.12 appropriation is onetime.

18.13 (d) \$1,133,000 each year is from the  
18.14 workforce development fund for the  
18.15 apprenticeship program under Minnesota  
18.16 Statutes, chapter 178.

18.17 (e) \$150,000 each year is from the workforce  
18.18 development fund for prevailing wage  
18.19 enforcement.

18.20 (f) \$100,000 each year is from the workforce  
18.21 development fund for labor education and  
18.22 advancement program grants under Minnesota  
18.23 Statutes, section 178.11, to expand and  
18.24 promote registered apprenticeship training for  
18.25 minorities and women.

18.26 (g) \$300,000 each year is from the workforce  
18.27 development fund for grants to the  
18.28 Construction Careers Foundation for the  
18.29 Helmets to Hard Hats Minnesota initiative.  
18.30 Grant funds must be used to recruit, retain,  
18.31 assist, and support National Guard, reserve,  
18.32 and active duty military members' and  
18.33 veterans' participation into apprenticeship  
18.34 programs registered with the Department of

- 19.1 Labor and Industry and connect them with  
 19.2 career training and employment in the building  
 19.3 and construction industry. The recruitment,  
 19.4 selection, employment, and training must be  
 19.5 without discrimination due to race, color,  
 19.6 creed, religion, national origin, sex, sexual  
 19.7 orientation, marital status, physical or mental  
 19.8 disability, receipt of public assistance, or age.  
 19.9 This is a onetime appropriation.
- 19.10 **Subd. 4. Workplace Safety** 4,167,000 4,167,000
- 19.11 This appropriation is from the workers'  
 19.12 compensation fund.
- 19.13 **Subd. 5. General Support** 7,003,000 7,003,000
- 19.14 Appropriations by Fund
- 19.15 Workers'  
 19.16 Compensation 5,953,000 5,953,000
- 19.17 Workforce  
 19.18 Development 1,050,000 1,050,000
- 19.19 (a) \$300,000 each year is from the workforce  
 19.20 development fund for the PIPELINE program.
- 19.21 (b) \$750,000 each year is from the workforce  
 19.22 development fund for youth skills training  
 19.23 grants under Minnesota Statutes, section  
 19.24 175.46. The commissioner shall award grants  
 19.25 not to exceed \$100,000 per local partnership  
 19.26 grant. \$100,000 each year is from the  
 19.27 workforce development fund for the  
 19.28 administration of the grant program.
- 19.29 **Sec. 4. BUREAU OF MEDIATION SERVICES** **\$ 2,404,000** **\$ 2,404,000**
- 19.30 (a) \$68,000 each year is for grants to area  
 19.31 labor management committees. Grants may  
 19.32 be awarded for a 12-month period beginning  
 19.33 July 1 each year. Any unencumbered balance

20.1 remaining at the end of the first year does not  
 20.2 cancel but is available for the second year.

20.3 (b) \$394,000 each year is for the Office of  
 20.4 Collaboration and Dispute Resolution under  
 20.5 Minnesota Statutes, section 179.90. Of this  
 20.6 amount, \$160,000 each year is for grants under  
 20.7 Minnesota Statutes, section 179.91.

20.8 **Sec. 5. WORKERS' COMPENSATION COURT**  
 20.9 **OF APPEALS** \$ 1,952,000 \$ 1,952,000

20.10 This appropriation is from the workers'  
 20.11 compensation fund.

20.12 **Sec. 6. REDUCTION IN APPROPRIATIONS FOR UNFILLED POSITIONS.**

20.13 Subdivision 1. **Reduction required.** The commissioner of management and budget must  
 20.14 reduce general fund and nongeneral fund appropriations to the Department of Employment  
 20.15 and Economic Development and the Department of Labor and Industry for agency operations  
 20.16 for the biennium ending June 30, 2021, for salary and benefits savings that results from any  
 20.17 positions that have not been filled within 180 days of the posting of the position. This section  
 20.18 applies only to positions that are posted in fiscal years 2019, 2020, and 2021. Reductions  
 20.19 made under this paragraph must be reflected as reductions in agency base budgets for fiscal  
 20.20 years 2022 and 2023.

20.21 Subd. 2. **Reporting.** The commissioner of management and budget must report to the  
 20.22 chairs and ranking minority members of the senate and the house of representatives jobs  
 20.23 and economic development finance committees regarding the amount of reductions in  
 20.24 spending by each agency under this section.

20.25 **ARTICLE 2**  
 20.26 **JOBS POLICY**

20.27 Section 1. Minnesota Statutes 2018, section 116J.035, subdivision 7, is amended to read:

20.28 Subd. 7. **Monitoring pass-through grant recipients.** The commissioner shall monitor  
 20.29 the activities and outcomes of programs and services funded by legislative appropriations  
 20.30 and administered by the department on a pass-through basis. Unless amounts are otherwise  
 20.31 appropriated for administrative costs, the commissioner may retain up to ~~five~~ two percent  
 20.32 of the amount appropriated to the department for grants to pass-through entities. Amounts

21.1 retained are deposited to a special revenue account and are appropriated to the commissioner  
21.2 for costs incurred in administering and monitoring the pass-through grants.

21.3 **Sec. 2. [116J.439] AIRPORT INFRASTRUCTURE RENEWAL (AIR) GRANT**  
21.4 **PROGRAM.**

21.5 **Subdivision 1. Grant program established; purpose.** (a) The commissioner shall make  
21.6 grants to counties, airport authorities, or cities to provide up to 50 percent of the capital  
21.7 costs of redevelopment of an existing facility or construction of a new facility; and for public  
21.8 or private infrastructure costs, including broadband infrastructure costs, necessary for an  
21.9 eligible airport infrastructure renewal economic development project.

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

21.12 (c) In awarding grants under this section, the commissioner must adhere to the criteria  
21.13 under subdivision 5.

21.14 **Subd. 2. Definitions.** (a) For purposes of this section, the following terms have the  
21.15 meanings given.

21.16 (b) "City" means a statutory or home rule charter city located outside the metropolitan  
21.17 area as defined in section 473.121, subdivision 2.

21.18 (c) "County" means a county located outside the metropolitan area as defined in section  
21.19 473.121, subdivision 2.

21.20 (d) "Airport authority" means an authority created pursuant to section 360.0426.

21.21 **Subd. 3. Eligible projects.** An economic development project for which a county, airport  
21.22 authority, or city may be eligible to receive a grant under this section includes: (1)  
21.23 manufacturing; (2) technology; (3) warehousing and distribution; or (4) research and  
21.24 development.

21.25 **Subd. 4. Ineligible projects.** The following projects are not eligible for a grant under  
21.26 this section: (1) retail development; or (2) office space development, except as incidental  
21.27 to an eligible purpose.

21.28 **Subd. 5. Application.** (a) The commissioner must develop forms and procedures for  
21.29 soliciting and reviewing applications for grants under this section. At a minimum, a county,  
21.30 airport authority, or city must include in its application a resolution of the governing body  
21.31 of the county, airport authority, or city certifying that half of the cost of the project is

22.1 committed from nonstate sources. The commissioner must evaluate complete applications  
22.2 for eligible projects using the following criteria:

22.3 (1) the project is an eligible project as defined under subdivision 3;

22.4 (2) the project is expected to result in or will attract substantial public and private capital  
22.5 investment and provide substantial economic benefit to the county, airport authority, or city  
22.6 in which the project would be located; and

22.7 (3) the project is expected to or will create or retain full-time jobs.

