

CHAPTER 268

DEPARTMENT OF JOBS AND TRAINING

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268.011 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 1]

268.0111 DEFINITIONS.

Subdivision 1. Applicability. The definitions in this section apply to this chapter.

Subd. 2. Commissioner. "Commissioner" means the commissioner of jobs and training.

Subd. 3. Coordinator. "Coordinator" means the full productivity and opportunity coordinator.

Subd. 4. Employment and training services. "Employment and training services" means programs, activities, and services related to job training, job placement, and job creation including job service programs, job training partnership act programs, wage subsidies, work incentive programs, work readiness programs, employment search, counseling, community work experience programs, displaced homemaker programs, disadvantaged job training programs, grant diversion, employment experience programs, youth employment programs, conservation corps, apprenticeship programs, community investment programs, supported work programs, community development corporations, economic development programs, and opportunities industrialization centers.

Subd. 5. Income maintenance and support services. "Income maintenance and support services" means programs through which the state or its subdivisions provide direct financial or in-kind support to unemployed or underemployed persons, including unemployment compensation, aid to families with dependent children, general assistance, work readiness assistance, food stamps, energy assistance, disability determinations, and child care. Income maintenance and support services do not include medical assistance, aging services, social services, community social

services, mental health services, or services for the emotionally disturbed, the mentally retarded, or residents of nursing homes.

Subd. 6. Local service unit. "Local service unit" means a county, counties operating under a joint powers agreement, one or more counties and one or more cities of the first class operating under a joint powers agreement, or a city of the first class.

Subd. 7. Public assistance. "Public assistance" means aid to families with dependent children, general assistance, and work readiness.

Subd. 8. Service provider. "Service provider" means a public, private, or nonprofit agency that is capable of providing one or more of the services or administering one or more of the programs for which the full productivity and opportunity coordinator has responsibility under this section.

Subd. 9. Wage subsidies. "Wage subsidies" means issuing of payments to employers to offset the costs of wages, fringe benefits, and training for eligible employees under the limitations established in sections 268.672 to 268.682, and may be referred to as Minnesota employment and economic development (MEED) wage subsidies.

History: 1Sp1985 c 14 art 9 s 38

268.012 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 1]

268.0121 CREATION.

Subdivision 1. Purpose. The department of jobs and training has broad responsibility to increase the economic independence of Minnesotans with special effort toward those who are currently unemployed or who face special disadvantages in the labor market. The department shall develop employment policies and link training and employment-related services with temporary income replacement and income maintenance programs, veterans' programs, workers' compensation, vocational and post-secondary education, federal income insurance programs, and economic development programs.

Subd. 2. Commissioner. The governor shall appoint the commissioner of jobs and training with the advice and consent of the senate.

Subd. 3. Unclassified positions. The commissioner may establish positions in the unclassified service in accordance with section 43A.08. The commissioner may appoint and define the duties of other subordinate officers and employees as the commissioner deems necessary to discharge the functions of the department.

Subd. 4. Delegation of powers. The commissioner may delegate, in written orders filed with the secretary of state, any powers or duties subject to the commissioner's control to officers and employees in the department. Notwithstanding any other law, the commissioner may delegate the execution of specific contracts or specific types of contracts to the commissioner's deputies, an assistant commissioner, or a program director if the delegation has been approved by the commissioner of administration and filed with the secretary of state.

Subd. 5. Receipt of gifts, money. The commissioner may accept gifts, bequests, grants, payments for services, and other public and private money to help finance the activities of the department.

History: 1Sp1985 c 14 art 9 s 39

268.0122 POWERS AND DUTIES.

Subdivision 1. **State agency.** The commissioner of jobs and training is designated the "state agency" as defined by United States Code, title 29, section 49c, the Wagner-Peyser Act, as amended through December 31, 1984.

Subd. 2. **Specific powers.** The commissioner of jobs and training shall:

(1) administer and supervise all forms of unemployment insurance provided for under federal and state laws that are vested in the commissioner;

(2) administer and supervise all employment and training services assigned to the department of jobs and training under federal or state law;

(3) review and comment on local service unit plans and community investment program plans and, with the concurrence of the coordinator, approve or disapprove the plans;

(4) establish and maintain administrative units necessary to perform administrative functions common to all divisions of the department;

(5) supervise the county boards of commissioners, local service units, and any other units of government designated in federal or state law as responsible for employment and training programs;

(6) establish administrative standards and payment conditions for providers of employment and training services;

(7) act as the agent of, and cooperate with, the federal government in matters of mutual concern, including the administration of any federal funds granted to the state to aid in the performance of functions of the commissioner; and

(8) obtain reports from local service units and service providers for the purpose of evaluating the performance of employment and training services.

