

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 2519

(SENATE AUTHORS: PRATT and Rarick)

DATE
05/11/2021

D-PG
4189

Introduction and first reading
Referred to Jobs and Economic Growth Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act

1.2 relating to workforce development; establishing a Legislative-Citizen Committee

1.3 on Workforce Development; requiring reports; amending Minnesota Statutes 2020,

1.4 section 116L.20, subdivision 2; proposing coding for new law in Minnesota

1.5 Statutes, chapter 116J.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2020, section 116L.20, subdivision 2, is amended to read:

1.8 Subd. 2. **Disbursement of special assessment funds.** (a) The money collected under

1.9 this section shall be deposited in the state treasury and credited to the workforce development

1.10 fund to provide for employment and training programs. The workforce development fund

1.11 is created as a special account in the state treasury.

1.12 (b) ~~All money in the fund not otherwise appropriated or transferred is appropriated to~~

1.13 ~~the Job Skills Partnership Board for the purposes of section 116L.17 and as provided for in~~

1.14 ~~paragraph (d). Of the money in the fund not otherwise appropriated or transferred by July~~

1.15 1 of each year:

1.16 (1) 75 percent is appropriated to the Job Skills Partnership Board for the purposes of

1.17 section 116L.17. If the conditions under section 116L.05, subdivision 5, are met as of March

1.18 1 of each year, up to 25 percent of the unspent money is appropriated to the Job Skills

1.19 Partnership Board for the purposes of sections 116L.02, 116L.04, and 116L.18, and up to

1.20 25 percent is for the purposes of section 116L.25; and

1.21 (2) 25 percent is appropriated to the commissioner for the purposes of section 116L.25.

1.22 (c) The board must act as the fiscal agent for the money and must disburse that money

1.23 for the purposes of section 116L.17, not allowing the money to be used for any other

obligation of the state. All money in the workforce development fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as are provided by law for the other special accounts in the state treasury, except that all interest or net income resulting from the investment or deposit of money in the fund shall accrue to the fund for the purposes of the fund.

~~(e)~~ (d) Reimbursement for costs related to collection of the special assessment shall be in an amount negotiated between the commissioner and the United States Department of Labor.

~~(d) If the board determines that the conditions of section 116L.05, subdivision 5, have been met, the board may use funds for the purposes outlined in section 116L.04, or to provide incumbent worker training services under section 116L.18.~~

Sec. 2. **[116L.25] LEGISLATIVE-CITIZEN COMMISSION ON WORKFORCE DEVELOPMENT.**

Subdivision 1. **Membership.** (a) A Legislative-Citizen Commission on Workforce Development of 20 voting members is created in the legislative branch, consisting of the chairs of the house of representatives and senate committees having jurisdiction over workforce development and jobs finance or designees appointed for the terms of the chairs; three members of the senate appointed by the Subcommittee on Committees of the Committee on Rules and Administration; and three members of the house of representatives appointed by the speaker of the house. The commissioner of employment and economic development, or the commissioner's designee, shall serve as a nonvoting member of the commission.

(b) At least two members from the senate and two members from the house of representatives must be from the minority caucus. Members are entitled to reimbursement for per diem expenses plus travel expenses incurred in the services of the commission.

(c) Twelve citizens are members of the commission, three of whom are community representatives, three of whom are business representatives, three of whom are representatives of labor, and three of whom are higher education or workforce development representatives. One citizen from each category shall be appointed by the governor, the senate, and the house of representatives. In making appointments, the governor, the senate, and the house of representatives shall consider geographic balance, gender, age, and ethnicity. The citizen members are selected and recommended to the appointing authorities according to subdivision 1, paragraph (a), and must:

3.1 (1) have experience and expertise in business talent development, education, or workforce
3.2 programs;

3.3 (2) have strong knowledge of workforce and talent development issues throughout the
3.4 state; and

3.5 (3) have demonstrated ability to work in a collaborative environment.

3.6 (d) Members shall develop procedures to elect a chair that rotates between legislative
3.7 and citizen members each meeting. A citizen member, a senate member, and a house of
3.8 representatives member shall serve as chairs. The citizen members, senate members, and
3.9 house of representative members must select their respective chairs. The chair shall preside
3.10 and convene meetings as often as necessary to conduct duties prescribed by this chapter.