22.8 (b) The determination of whether to make a grant for a site is within the discretion of  
22.9 the commissioner, subject to this section. The commissioner's decisions and application of  
22.10 the criteria are not subject to judicial review except for abuse of discretion.

22.11 Subd. 6. **Maximum grant amount.** A county, airport authority, or city may receive no  
22.12 more than \$250,000 in two years for one or more projects.

22.13 Subd. 7. **Cancellation of grant; return of grant money.** If after five years the  
22.14 commissioner determines that a project has not proceeded in a timely manner and is unlikely  
22.15 to be completed, the commissioner must cancel the grant and require the grantee to return  
22.16 all grant money awarded for that project.

22.17 Subd. 8. **Appropriation.** Grant money returned to the commissioner is appropriated to  
22.18 the commissioner to make additional grants under this section.

22.19 Sec. 3. **[116L.35] INVENTORY OF WORKFORCE DEVELOPMENT PROGRAMS.**

22.20 (a) By January 15, 2020, and by January 15 of each even-numbered year thereafter, the  
22.21 commissioner of employment and economic development must submit a report to the chairs  
22.22 of the legislative committees with jurisdiction over workforce development that provides  
22.23 an inventory of all workforce development programs either provided by or overseen by any  
22.24 agency of the state of Minnesota.

22.25 (b) Programs related to workforce development that must be included in the report  
22.26 include those that:

22.27 (1) receive federal funds or state funds;

22.28 (2) provide assistance to either businesses or individuals; or

22.29 (3) support internships, apprenticeships, career and technical education, or any form of  
22.30 employment training.

23.1 (c) For each workforce development program, the report must include, at a minimum,  
 23.2 the following information:

23.3 (1) details of program costs;

23.4 (2) the number of staff, both within the department and any outside organization;

23.5 (3) the number of program participants;

23.6 (4) the demographic information including, but not limited to, race, age, gender, and  
 23.7 income of program participants;

23.8 (5) a list of any and all subgrantees receiving funds from the program, as well as the  
 23.9 amount of funding received;

23.10 (6) information about other sources of funding including other public or private funding  
 23.11 or in-kind donations;

23.12 (7) a short description of what each program does; and

23.13 (8) to the extent practical, quantifiable measures of program success.

23.14 (d) In addition to the information required under paragraph (c), a program related to  
 23.15 workforce development under paragraph (b) that requests an increase in state funding over  
 23.16 the previous biennium must provide the following:

23.17 (1) detailed information regarding the need for increased funds; and

23.18 (2) the planned uses of the increased funds.

23.19 (e) A program related to workforce development under paragraph (b) is ineligible for  
 23.20 state funding in the following biennium if it does not submit the information required under  
 23.21 paragraph (c).

23.22 Sec. 4. Laws 2017, chapter 94, article 1, section 2, subdivision 3, is amended to read:

23.23 Subd. 3. **Workforce Development** \$ 31,498,000 \$ 30,231,000

23.24 Appropriations by Fund

23.25 General \$6,239,000 \$5,889,000

23.26 Workforce

23.27 Development \$25,259,000 \$24,342,000

23.28 (a) \$500,000 each year is for the  
 23.29 youth-at-work competitive grant program  
 23.30 under Minnesota Statutes, section 116L.562.

23.31 Of this amount, up to five percent is for

24.1 administration and monitoring of the youth  
24.2 workforce development competitive grant  
24.3 program. All grant awards shall be for two  
24.4 consecutive years. Grants shall be awarded in  
24.5 the first year. In fiscal year 2020 and beyond,  
24.6 the base amount is \$750,000.

24.7 (b) \$250,000 each year is for pilot programs  
24.8 in the workforce service areas to combine  
24.9 career and higher education advising.

24.10 (c) \$500,000 each year is for rural career  
24.11 counseling coordinator positions in the  
24.12 workforce service areas and for the purposes  
24.13 specified in Minnesota Statutes, section  
24.14 116L.667. The commissioner of employment  
24.15 and economic development, in consultation  
24.16 with local workforce investment boards and  
24.17 local elected officials in each of the service  
24.18 areas receiving funds, shall develop a method  
24.19 of distributing funds to provide equitable  
24.20 services across workforce service areas.

24.21 (d) \$1,000,000 each year is for a grant to the  
24.22 Construction Careers Foundation for the  
24.23 construction career pathway initiative to  
24.24 provide year-round educational and  
24.25 experiential learning opportunities for teens  
24.26 and young adults under the age of 21 that lead  
24.27 to careers in the construction industry. This is  
24.28 a onetime appropriation. Grant funds must be  
24.29 used to:

24.30 (1) increase construction industry exposure  
24.31 activities for middle school and high school  
24.32 youth, parents, and counselors to reach a more  
24.33 diverse demographic and broader statewide  
24.34 audience. This requirement includes, but is  
24.35 not limited to, an expansion of programs to



25.1 provide experience in different crafts to youth  
25.2 and young adults throughout the state;

25.3 (2) increase the number of high schools in  
25.4 Minnesota offering construction classes during  
25.5 the academic year that utilize a multicraft  
25.6 curriculum;

25.7 (3) increase the number of summer internship  
25.8 opportunities;

25.9 (4) enhance activities to support graduating  
25.10 seniors in their efforts to obtain employment  
25.11 in the construction industry;

25.12 (5) increase the number of young adults  
25.13 employed in the construction industry and  
25.14 ensure that they reflect Minnesota's diverse  
25.15 workforce; and

25.16 (6) enhance an industrywide marketing  
25.17 campaign targeted to youth and young adults  
25.18 about the depth and breadth of careers within  
25.19 the construction industry.

25.20 Programs and services supported by grant  
25.21 funds must give priority to individuals and  
25.22 groups that are economically disadvantaged  
25.23 or historically underrepresented in the  
25.24 construction industry, including but not limited  
25.25 to women, veterans, and members of minority  
25.26 and immigrant groups.

25.27 (e) \$1,539,000 each year from the general fund  
25.28 and \$4,604,000 each year from the workforce  
25.29 development fund are for the Pathways to  
25.30 Prosperity adult workforce development  
25.31 competitive grant program. Of this amount,  
25.32 up to four percent is for administration and  
25.33 monitoring of the program. When awarding  
25.34 grants under this paragraph, the commissioner

26.1 of employment and economic development  
26.2 may give preference to any previous grantee  
26.3 with demonstrated success in job training and  
26.4 placement for hard-to-train individuals. In  
26.5 fiscal year 2020 and beyond, the general fund  
26.6 base amount for this program is \$4,039,000.

26.7 (f) \$750,000 each year is for a competitive  
26.8 grant program to provide grants to  
26.9 organizations that provide support services for  
26.10 individuals, such as job training, employment  
26.11 preparation, internships, job assistance to  
26.12 fathers, financial literacy, academic and  
26.13 behavioral interventions for low-performing  
26.14 students, and youth intervention. Grants made  
26.15 under this section must focus on low-income  
26.16 communities, young adults from families with  
26.17 a history of intergenerational poverty, and  
26.18 communities of color. Of this amount, up to  
26.19 four percent is for administration and  
26.20 monitoring of the program. In fiscal year 2020  
26.21 and beyond, the base amount is \$1,000,000.