Subd. 3. **Duties as a state agency.** The commissioner shall:

(1) administer the unemployment insurance laws and related programs;

(2) administer the aspects of aid to families with dependent children, general assistance, work readiness, and food stamps that relate to employment and training services, subject to the limitations of federal regulations;

(3) administer wage subsidies and recommend to the coordinator the use of the discretionary portion of wage subsidy appropriations;

(4) administer a national system of public employment offices as prescribed by United States Code, title 29, chapter 4B, the Wagner-Peyser Act, and other federal employment and training programs;

(5) cooperate with the federal government and its employment and training agencies in any reasonable manner as necessary to qualify for federal aid for employment and training services and money;

(6) enter into agreements with other departments of the state and local units of government as necessary;

(7) certify competent service providers and, with the concurrence of the coordinator, decertify service providers that fail to comply with performance criteria according to standards established by the coordinator;

(8) provide consistent, integrated employment and training services across the state;

(9) establish the standards for all employment and training services administered under this chapter;

(10) develop standards for the contents and structure of the county plans;

(11) provide current state and substate labor market information and forecasts, in cooperation with other agencies;

(12) prepare a plan and submit it to the coordinator in each even-numbered year, according to standards established by the coordinator, for use in developing a statewide employment and training plan;

(13) identify underserved populations, unmet service needs, and funding requirements;

(14) consult with the council for the blind on matters pertaining to programs and services for the blind and visually impaired; and

(15) submit to the governor, the coordinator, the commissioners of human services and finance, and the chairs of the senate finance and house appropriations committees a semiannual report that:

(a) reports, by client classification, an unduplicated count of the kinds and number of services furnished through each program administered or supervised by the department or coordinated with it;

(b) reports on the number of job openings listed, developed, available, and obtained by clients;

(c) identifies the number of cooperative agreements in place, the number of individuals being served, and the kinds of service provided them;

(d) evaluates the performance of services, such as wage subsidies, community investments, work readiness, and grant diversions; and

(e) explains the effects of current employment levels, unemployment rates, and program performance on the unemployment insurance fund and general assistance, work readiness, and aid to families with dependent children caseloads and program expenditures.

Subd. 4. Demonstration projects. The commissioner may conduct and administer demonstration projects to test methods and procedures for providing employment and training services. The demonstration must provide new methods and procedures of administration and must not conflict with the basic purposes, coverage, or benefits provided by law. No demonstration project authorized by this section is effective until the following conditions are met:

(a) a comprehensive plan, including the estimated project costs, is filed with the secretary of the senate and the chief clerk of the house of representatives at least 60 days before its effective date;

(b) any required approval by a federal agency is obtained; and

(c) the comprehensive plan, including the estimated project costs, is approved by the legislative advisory commission and filed with the commissioner of administration.

Subd. 5. Rulemaking. The commissioner may make emergency and permanent rules to carry out this chapter.

History: 1Sp1985 c 14 art 9 s 40

268.013 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 1]

268.04 DEFINITIONS.

[For text of subds 1 to 31, see M.S.1984]

Subd. 32. "Nonpublic school" means any school within the state, other than a public school, wherein a resident of Minnesota may legally fulfill the compulsory school attendance requirements of section 120.10, or any school (1) which operates on a nonprofit basis, (2) which admits only prekindergarten children, (3) which has as its primary purpose the education of its students as determined by the commis-

sitioner of human services pursuant to section 245.791, clause (14), and (4) which operates on a regular basis for at least eight months and no more than nine months a year.

[For text of subd 33, see M.S.1984]

History: 1985 c 248 s 43

268.05 UNEMPLOYMENT COMPENSATION FUND.

[For text of subd 1, see M.S.1984]

Subd. 2. Commissioner of finance to be custodian; separate accounts; bonds. The commissioner of finance shall be ex officio the treasurer and custodian of the fund. He shall administer the fund in accordance with the directions of the commissioner, and issue his warrants upon it in accordance with such regulations as the commissioner shall prescribe. He shall maintain within the fund three separate accounts:

- (1) a clearing account;
- (2) an unemployment trust fund account; and
- (3) a benefit account.