3.11 (e) Appointed legislative members shall serve on the commission for two-year terms
3.12 beginning in January of each odd-numbered year and continuing through the end of December
3.13 of the next even-numbered year. Appointed citizen members shall serve four-year terms
3.14 beginning in January of the first year and continuing through the end of December of the
3.15 final year. Citizen and legislative members continue to serve until their successors are
3.16 appointed.

3.17 (f) A citizen member may be removed by an appointing authority for cause. Vacancies
3.18 on the commission shall not affect the authority of the remaining members of the commission
3.19 to carry out their duties and vacancies shall be filled for the remainder of the term in the
3.20 same manner under paragraphs (a) to (c).

3.21 (g) Citizen members are entitled to per diem and reimbursement for expenses incurred
3.22 in the services of the commission, as provided in section 15.059, subdivision 3.

3.23 (h) The governor's appointments are subject to the advice and consent of the senate.

3.24 Subd. 2. **Duties.** (a) The commission shall recommend an annual or biennial legislative
3.25 bill for appropriations from the workforce development fund and shall adopt a strategic
3.26 plan as provided under subdivision 3. Approval of the recommended legislative bill requires
3.27 an affirmative vote of at least 15 members of the commission.

3.28 (b) It is a condition of acceptance of the appropriations made from the workforce
3.29 development fund that the agency or entity receiving the appropriation must submit a project
3.30 or program plan and annual or semiannual progress reports in the form determined by the
3.31 Legislative-Citizen Commission on Workforce Development, and comply with the applicable
3.32 reporting requirements under section 116L.98. None of the money provided may be spent
3.33 unless the commission has approved the pertinent project or program plan. The commission

4.1 shall ensure that the expenditures and outcomes described in the project or program plan
4.2 for appropriations funded by the workforce development fund are met.

4.3 (c) The commission may adopt operating procedures to fulfill its duties under this section.

4.4 (d) As part of the operating procedures, the commission shall:

4.5 (1) ensure that members' expectations are to participate in all meetings related to funding
4.6 recommendations;

4.7 (2) allow administrative expenses as part of individual project or program expenditures
4.8 based on need;

4.9 (3) provide for project or program outcome evaluation;

4.10 (4) keep the grant application, administration, and review process as simple as possible;
4.11 and

4.12 (5) define and emphasize the leveraging of additional sources of money that proposers
4.13 should consider when making fund proposals.

4.14 Subd. 3. **Strategic workforce development plan.** The commission shall adopt a strategic
4.15 workforce development plan for making the commission's recommendations for spending
4.16 from the workforce development fund, including identifying the commission's priority areas
4.17 for workforce development funding for the next six years. The strategic plan must be
4.18 reviewed every two years. The strategic plan must have clearly stated short- and long-term
4.19 goals and strategies for statewide workforce development, must provide measurable outcomes
4.20 for the projects and programs funded, and must determine areas of emphasis for funding.

4.21 Subd. 4. **Eligible expenditures.** Eligible projects and programs and related expenses
4.22 that may be funded by the commission with workforce development funds include but are
4.23 not limited to the following:

4.24 (1) employment and job training programs for adults;

4.25 (2) employment and job training programs for youth; and

4.26 (3) support services that are ancillary to the program or project being funded that enable
4.27 a person to participate in an employment or job training program.

4.28 Subd. 5. **Review of grant proposals.** (a) The commission shall establish criteria for
4.29 ranking grant proposals submitted to the commission for consideration.

4.30 (b) The criteria must consider whether the grant proposer is able or has the potential to:

5.1 (1) reach a broad diverse audience, including any populations targeted by the program,
5.2 through recruitment and outreach efforts;

5.3 (2) significantly increase enrollment in and completion of the training program the
5.4 proposer plans to promote; and

5.5 (3) fill existing market needs for skilled workers.

5.6 (c) The commission must also consider employment outcomes achieved when operating
5.7 previous similar programs for each grant proposer.

5.8 Subd. 6. **Legislative recommendations.** The commission must recommend an annual
5.9 or biennial legislative bill to make appropriations from the workforce development fund.
5.10 The recommendations must be submitted to the governor for inclusion in the biennial budget
5.11 and supplemental budget submitted to the legislature.

5.12 Subd. 7. **Administration.** (a) The commissioner of employment and economic
5.13 development shall convene the first meeting of the commission by June 15, 2022, in order
5.14 to consider proposals and make recommendations for the biennium beginning in fiscal year
5.15 2024.

5.16 (b) The commissioner shall provide meeting space and administrative services for the
5.17 commission. All costs necessary to support the commission's operations must be absorbed
5.18 using existing appropriations available to the commissioner.