26.22 (g) \$500,000 each year is for the women and  
26.23 high-wage, high-demand, nontraditional jobs  
26.24 grant program under Minnesota Statutes,  
26.25 section 116L.99. Of this amount, up to five  
26.26 percent is for administration and monitoring  
26.27 of the program. In fiscal year 2020 and  
26.28 beyond, the base amount is \$750,000.

26.29 (h) \$500,000 each year is for a competitive  
26.30 grant program for grants to organizations  
26.31 providing services to relieve economic  
26.32 disparities in the Southeast Asian community  
26.33 through workforce recruitment, development,  
26.34 job creation, assistance of smaller  
26.35 organizations to increase capacity, and

27.1 outreach. Of this amount, up to five percent  
27.2 is for administration and monitoring of the  
27.3 program. In fiscal year 2020 and beyond, the  
27.4 base amount is \$1,000,000.

27.5 (i) \$250,000 each year is for a grant to the  
27.6 American Indian Opportunities and  
27.7 Industrialization Center, in collaboration with  
27.8 the Northwest Indian Community  
27.9 Development Center, to reduce academic  
27.10 disparities for American Indian students and  
27.11 adults. This is a onetime appropriation. The  
27.12 grant funds may be used to provide:

27.13 (1) student tutoring and testing support  
27.14 services;

27.15 (2) training in information technology;

27.16 (3) assistance in obtaining a GED;

27.17 (4) remedial training leading to enrollment in  
27.18 a postsecondary higher education institution;

27.19 (5) real-time work experience in information  
27.20 technology fields; and

27.21 (6) contextualized adult basic education.

27.22 After notification to the legislature, the  
27.23 commissioner may transfer this appropriation  
27.24 to the commissioner of education.

27.25 (j) \$100,000 each year is for the getting to  
27.26 work grant program. This is a onetime  
27.27 appropriation and is available until June 30,  
27.28 2021.

27.29 (k) \$525,000 each year is from the workforce  
27.30 development fund for a grant to the YWCA  
27.31 of Minneapolis to provide economically  
27.32 challenged individuals the job skills training,  
27.33 career counseling, and job placement

28.1 assistance necessary to secure a child  
28.2 development associate credential and to have  
28.3 a career path in early childhood education.  
28.4 This is a onetime appropriation.

28.5 (l) \$1,350,000 each year is from the workforce  
28.6 development fund for a grant to the Minnesota  
28.7 High Tech Association to support  
28.8 SciTechsperience, a program that supports  
28.9 science, technology, engineering, and math  
28.10 (STEM) internship opportunities for two- and  
28.11 four-year college students and graduate  
28.12 students in their field of study. The internship  
28.13 opportunities must match students with paid  
28.14 internships within STEM disciplines at small,  
28.15 for-profit companies located in Minnesota,  
28.16 having fewer than 250 employees worldwide.  
28.17 At least 300 students must be matched in the  
28.18 first year and at least 350 students must be  
28.19 matched in the second year. No more than 15  
28.20 percent of the hires may be graduate students.  
28.21 Selected hiring companies shall receive from  
28.22 the grant 50 percent of the wages paid to the  
28.23 intern, capped at \$2,500 per intern. The  
28.24 program must work toward increasing the  
28.25 participation of women or other underserved  
28.26 populations. This is a onetime appropriation.

28.27 (m) \$450,000 each year is from the workforce  
28.28 development fund for grants to Minnesota  
28.29 Diversified Industries, Inc. to provide  
28.30 progressive development and employment  
28.31 opportunities for people with disabilities. This  
28.32 is a onetime appropriation.

28.33 (n) \$500,000 each year is from the workforce  
28.34 development fund for a grant to Resource, Inc.  
28.35 to provide low-income individuals career

29.1 education and job skills training that are fully  
29.2 integrated with chemical and mental health  
29.3 services. This is a onetime appropriation.

29.4 (o) \$750,000 each year is from the workforce  
29.5 development fund for a grant to the Minnesota  
29.6 Alliance of Boys and Girls Clubs to administer  
29.7 a statewide project of youth job skills and  
29.8 career development. This project, which may  
29.9 have career guidance components including  
29.10 health and life skills, is designed to encourage,  
29.11 train, and assist youth in early access to  
29.12 education and job-seeking skills, work-based  
29.13 learning experience including career pathways  
29.14 in STEM learning, career exploration and  
29.15 matching, and first job placement through  
29.16 local community partnerships and on-site job  
29.17 opportunities. This grant requires a 25 percent  
29.18 match from nonstate resources. This is a  
29.19 onetime appropriation.

29.20 (p) \$215,000 each year is from the workforce  
29.21 development fund for grants to Big Brothers,  
29.22 Big Sisters of the Greater Twin Cities for  
29.23 workforce readiness, employment exploration,  
29.24 and skills development for youth ages 12 to  
29.25 21. The grant must serve youth in the Twin  
29.26 Cities, Central Minnesota, and Southern  
29.27 Minnesota Big Brothers, Big Sisters chapters.  
29.28 This is a onetime appropriation.

29.29 (q) \$250,000 each year is from the workforce  
29.30 development fund for a grant to YWCA St.  
29.31 Paul to provide job training services and  
29.32 workforce development programs and  
29.33 services, including job skills training and  
29.34 counseling. This is a onetime appropriation.

30.1 (r) \$1,000,000 each year is from the workforce  
30.2 development fund for a grant to EMERGE  
30.3 Community Development, in collaboration  
30.4 with community partners, for services  
30.5 targeting Minnesota communities with the  
30.6 highest concentrations of African and  
30.7 African-American joblessness, based on the  
30.8 most recent census tract data, to provide  
30.9 employment readiness training, credentialed  
30.10 training placement, job placement and  
30.11 retention services, supportive services for  
30.12 hard-to-employ individuals, and a general  
30.13 education development fast track and adult  
30.14 diploma program. This is a onetime  
30.15 appropriation.

30.16 (s) \$1,000,000 each year is from the workforce  
30.17 development fund for a grant to the  
30.18 Minneapolis Foundation for a strategic  
30.19 intervention program designed to target and  
30.20 connect program participants to meaningful,  
30.21 sustainable living-wage employment. This is  
30.22 a onetime appropriation.

30.23 (t) \$750,000 each year is from the workforce  
30.24 development fund for a grant to Latino  
30.25 Communities United in Service (CLUES) to  
30.26 expand culturally tailored programs that  
30.27 address employment and education skill gaps  
30.28 for working parents and underserved youth by  
30.29 providing new job skills training to stimulate  
30.30 higher wages for low-income people, family  
30.31 support systems designed to reduce  
30.32 intergenerational poverty, and youth  
30.33 programming to promote educational  
30.34 advancement and career pathways. At least  
30.35 50 percent of this amount must be used for