All money payable to the fund, upon receipt thereof by the commissioner, shall be forwarded to the commissioner of finance who shall immediately deposit them in the clearing account. All money in the clearing account, after clearance thereof, shall, except as herein otherwise provided, be immediately deposited with the secretary of the treasury of the United States to the credit of the account of this state in the unemployment trust fund established and maintained pursuant to section 904 of the Social Security Act, as amended, any provisions of law in this state relating to the deposit, administration, release, or disbursement of money in the possession or custody of this state to the contrary notwithstanding. Refunds payable pursuant to sections 268.16, subdivision 6, and 268.04, subdivision 12, clause (8) (f), may be paid from the clearing account or the benefit account. The benefit account shall consist of all money requisitioned from this state's account in the unemployment trust fund in the United States Treasury for the payment of benefits. Except as herein otherwise provided, money in the clearing and benefit accounts may be deposited by the commissioner of finance, under the direction of the commissioner, in any depository bank in which general funds of the state may be deposited, but no public deposit insurance charge or premium shall be paid out of the fund. Money in the clearing and benefit accounts shall not be commingled with other state funds, but shall be maintained in separate accounts on the books of the depository bank. Such money shall be secured by the depository bank to the same extent and in the same manner as required by the general depository law of this state; and collateral pledged for this purpose shall be kept separate and distinct from any collateral pledged to secure other funds of the state. All sums recovered for losses sustained by the fund shall be deposited therein.

[For text of subds 3 to 6, see M.S.1984]

History: 1Sp1985 c 13 s 300

268.08 PERSONS ELIGIBLE TO RECEIVE BENEFITS.

Subdivision 1. Eligibility conditions. An individual shall be eligible to receive benefits with respect to any week of unemployment only if the commissioner finds that the individual:

(1) has registered for work at and thereafter has continued to report to an employment office, or agent of the office, in accordance with rules the commissioner may adopt; except that the commissioner may by rule waive or alter either or both of the requirements of this clause as to types of cases or situations with respect to which the commissioner finds that compliance with the requirements would be oppressive or would be inconsistent with the purposes of sections 268.03 to 268.24;

(2) has made a claim for benefits in accordance with rules as the commissioner may adopt;

(3) was able to work and was available for work, and was actively seeking work. The individual's weekly benefit amount shall be reduced one-fifth for each day the individual is unable to work or is unavailable for work. Benefits shall not be denied by application of this clause to an individual who is in training with the approval of the commissioner or in training approved pursuant to section 236 of the Trade Act of 1974, as amended.

An individual is deemed unavailable for work with respect to any week which occurs in a period when the individual is a full-time student in attendance at, or on vacation from an established school, college or university unless a majority of the credit weeks earned in the base period were for services performed during weeks in which the student was attending school as a full-time student.

An individual serving as a juror shall be considered as available for work and actively seeking work on each day the individual is on jury duty; and

(4) has been unemployed for a waiting period of one week during which the individual is otherwise eligible for benefits under sections 268.03 to 268.24. However, payment for the waiting week shall be made to the individual after the individual has qualified for and been paid benefits for four weeks of unemployment in a benefit year which period of unemployment is terminated because of the individual's return to employment. No individual is required to serve a waiting period of more than one week within the one-year period subsequent to filing a valid claim and commencing with the week within which the valid claim was filed.

[For text of subds 2 to 9, see M.S.1984]

History: 1985 c 248 s 44

268.12 CREATION.

Subdivision 1. [Repealed, 1Sp1985 c 14 art 9 s 78 subd 1]

Subd. 1a. [Repealed, 1Sp1985 c 14 art 9 s 78 subd 1]

[For text of subds 2 to 13, see M.S.1984]

268.161 CONTRIBUTION AND REIMBURSEMENT LIEN.

Subdivision 1. **Lien.** Any contributions or reimbursements due under sections 268.03 to 268.24 and interest and penalties imposed with respect thereto, shall become a lien upon all the property, within this state, both real and personal, of the person liable therefor, except his homestead, from and after the filing by the commissioner of a notice of lien in the office of the county recorder of the county in which the property is situated, or in the case of personal property belonging to an individual who is not a resident of this state, or which is a corporation, partnership, or other organization, in the office of the secretary of state. When the filing of the notice of lien is made in the office of the county recorder, the fee for filing and indexing shall be as prescribed in sections 272.483 and 272.484.