- 31.1 programming targeted at greater Minnesota.
- 31.2 This is a onetime appropriation.
- 31.3 (u) \$600,000 each year is from the workforce
- 31.4 development fund for a grant to Ujamaa Place
- 31.5 for job training, employment preparation,
- 31.6 internships, education, training in the
- 31.7 construction trades, housing, and
- 31.8 organizational capacity building. This is a
- 31.9 onetime appropriation.
- 31.10 (v) \$1,297,000 in the first year and \$800,000
- 31.11 in the second year are from the workforce
- 31.12 development fund for performance grants
- 31.13 under Minnesota Statutes, section 116J.8747,
- 31.14 to Twin Cities R!SE to provide training to
- 31.15 hard-to-train individuals. Of the amounts
- 31.16 appropriated, \$497,000 in fiscal year 2018 is
- 31.17 for a grant to Twin Cities R!SE, in
- 31.18 collaboration with Metro Transit and Hennepin
- 31.19 Technical College for the Metro Transit
- 31.20 technician training program. This is a onetime
- 31.21 appropriation and funds are available until
- 31.22 June 30, 2020.
- 31.23 (w) \$230,000 in fiscal year 2018 is from the
- 31.24 workforce development fund for a grant to the
- 31.25 Bois Forte Tribal Employment Rights Office
- 31.26 (TERO) for an American Indian workforce
- 31.27 development training pilot project. This is a
- 31.28 onetime appropriation and is available until
- 31.29 June 30, 2019. Funds appropriated the first
- 31.30 year are available for use in the second year
- 31.31 of the biennium.
- 31.32 (x) \$40,000 in fiscal year 2018 is from the
- 31.33 workforce development fund for a grant to the
- 31.34 Cook County Higher Education Board to
- 31.35 provide educational programming and

32.1 academic support services to remote regions  
32.2 in northeastern Minnesota. This appropriation  
32.3 is in addition to other funds previously  
32.4 appropriated to the board.

32.5 (y) \$250,000 each year is from the workforce  
32.6 development fund for a grant to Bridges to  
32.7 Healthcare to provide career education,  
32.8 wraparound support services, and job skills  
32.9 training in high-demand health care fields to  
32.10 low-income parents, nonnative speakers of  
32.11 English, and other hard-to-train individuals,  
32.12 helping families build secure pathways out of  
32.13 poverty while also addressing worker  
32.14 shortages in one of Minnesota's most  
32.15 innovative industries. Funds may be used for  
32.16 program expenses, including, but not limited  
32.17 to, hiring instructors and navigators; space  
32.18 rental; and supportive services to help  
32.19 participants attend classes, including assistance  
32.20 with course fees, child care, transportation,  
32.21 and safe and stable housing. In addition, up to  
32.22 five percent of grant funds may be used for  
32.23 Bridges to Healthcare's administrative costs.  
32.24 This is a onetime appropriation and is  
32.25 available until June 30, 2020.

32.26 (z) \$500,000 each year is from the workforce  
32.27 development fund for a grant to the Nonprofits  
32.28 Assistance Fund to provide capacity-building  
32.29 grants to small, culturally specific  
32.30 organizations that primarily serve historically  
32.31 underserved cultural communities. Grants may  
32.32 only be awarded to nonprofit organizations  
32.33 that have an annual organizational budget of  
32.34 less than \$500,000 and are culturally specific  
32.35 organizations that primarily serve historically



33.1 underserved cultural communities. Grant funds  
33.2 awarded must be used for:

33.3 (1) organizational infrastructure improvement,  
33.4 including developing database management  
33.5 systems and financial systems, or other  
33.6 administrative needs that increase the  
33.7 organization's ability to access new funding  
33.8 sources;

33.9 (2) organizational workforce development,  
33.10 including hiring culturally competent staff,  
33.11 training and skills development, and other  
33.12 methods of increasing staff capacity; or

33.13 (3) creation or expansion of partnerships with  
33.14 existing organizations that have specialized  
33.15 expertise in order to increase the capacity of  
33.16 the grantee organization to improve services  
33.17 for the community. Of this amount, up to five  
33.18 percent may be used by the Nonprofits  
33.19 Assistance Fund for administration costs and  
33.20 providing technical assistance to potential  
33.21 grantees. This is a onetime appropriation.

33.22 (aa) \$4,050,000 each year is from the  
33.23 workforce development fund for the  
33.24 Minnesota youth program under Minnesota  
33.25 Statutes, sections 116L.56 and 116L.561.

33.26 (bb) \$1,000,000 each year is from the  
33.27 workforce development fund for the  
33.28 youthbuild program under Minnesota Statutes,  
33.29 sections 116L.361 to 116L.366.

33.30 (cc) \$3,348,000 each year is from the  
33.31 workforce development fund for the "Youth  
33.32 at Work" youth workforce development  
33.33 competitive grant program. Of this amount,  
33.34 up to five percent is for administration and

34.1 monitoring of the youth workforce  
34.2 development competitive grant program. All  
34.3 grant awards shall be for two consecutive  
34.4 years. Grants shall be awarded in the first year.  
34.5 (dd) \$500,000 each year is from the workforce  
34.6 development fund for the Opportunities  
34.7 Industrialization Center programs.  
34.8 (ee) \$750,000 each year is from the workforce  
34.9 development fund for a grant to Summit  
34.10 Academy OIC to expand its contextualized  
34.11 GED and employment placement program.  
34.12 This is a onetime appropriation.  
34.13 (ff) \$500,000 each year is from the workforce  
34.14 development fund for a grant to  
34.15 Goodwill-Easter Seals Minnesota and its  
34.16 partners. The grant shall be used to continue  
34.17 the FATHER Project in Rochester, Park  
34.18 Rapids, St. Cloud, Minneapolis, and the  
34.19 surrounding areas to assist fathers in  
34.20 overcoming barriers that prevent fathers from  
34.21 supporting their children economically and  
34.22 emotionally. This is a onetime appropriation.  
34.23 (gg) \$150,000 each year is from the workforce  
34.24 development fund for displaced homemaker  
34.25 programs under Minnesota Statutes, section  
34.26 116L.96. The commissioner shall distribute  
34.27 the funds to existing nonprofit and state  
34.28 displaced homemaker programs. This is a  
34.29 onetime appropriation.  
34.30 (hh)(1) \$150,000 in fiscal year 2018 is from  
34.31 the workforce development fund for a grant  
34.32 to Anoka County to develop and implement  
34.33 a pilot program to increase competitive

35.1 employment opportunities for transition-age  
35.2 youth ages 18 to 21.

35.3 (2) The competitive employment for  
35.4 transition-age youth pilot program shall  
35.5 include career guidance components, including  
35.6 health and life skills, to encourage, train, and  
35.7 assist transition-age youth in job-seeking  
35.8 skills, workplace orientation, and job site  
35.9 knowledge.

35.10 (3) In operating the pilot program, Anoka  
35.11 County shall collaborate with schools,  
35.12 disability providers, jobs and training  
35.13 organizations, vocational rehabilitation  
35.14 providers, and employers to build upon  
35.15 opportunities and services, to prepare  
35.16 transition-age youth for competitive  
35.17 employment, and to enhance employer  
35.18 connections that lead to employment for the  
35.19 individuals served.

35.20 (4) Grant funds may be used to create an  
35.21 on-the-job training incentive to encourage  
35.22 employers to hire and train qualifying  
35.23 individuals. A participating employer may  
35.24 receive up to 50 percent of the wages paid to  
35.25 the employee as a cost reimbursement for  
35.26 on-the-job training provided.

35.27 (ii) \$500,000 each year is from the workforce  
35.28 development fund for rural career counseling  
35.29 coordinator positions in the workforce service  
35.30 areas and for the purposes specified in  
35.31 Minnesota Statutes, section 116L.667. The  
35.32 commissioner of employment and economic  
35.33 development, in consultation with local  
35.34 workforce investment boards and local elected  
35.35 officials in each of the service areas receiving

36.1 funds, shall develop a method of distributing  
36.2 funds to provide equitable services across  
36.3 workforce service areas.

36.4 (jj) In calendar year 2017, the public utility  
36.5 subject to Minnesota Statutes, section  
36.6 116C.779, must withhold \$1,000,000 from the  
36.7 funds required to fulfill its financial  
36.8 commitments under Minnesota Statutes,  
36.9 section 116C.779, subdivision 1, and pay such  
36.10 amounts to the commissioner of employment  
36.11 and economic development for deposit in the  
36.12 Minnesota 21st century fund under Minnesota  
36.13 Statutes, section 116J.423.

36.14 (kk) \$350,000 in fiscal year 2018 is for a grant  
36.15 to AccessAbility Incorporated to provide job  
36.16 skills training to individuals who have been  
36.17 released from incarceration for a felony-level  
36.18 offense and are no more than 12 months from  
36.19 the date of release. AccessAbility Incorporated  
36.20 shall annually report to the commissioner on  
36.21 how the money was spent and the results  
36.22 achieved. The report must include, at a  
36.23 minimum, information and data about the  
36.24 number of participants; participant  
36.25 homelessness, employment, recidivism, and  
36.26 child support compliance; and training  
36.27 provided to program participants.

36.28 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2017.

36.29 **Sec. 5. ONETIME EXCEPTION TO RESTRICTIONS ON USE OF MINNESOTA**  
36.30 **INVESTMENT FUND LOCAL GOVERNMENT LOAN REPAYMENT FUNDS.**

36.31 (a) Notwithstanding Minnesota Statutes, section 116J.8731, a home rule charter or  
36.32 statutory city, county, or town that has uncommitted money received from repayment of  
36.33 funds awarded under Minnesota Statutes, section 116J.8731, may choose to transfer 20  
36.34 percent of the balance of that money to the state general fund before June 30, 2020. Any

37.1 local entity that does so may then use the remaining 80 percent of the uncommitted money  
37.2 as a general purpose aid for any lawful expenditure.

37.3 (b) By February 15, 2021, a home rule charter or statutory city, county, or town that  
37.4 exercises the option under paragraph (a) shall submit to the chairs of the legislative  
37.5 committees with jurisdiction over economic development policy and finance an accounting  
37.6 and explanation of the use and distribution of the funds.

### 37.7 **ARTICLE 3**

### 37.8 **LABOR AND INDUSTRY POLICY**

37.9 Section 1. Minnesota Statutes 2018, section 15.72, subdivision 2, is amended to read:

37.10 Subd. 2. **Retainage.** (a) A public contracting agency may reserve as retainage from any  
37.11 progress payment on a public contract for a public improvement an amount not to exceed  
37.12 five percent of the payment. ~~A~~ The public contracting agency may reduce the amount of  
37.13 the retainage and may eliminate retainage on any monthly contract payment if, in the agency's  
37.14 opinion, the work is progressing satisfactorily.

37.15 (b) For all construction contracts greater than \$5,000,000, the public contracting agency  
37.16 must reduce retainage to no more than 2.5 percent if the public contracting agency determines  
37.17 the work is 75 percent or more complete, that work is progressing satisfactorily, and all  
37.18 contract requirements are being met.

37.19 (c) The public contracting agency must release any remaining retainage no later than 60  
37.20 days after substantial completion.

37.21 (d) A contractor on a public contract for a public improvement must pay out any  
37.22 remaining retainage to its subcontractors no later than ten days after receiving payment of  
37.23 retainage from the public contracting agency, unless there is a dispute about the work under  
37.24 a subcontract. If there is a dispute about the work under a subcontract, the contractor must  
37.25 pay out retainage to any subcontractor whose work is not involved in the dispute, and must  
37.26 provide a written statement detailing the amount and reason for the withholding to the  
37.27 affected subcontractor and the public agency.

37.28 (e) A contractor may not reserve as retainage from a subcontractor an amount that exceeds  
37.29 the amount reserved by the public contracting agency under this subdivision. Upon written  
37.30 request of a subcontractor who has not been paid for work in accordance with section  
37.31 16A.1245 or 471.425, subdivision 4a, the public contracting agency shall notify the  
37.32 subcontractor of a progress payment, retainage payment, or final payment made to the  
37.33 contractor. A contractor must include in any contract with a subcontractor the name, address,

38.1 and telephone number of a responsible official at the public contracting agency that may  
38.2 be contacted for purposes of making a request under this paragraph.

38.3 (f) After substantial completion, a public contracting agency may withhold no more  
38.4 than:

38.5 (1) 250 percent of the value of incomplete or defective work; and

38.6 (2) one percent of the value of the contract or \$500, whichever is greater, pending  
38.7 completion and submission of all final paperwork by the contractor, provided that an amount  
38.8 withheld under this clause may not exceed \$10,000.

38.9 If the public contracting agency withholds payment under this paragraph, the public  
38.10 contracting agency must promptly provide a written statement detailing the amount and  
38.11 basis of withholding to the contractor. The public contracting agency must provide a copy  
38.12 of this statement to any subcontractor that requests it. Any amounts withheld for incomplete  
38.13 or defective work shall be paid within 45 days after the completion of the work. Any amounts  
38.14 withheld under clause (1) must be paid within 45 days after completion of the work. Any  
38.15 amounts withheld under clause (2) must be paid within 45 days after submission of all final  
38.16 paperwork.

38.17 (g) As used in this subdivision, "substantial completion" shall be determined as provided  
38.18 in section 541.051, subdivision 1, paragraph (a). For construction, reconstruction, or  
38.19 improvement of streets and highways, including bridges, substantial completion means the  
38.20 date when construction-related traffic devices and ongoing inspections are no longer required.

38.21 (h) The maximum retainage percentage allowed for a building and construction contract  
38.22 is the retainage percentage withheld by the public contracting agency from the contractor.

38.23 (i) Withholding retainage for warranties or warranty work is prohibited.

38.24 **EFFECTIVE DATE.** This section applies to agreements entered into on or after August  
38.25 1, 2019.

38.26 Sec. 2. Minnesota Statutes 2018, section 175.46, subdivision 3, is amended to read:

38.27 Subd. 3. **Duties.** (a) The commissioner shall:

38.28 (1) approve youth skills training programs that train student learners for careers in  
38.29 high-growth, high-demand occupations that provide:

38.30 (i) that the work of the student learner in the occupations declared particularly hazardous  
38.31 shall be incidental to the training;

39.1 (ii) that the work shall be intermittent and for short periods of time, and under the direct  
39.2 and close supervision of a qualified and experienced person;

39.3 (iii) that safety instruction shall be provided to the student learner and may be given by  
39.4 the school and correlated by the employer with on-the-job training;

39.5 (iv) a schedule of organized and progressive work processes to be performed on the job;

39.6 (v) a schedule of wage rates in compliance with section 177.24; and

39.7 (vi) whether the student learner will obtain secondary school academic credit,  
39.8 postsecondary credit, or both, for the training program;

39.9 (2) approve occupations and maintain a list of approved occupations for programs under  
39.10 this section;

39.11 (3) issue requests for proposals for grants;

39.12 (4) work with individuals representing industry and labor to develop new youth skills  
39.13 training programs;

39.14 (5) develop model program guides;

39.15 (6) monitor youth skills training programs;

39.16 (7) provide technical assistance to local partnership grantees;

39.17 (8) work with providers to identify paths for receiving postsecondary credit for  
39.18 participation in the youth skills training program; and

39.19 (9) approve other activities as necessary to implement the program.