The lien created under this section shall become effective with respect to personal property from and after the date of filing by the commissioner of a notice of the lien describing the property to which the lien attaches in the office of the county recorder of the county in which the commissioner believes the property is located at the time the lien is filed, and with the secretary of state.

The lien imposed on personal property by this section, even though properly filed, shall not be valid as against a purchaser with respect to tangible personal property purchased at retail or as against the personal property listed as exempt in sections 550.37, 550.38 and 550.39.

The lien imposed by this section shall be enforceable by levy as authorized in subdivision 8 or by judgment lien foreclosure as authorized in chapter 550.

[For text of subds 2 to 9, see M.S.1984]

History: 1985 c 281 s 1

268.31 DEVELOPMENT OF YOUTH EMPLOYMENT OPPORTUNITIES.

To the extent of available funding, the commissioner of jobs and training shall establish a program to employ individuals from the ages of 14 years up to 22 years. Available money must be used to support employment under this section for a maximum of 12 weeks, not to exceed 40 hours per week per individual, during the summer for the purpose of placing such individuals in service with departments, agencies and instrumentalities of the state, county, local governments, school districts and with nonprofit organizations and for job-related support services not to exceed ten percent of the allocation for eligible youths placed in public or nonprofit sector summer employment. Priority for employment shall be given to those young individuals between the ages of 16 years up to 22 years. The commissioner shall cooperate with the commissioner of human services in determining and implementing the most effective means of disregarding a youth's earnings from family income for purposes of the aid to families with dependent children program, to the extent permitted by the federal government.

History: 1Sp1985 c 14 art 9 s 41

268.32 RATE OF PAY.

Persons employed pursuant to sections 268.31 to 268.36 shall be compensated at the federal minimum wage rate. Persons hired in a supervisory capacity shall be compensated according to criteria established by the commissioner by rule.

History: 1Sp1985 c 14 art 9 s 42

268.33 ELIGIBILITY FOR EMPLOYMENT AND PLACEMENT.

Subdivision 1. The commissioner of jobs and training shall make rules determining the priority and eligibility for employment and placement pursuant to sections 268.31 to 268.36. The commissioner has emergency and permanent rulemaking authority to implement sections 268.31 to 268.36.

Subd. 2. The commissioner of jobs and training shall, for the purposes of sections 268.31 to 268.36, be exempt from complying with any law relating to hiring by departments, agencies or instrumentalities of the state.

History: 1Sp1985 c 14 art 9 s 43

268.34 EMPLOYMENT CONTRACTS.

The commissioner may enter into arrangements with existing public and private nonprofit organizations and agencies with experience in administering youth employment programs for the purpose of providing employment opportunities in furtherance of sections 268.31 to 268.36 and to advance up to 20 percent of a summer youth employment contract to any participating organization or agency. The department of jobs and training shall retain ultimate responsibility for the administration of this employment program, including approval of summer job opportunities, eligibility of job applicants, placement of youth in jobs, and the disbursement of funds.

History: *1Sp1985 c 14 art 9 s 44*

268.36 REPORT TO THE COORDINATOR AND THE LEGISLATURE.

The commissioner, after consultation with the local service units and providers of employment and training services, shall evaluate the effectiveness of youth employment programs, taking into account the extent of all programs which are providing summer employment opportunities for youth, and shall report to the coordinator and the legislature no later than January 15 of each even-numbered year with an evaluation of this and other programs and any recommendations for improvements.

History: *1Sp1985 c 14 art 9 s 45*

268.38 TEMPORARY HOUSING DEMONSTRATION PROGRAM.

Subdivision 1. Definitions. For the purpose of this section the following terms have the meanings given:

(a) "Temporary housing" means housing designed for independent living and provided to a homeless person or family at a rental rate of at least 25 percent of the family income for a period of up to six months. If a temporary housing program is associated with a licensed facility or shelter, it must be located in a separate facility or a specified section of the main facility where residents can be responsible for their own meals and other daily needs.

(b) "Support services" means an assessment service that identifies the needs of individuals for independent living and arranges or provides for the appropriate educational, social, legal, advocacy, child care, employment, financial, health care, or information and referral services to meet these needs.

(c) "Commissioner" means the commissioner of economic security.

Subd. 2. Establishment and administration. A temporary housing demonstration program is established to be administered by the commissioner. The commissioner may make grants to eligible recipients or enter into agreements with community action agencies or other public or private nonprofit agencies to make grants to eligible recipients to initiate, maintain, or expand programs to provide temporary housing and support services for persons in need of temporary housing. The commissioner shall ensure that money appropriated to implement this section is distributed as soon as practicable. The commissioner may make grants directly to eligible recipients.