39.20 (b) The commissioner shall collaborate with stakeholders, including, but not limited to,  
39.21 representatives of secondary school institutions, career and technical education instructors,  
39.22 postsecondary institutions, businesses, and labor, in developing youth skills training  
39.23 programs, and identifying and approving occupations and competencies for youth skills  
39.24 training programs.

39.25 Sec. 3. Minnesota Statutes 2018, section 175.46, subdivision 13, is amended to read:

39.26 Subd. 13. **Grant awards.** (a) The commissioner shall award grants to local partnerships  
39.27 for youth skills training programs that train student learners for careers in high-growth,  
39.28 high-demand occupations. Grant awards may not exceed \$100,000 per local partnership  
39.29 grant.

40.1 (b) A local partnership awarded a grant under this section must use the grant award for  
40.2 any of the following implementation and coordination activities:

40.3 (1) recruiting additional employers to provide on-the-job training and supervision for  
40.4 student learners and providing technical assistance to those employers;

40.5 (2) recruiting students to participate in the local youth skills training program, monitoring  
40.6 the progress of student learners participating in the program, and monitoring program  
40.7 outcomes;

40.8 (3) coordinating youth skills training activities within participating school districts and  
40.9 among participating school districts, postsecondary institutions, and employers;

40.10 (4) coordinating academic, vocational and occupational learning, school-based and  
40.11 work-based learning, and secondary and postsecondary education for participants in the  
40.12 local youth skills training program;

40.13 (5) coordinating transportation for student learners participating in the local youth skills  
40.14 training program; and

40.15 (6) any other implementation or coordination activity that the commissioner may direct  
40.16 or permit the local partnership to perform.

40.17 ~~(b)~~ (c) Grant awards may not be used to directly or indirectly pay the wages of a student  
40.18 learner.

40.19 Sec. 4. Minnesota Statutes 2018, section 326B.821, subdivision 21, is amended to read:

40.20 Subd. 21. **Residential building contractor, remodeler, and roofer education.** (a) Each  
40.21 licensee must, during each continuing education reporting period, complete and report one  
40.22 hour of continuing education relating to energy codes or energy conservation measures  
40.23 applicable to residential buildings and one hour of business management strategies applicable  
40.24 to residential construction businesses.

40.25 (b) Immediately following the adoption date of a new residential code, the commissioner  
40.26 may prescribe that up to seven of the required 14 hours of continuing education credit per  
40.27 licensure period include education hours specifically designated to instruct licensees on  
40.28 new or existing State Building Code provisions.

40.29 Sec. 5. Minnesota Statutes 2018, section 337.10, subdivision 4, is amended to read:

40.30 Subd. 4. **Progress payments and retainages.** (a) Unless the building and construction  
40.31 contract provides otherwise, the owner or other persons making payments under the contract



41.1 must make progress payments monthly as the work progresses. Payments shall be based  
41.2 upon estimates of work completed as approved by the owner or the owner's agent. A progress  
41.3 payment shall not be considered acceptance or approval of any work or waiver of any defects  
41.4 therein.

41.5 (b) Retainage on a building and construction contract may not exceed five percent. An  
41.6 owner or owner's agent may reduce the amount of retainage and may eliminate retainage  
41.7 on any monthly contract payment if, in the owner's opinion, the work is progressing  
41.8 satisfactorily. Nothing in this subdivision is intended to require that retainage be withheld  
41.9 in any building or construction contract. For all construction contracts greater than  
41.10 \$5,000,000, the owner or the owner's agent must reduce retainage to no more than 2.5  
41.11 percent if the owner or the owner's agent determines the work is 75 percent or more complete,  
41.12 that work is progressing satisfactorily, and all contract requirements are being met.

41.13 (c) The owner or the owner's agent must release any remaining retainage no later than  
41.14 60 days after substantial completion. For purposes of this subdivision, "substantial  
41.15 completion" shall be determined as provided in section 541.051, subdivision 1, paragraph  
41.16 (a).

41.17 ~~(e)~~ (d) Any contractor holding retainage must reduce that retainage at the same rate  
41.18 reduced by the owner or the owner's agent. A contractor must pay out any remaining retainage  
41.19 no later than ten days after receiving payment of retainage, unless there is a dispute about  
41.20 the work under a subcontract, in which case the contractor must pay out retainage to any  
41.21 party whose work is not involved in the dispute. Nothing in this subdivision is intended to  
41.22 require that retainage be withheld in any building or construction contract.

41.23 (e) After substantial completion, an owner or owner's agent may withhold no more than:

41.24 (1) 250 percent of the value of incomplete or defective work; and

41.25 (2) one percent of the value of the contract or \$500, whichever is greater, pending  
41.26 completion and submission of all final paperwork by the contractor, provided that an amount  
41.27 withheld under this clause may not exceed \$10,000.

41.28 If the owner or the owner's agent withholds payment under this paragraph, the owner or the  
41.29 owner's agent must promptly provide a written statement detailing the amount and basis of  
41.30 withholding to the contractor. The owner or the owner's agent and the contractor must  
41.31 provide a copy of this statement to any subcontractor that requests it. Any amounts withheld  
41.32 for incomplete or defective work shall be paid within 45 days after the completion of the  
41.33 work. Any amounts withheld under clause (1) must be paid within 45 days after completion

42.1 of the work. Any amounts withheld under clause (2) must be paid within 45 days after  
42.2 submission of all final paperwork.

42.3 (f) The maximum retainage percentage allowed for a building and construction contract  
42.4 is the retainage percentage withheld by the owner from the contractor.

42.5 (g) Withholding retainage for warranties or warranty work is prohibited.

42.6 (h) Retainage must not be used as collateral for the owner, owner's agent, or contractor.

42.7 (i) This subdivision does not apply to a public agency as defined in section 15.71,  
42.8 subdivision 3.

42.9 (j) This subdivision does not apply to contracts for professional services as defined in  
42.10 sections 326.02 to 326.15.

42.11 **EFFECTIVE DATE.** This section applies to agreements entered into on or after August  
42.12 1, 2019.

42.13 Sec. 6. **CONTRACTOR RECOVERY FUND; CONSUMER AWARENESS**  
42.14 **CAMPAIGN.**

42.15 In fiscal years 2020 and 2021 the commissioner of labor and industry may spend up to  
42.16 \$500,000 in each year from the contractor recovery fund to conduct a statewide consumer  
42.17 awareness campaign highlighting the importance of hiring licensed contractors as well as  
42.18 the consequences of hiring unlicensed contractors.

42.19 **ARTICLE 4**  
42.20 **EMPLOYMENT POLICY**

42.21 Section 1. Minnesota Statutes 2018, section 177.23, subdivision 7, is amended to read:

42.22 Subd. 7. **Employee.** "Employee" means any individual employed by an employer but  
42.23 does not include:

42.24 (1) two or fewer specified individuals employed at any given time in agriculture on a  
42.25 farming unit or operation who are paid a salary;

42.26 (2) any individual employed in agriculture on a farming unit or operation who is paid a  
42.27 salary greater than the individual would be paid if the individual worked 48 hours at the  
42.28 state minimum wage plus 17 hours at 1-1/2 times the state minimum wage per week;

- 43.1 (3) an individual under 18 who is employed in agriculture on a farm to perform services  
43.2 other than corn detasseling or hand field work when one or both of that minor hand field  
43.3 worker's parents or physical custodians are also hand field workers;
- 43.4 (4) for purposes of section 177.24, an individual under 18 who is employed as a corn  
43.5 detasseler;
- 43.6 (5) any staff member employed on a seasonal basis by an organization for work in an  
43.7 organized resident or day camp operating under a permit issued under section 144.72;
- 43.8 (6) any individual employed in a bona fide executive, administrative, or professional  
43.9 capacity, or a salesperson who conducts no more than 20 percent of sales on the premises  
43.10 of the employer;
- 43.11 (7) any individual who renders service gratuitously for a nonprofit organization;
- 43.12 (8) any individual who serves as an elected official for a political subdivision or who  
43.13 serves on any governmental board, commission, committee or other similar body, or who  
43.14 renders service gratuitously for a political subdivision;
- 43.15 (9) any individual employed by a political subdivision to provide police or fire protection  
43.16 services or employed by an entity whose principal purpose is to provide police or fire  
43.17 protection services to a political subdivision;
- 43.18 (10) any individual employed by a political subdivision who is ineligible for membership  
43.19 in the Public Employees Retirement Association under section 353.01, subdivision 2b,  
43.20 clause (1), (2), (4), or (9), item (i);
- 43.21 (11) any driver employed by an employer engaged in the business of operating taxicabs;
- 43.22 (12) any individual engaged in babysitting as a sole practitioner;
- 43.23 (13) for the purpose of section 177.25, any individual employed on a seasonal basis in  
43.24 a carnival, circus, fair, or ski facility;
- 43.25 (14) any individual under 18 working less than 20 hours per workweek for a municipality  
43.26 as part of a recreational program;
- 43.27 (15) any individual employed by the state as a natural resource manager 1, 2, or 3  
43.28 (conservation officer);
- 43.29 (16) any individual in a position for which the United States Department of Transportation  
43.30 has power to establish qualifications and maximum hours of service under United States  
43.31 Code, title 49, section 31502;

44.1 (17) any individual employed as a seafarer. The term "seafarer" means a master of a  
44.2 vessel or any person subject to the authority, direction, and control of the master who is  
44.3 exempt from federal overtime standards under United States Code, title 29, section 213(b)(6),  
44.4 including but not limited to pilots, sailors, engineers, radio operators, firefighters, security  
44.5 guards, pursers, surgeons, cooks, and stewards;

44.6 (18) any individual employed by a county in a single-family residence owned by a county  
44.7 home school as authorized under section 260B.060 if the residence is an extension facility  
44.8 of that county home school, and if the individual as part of the employment duties resides  
44.9 at the residence for the purpose of supervising children as defined by section 260C.007,  
44.10 subdivision 4; ~~or~~

44.11 (19) nuns, monks, priests, lay brothers, lay sisters, ministers, deacons, and other members  
44.12 of religious orders who serve pursuant to their religious obligations in schools, hospitals,  
44.13 and other nonprofit institutions operated by the church or religious order; or

44.14 (20) any individual employed on a seasonal basis who has entered into a contract to play  
44.15 baseball at the minor league level.

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

44.17 Sec. 2. Minnesota Statutes 2018, section 177.27, subdivision 1, is amended to read:

44.18 Subdivision 1. **Examination of records.** The commissioner may enter during reasonable  
44.19 office hours or upon request and inspect the place of business or employment of any employer  
44.20 of employees working in the state, to examine and inspect books, registers, payrolls, and  
44.21 other records of any employer that in any way relate to wages, hours, and other conditions  
44.22 of employment of any employees. The commissioner may transcribe any or all of the books,  
44.23 registers, payrolls, and other records as the commissioner deems necessary or appropriate  
44.24 and may question the employees to ascertain compliance with sections 177.21 to 177.435.  
44.25 The commissioner may investigate wage claims or complaints by an employee against an  
44.26 employer if: (1) the failure to pay a wage may violate Minnesota law or an order or rule of  
44.27 the department; and (2) the employee making the wage claim or complaint has provided a  
44.28 written demand for payment to the employer at least five days prior to the commissioner  
44.29 initiating an investigation.

44.30 Sec. 3. Minnesota Statutes 2018, section 177.32, subdivision 1, is amended to read:

44.31 Subdivision 1. **Misdemeanors.** (a) An employer who does any of the following is guilty  
44.32 of a misdemeanor:

45.1 (1) hinders or delays the commissioner in the performance of duties required under  
45.2 sections 177.21 to 177.435, or sections 181.01 to 181.72;

45.3 (2) refuses to admit the commissioner to the place of business or employment of the  
45.4 employer, as required by section 177.27, subdivision 1;

45.5 (3) repeatedly fails to make, keep, and preserve records as required by section 177.30;

45.6 (4) falsifies any record;

45.7 (5) refuses to make any record available, or to furnish a sworn statement of the record  
45.8 or any other information as required by section 177.27;

45.9 (6) repeatedly fails to post a summary of sections 177.21 to 177.44 or a copy or summary  
45.10 of the applicable rules as required by section 177.31;

45.11 (7) pays or agrees to pay wages at a rate less than the rate required under sections 177.21  
45.12 to 177.44;

45.13 (8) refuses to allow adequate time from work as required by section 177.253; ~~or~~

45.14 (9) otherwise violates any provision of sections 177.21 to 177.44; or

45.15 (10) commits wage theft as described in section 181.03, subdivision 1.

45.16 (b) An employer who violates paragraph (a), clause (10), after having been previously  
45.17 convicted of violating that clause is guilty of a gross misdemeanor.

45.18 (c) Nothing in paragraph (a), clause (10), or paragraph (b), or section 609.035 or 609.04  
45.19 shall limit the power of the state to prosecute or punish a person for conduct that constitutes  
45.20 any other crime under any other law of this state.

45.21 **EFFECTIVE DATE.** This section is effective August 1, 2019, and applies to crimes  
45.22 committed on or after that date.

45.23 Sec. 4. Minnesota Statutes 2018, section 181.03, subdivision 1, is amended to read:

45.24 Subdivision 1. **Prohibited practices.** ~~An employer may not, directly or indirectly and~~  
45.25 ~~with intent to defraud:~~

45.26 (a) No employer shall commit wage theft.

45.27 (b) For purposes of this section, wage theft is committed if an employer, with intent to  
45.28 defraud:

45.29 (1) fails to pay an employee all wages to which that employee is entitled;

46.1 ~~(1) cause~~ (2) directly or indirectly causes any employee to give a receipt for wages for  
 46.2 a greater amount than that actually paid to the employee for services rendered;

46.3 ~~(2) (3) directly or indirectly demand demands or receive receives~~ from any employee  
 46.4 any rebate or refund from the wages owed the employee under contract of employment with  
 46.5 the employer; ~~or~~

46.6 ~~(3) in any manner make~~ (4) makes or attempt attempts to make it appear in any manner  
 46.7 that the wages paid to any employee were greater than the amount actually paid to the  
 46.8 employee; or

46.9 (5) retaliates against an employee for asserting rights or remedies under this section,  
 46.10 including but not limited to filing a complaint with the Department of Labor and Industry,  
 46.11 telling the employer of intention to file a complaint, or making a written demand for payment  
 46.12 to the employer as provided under section 177.27, subdivision 1.