[For text of subds 3 to 5, see M.S.1984]

Subd. 6. Programs designated. At least two programs funded must be located in the seven-county metropolitan area and at least one program must be located outside of the metropolitan area. The commissioner may fund programs designed

primarily to serve families with children, single persons, and persons leaving a shelter for family abuse.

Subd. 7. Funding coordination. Grant recipients shall combine funds awarded under this section with other funds from public and private sources. Programs receiving funds under this section are also eligible for assistance under section 462A.05, subdivision 20.

Subd. 8. Program information. In order to collect uniform data to better measure the nature and extent of the need for temporary housing, grant recipients shall collect and make available to the commissioner the following information:

(1) number of requests received for temporary housing, including the number of persons requiring assistance;

(2) number of persons for whom services are provided, listed by age;

(3) reasons for seeking assistance;

(4) length of stay;

(5) reasons for leaving the housing program;

(6) demand for support services;

(7) follow-up information on status of persons assisted, including source of income and whether living independently, employed, or in treatment, unless the information is not available; and

(8) source of income on entering the program, prior residence, race, and sex of persons assisted.

[For text of subds 9 to 12, see M.S.1984]

History: 1Sp1985 c 13 s 301-305

268.52 FINANCIAL ASSISTANCE FOR COMMUNITY ACTION AGENCIES.

Subdivision 1. Authorization. The commissioner of economic security may provide financial assistance for community action agencies, Indian reservations and the statewide migrant seasonal farmworker organization known as the Minnesota migrant council to carry out community action programs as described in section 268.54 in accordance with the omnibus reconciliation act of 1981, Public Law Number 97-35, as amended in 1984, Public Law Number 98-558, state law, and federal law and regulation.

Subd. 2. Allocation of money. (a) State money appropriated and community service block grant money allotted to the state and all money transferred to the community service block grant from other block grants shall be allocated annually to community action agencies and Indian reservation governments under clauses (b) and (c), and to the Minnesota migrant council under clause (d).

(b) The available annual money will provide base funding to all community action agencies and the Indian reservations. Base funding amounts per agency are as follows: for agencies with low income populations up to 3,999, \$25,000; 4,000 to 23,999, \$50,000; and 24,000 or more, \$100,000.

(c) All remaining money of the annual money available after the base funding has been determined must be allocated to each agency and reservation in proportion to the size of the poverty level population in the agency's service area compared to the size of the poverty level population in the state.

(d) Allocation of money to the Minnesota migrant council must not exceed three percent of the total annual money available. Base funding allocations must be made for all community action agencies and Indian reservations that received money

under this subdivision, in fiscal year 1984, and for community action agencies designated under this section with a service area population of 35,000 or greater.

[For text of subds 3 and 4, see M.S.1984]

History: 1985 c 282 s 1,2

268.53 COMMUNITY ACTION AGENCIES.

[For text of subds 1 and 1a, see M.S.1984]

Subd. 2. Administering board. Each community action agency shall administer its community action programs through a community action board consisting of 15 to 51 members.

(a) One-third of the members of the board shall be elected public officials, currently holding office, or their representatives.

(b) At least one-third of the members shall be persons chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the area served.

(c) The other members shall be officials or members of business, industry, labor, religious, welfare, education, or other major groups and interests in the community. Each member of the board selected to represent a specific geographic area within a community must reside in the area represented.

(d) The public community action agency shall have an administering board which meets the requirements of this subdivision.

(e) The statewide migrant seasonal farmworker organization known as the Minnesota migrant council and Indian reservations carrying out community action programs are exempt from the board composition requirements of this subdivision.

[For text of subds 3 to 7, see M.S.1984]

History: 1985 c 282 s 3

268.65 APPROVED TRAINING.

Subdivision 1. Creation. The commissioner of jobs and training shall establish a training program for structurally unemployed workers under which individuals may be enrolled in an on-the-job training program, and an additional 1,000 individuals may be enrolled in classroom training, in accordance with this section. Nothing in this section limits or adversely affects the approved training provisions applicable to an individual under section 268.08, subdivision 1, clause (3). An individual approved under this section is eligible for tuition aid under the provisions of chapter 136A. The commissioner shall report to the legislature annually regarding the status of the training program.