46.13 Sec. 5. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to  
 46.14 read:

46.15 Subd. 4. **Enforcement.** The commissioner may enforce this section. The use of an  
 46.16 enforcement provision in this section shall not preclude the use of any other enforcement  
 46.17 provision provided by law.

46.18 Sec. 6. Minnesota Statutes 2018, section 181.03, is amended by adding a subdivision to  
 46.19 read:

46.20 Subd. 5. **Effect on other laws.** Nothing in this section shall be construed to limit the  
 46.21 application of other state or federal laws.

46.22 Sec. 7. **[181.741] EXPRESS PREEMPTION; UNIFORMITY OF PRIVATE**  
 46.23 **EMPLOYER MANDATES.**

46.24 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this  
 46.25 subdivision have the meanings given them.

46.26 (b) "Employer" means a private person employing one or more employees in the state.

46.27 (c) "Local government" means a home rule charter city, statutory city, town, county, the  
 46.28 Metropolitan Council, a metropolitan agency as defined in section 473.121, subdivision 5a,  
 46.29 or a special district.

46.30 Subd. 2. **Express preemption.** (a) A local government must not adopt, enforce, or  
 46.31 administer an ordinance, local resolution, or local policy requiring an employer to pay an

47.1 employee a wage higher than the applicable state minimum wage rate provided in section  
 47.2 177.24.

47.3 (b) A local government must not adopt, enforce, or administer an ordinance, local  
 47.4 resolution, or local policy requiring an employer to provide either paid or unpaid leave time.

47.5 (c) A local government must not adopt, enforce, or administer an ordinance, local  
 47.6 resolution, or local policy regulating the hours or scheduling of work time that an employer  
 47.7 provides to an employee. This paragraph does not preempt an ordinance, local resolution,  
 47.8 or local policy limiting the hours a business may operate.

47.9 (d) A local government must not adopt, enforce, or administer an ordinance, local  
 47.10 resolution, or local policy requiring an employer to provide an employee a particular benefit  
 47.11 or terms of employment.

47.12 Subd. 3. **Local governments as employers and contractors.** This section does not  
 47.13 regulate wages, hours, benefits, paid or unpaid leave, attendance policies, or other terms of  
 47.14 employment that a local government:

47.15 (1) provides to its own employee;

47.16 (2) requires an employer to provide to its employee to the extent that employer is  
 47.17 providing goods or services to the local government, and the requirement applies specifically  
 47.18 to work performed in providing goods or services to the local government; or

47.19 (3) requires an employer to provide to its employee, to the extent that employer is  
 47.20 receiving funding from the local government or is providing goods or services funded in  
 47.21 whole or in part by the local government, when the requirement is an express condition of  
 47.22 the funding.

47.23 **EFFECTIVE DATE.** This section is effective upon final enactment and applies to  
 47.24 ordinances, local policies, and local resolutions enacted on or after January 1, 2018.

## 47.25 **ARTICLE 5**

### 47.26 **WORKERS' COMPENSATION ADVISORY COUNCIL RECOMMENDATIONS**

47.27 Section 1. Minnesota Statutes 2018, section 176.1812, subdivision 2, is amended to read:

47.28 Subd. 2. **Filing and review.** (a) A copy of the agreement and the approximate number  
 47.29 of employees who will be covered under it must be filed with the commissioner. Within 21  
 47.30 days of receipt of an agreement, the commissioner shall review the agreement for compliance  
 47.31 with this section and the benefit provisions of this chapter and notify the parties of any  
 47.32 additional information required or any recommended modification that would bring the

48.1 agreement into compliance. Upon receipt of any requested information or modification, the  
 48.2 commissioner must notify the parties within 21 days whether the agreement is in compliance  
 48.3 with this section and the benefit provisions of this chapter.

48.4 (b) After an agreement is approved by the commissioner under paragraph (a), a qualified  
 48.5 employer may join or withdraw from a qualified group of employers without commissioner  
 48.6 review or approval. The commissioner must be notified within 30 days when a qualified  
 48.7 employer joins or withdraws from a qualified group of employers.

48.8 (c) In order for any agreement to remain in effect, it must provide for a timely and  
 48.9 accurate method of reporting to the commissioner ~~necessary information regarding service~~  
 48.10 ~~cost and utilization~~ the individual claims covered by the agreement and claim-specific  
 48.11 dispute resolution data, in the form and manner prescribed by the commissioner. Dispute  
 48.12 resolution data includes information about facilitation, mediation, and arbitration and shall  
 48.13 be provided annually to the commissioner to enable the commissioner to annually report  
 48.14 aggregate dispute data to the legislature. ~~The information provided to the commissioner~~  
 48.15 ~~must include aggregate data on the:~~

48.16 (i) ~~person hours and payroll covered by agreements filed;~~

48.17 (ii) ~~number of claims filed;~~

48.18 (iii) ~~average cost per claim;~~

48.19 (iv) ~~number of litigated claims, including the number of claims submitted to arbitration,~~  
 48.20 ~~the Workers' Compensation Court of Appeals, the Office of Administrative Hearings, the~~  
 48.21 ~~district court, the Minnesota Court of Appeals or the supreme court;~~

48.22 (v) ~~number of contested claims resolved prior to arbitration;~~

48.23 (vi) ~~projected incurred costs and actual costs of claims;~~

48.24 (vii) ~~employer's safety history;~~

48.25 (viii) ~~number of workers participating in vocational rehabilitation; and~~

48.26 (ix) ~~number of workers participating in light-duty programs.~~

48.27 **EFFECTIVE DATE.** Paragraphs (a) and (b) are effective June 1, 2019. Paragraph (c)  
 48.28 is effective August 1, 2020.

48.29 Sec. 2. Minnesota Statutes 2018, section 176.231, subdivision 1, is amended to read:

48.30 Subdivision 1. **Time limitation.** (a) Where death or serious injury occurs to an employee  
 48.31 during the course of employment, the employer shall report the injury or death to the



49.1 commissioner and insurer within 48 hours after its occurrence. Where any other injury  
49.2 occurs which wholly or partly incapacitates the employee from performing labor or service  
49.3 for more than three calendar days, the employer shall report the injury to the insurer on a  
49.4 form prescribed by the commissioner within ten days from its occurrence. An insurer and  
49.5 self-insured employer shall report the injury to the commissioner no later than 14 days from  
49.6 its occurrence. Where an injury has once been reported but subsequently death ensues, the  
49.7 employer shall report the death to the commissioner and insurer within 48 hours after the  
49.8 employer receives notice of this fact. An employer who provides notice to the Occupational  
49.9 Safety and Health Division of the Department of Labor and Industry of a fatality within the  
49.10 eight-hour time frame required by law, or of an inpatient hospitalization within the 24-hour  
49.11 time frame required by law, has satisfied the employer's obligation under this section.

49.12 (b) At the time an injury is required to be reported to the commissioner, the insurer or  
49.13 self-insured employer must also specify whether the injury is covered by a collective  
49.14 bargaining agreement approved by the commissioner under section 176.1812. Notice must  
49.15 be provided in the format and manner prescribed by the commissioner.

49.16 **EFFECTIVE DATE.** This section is effective August 1, 2020."

49.17 Amend the title accordingly