Subd. 2. Approval of training. An individual's enrollment in a training course must be approved for the purposes of this subdivision if the commissioner finds that:

(1) the individual is not unemployed due to the seasonal nature of the work or a temporary work shortage;

(2) the individual's separation or notice of layoff from most recent employment was caused by job obsolescence, plant shutdown, regional decline in the individual's customary occupation, or industry slowdown, and the individual is unlikely to return to work for that employer or in that occupation within 12 months following separation from employment;

(3) reasonable and suitable work opportunities for which the individual is fitted by training, experience, and physical capabilities do not exist within the local labor market;

(4) the training course is designed to provide preparation for available employment within the local labor market or in an area to which the individual is willing to relocate;

(5) the training is conducted by an agency, educational institution, or employing unit that is approved by the commissioner of education or state board for vocational technical education or higher education coordinating board to conduct training programs; except that an agency, educational institution, or employing unit that is not subject to regulation and approval by one of the agencies in this clause may be approved by the commissioner if it is determined that the institution's curriculum, facilities, staff, and other essentials are adequate to achieve the training objective; and

(6) the training consists of a full course load, as defined by the training provider, necessary to achieve the approved training objective, and the individual is making satisfactory progress in the course. The department may require the training provider to periodically certify to the individual's attendance and progress.

Subd. 3. On-the-job training. An individual who meets the criteria in subdivision 2 is eligible for participation in a full-time on-the-job training program if:

(1) the on-the-job training position is in an occupation for which the commissioner has determined a demand exists or will exist; in making this determination, the commissioner shall consider labor market information as contained in state and national occupational outlook publications, as well as other generally accepted authoritative sources with verifiable validity;

(2) the employer pays an hourly wage during training of at least the state minimum wage;

(3) the employer guarantees to provide at least 12 consecutive months of employment to the trainee after the completion of training at the prevailing area labor market wage for a trained individual in that occupation;

(4) the employer will not terminate the trainee during the period of training or guaranteed employment except for misconduct or demonstrated substandard performance; and

(5) the employer will not terminate, lay off, or reduce the hours of any employee for the purpose of hiring an individual with money available, and will not hire an individual if another person is on layoff from the same or a substantially equivalent job.

Subd. 4. Training allowance. During participation in an approved on-the-job training program, the trainee shall maintain satisfactory progress and attendance. During the period of training specified in the agreement between the commissioner and the employer, individuals participating in an approved on-the-job training program must be paid a training allowance for each week claimed during the benefit year, until benefits are exhausted, equal to the weekly benefit amount calculated under section 268.07, subdivision 2, less the part of the earnings, including holiday pay, in excess of \$100. The training allowance is computed by rounding down to the nearest dollar amount. Notwithstanding any other provision, an individual participating in on-the-job training on a full-time basis is not employed for purposes of benefit eligibility.

Subd. 5. Employer penalty. An employer who enters into an on-the-job training agreement with the commissioner and who terminates the trainee in a manner other than provided in this subdivision shall repay 70 percent of the amount

of unemployment insurance benefits paid to the individual while in the training program with that employer if the termination occurs during the training period. If the termination occurs during the 12-month period of guaranteed employment, the employer receives a proportional reduction in the amount it must repay. The commissioner shall use any money collected under this paragraph for job search and relocation expenses of structurally unemployed workers participating in the training program.

History: 1Sp1985 c 14 art 9 s 46

268.66 FIRST SOURCE AGREEMENTS.

Subdivision 1. **List of vacancies.** A business or private enterprise receiving grants or loans from the state in amounts over \$200,000 a year shall as part of the grant or loan agree to list any vacant or new positions with the job services of the commissioner of jobs and training or the local service units.

Subd. 2. **Grant and loan agreements.** The commissioner of energy and economic development shall incorporate the provisions of this section into grant and loan agreements and assist the commissioner of jobs and training and the local service units to promote private sector listings with job services and to evaluate their effect on employers and individuals who are referred.

History: 1Sp1985 c 14 art 9 s 47

268.671 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 1]

268.672 DEFINITIONS.

[For text of subd 1, see M.S.1984]

Subd. 2. [Repealed, 1Sp1985 c 14 art 9 s 78 subd 2]

[For text of subds 3 to 5, see M.S.1984]

Subd. 6. **Eligible job applicant.** "Eligible job applicant" means a person who: (1) has been a resident of this state for at least one month, (2) is unemployed, (3) is not receiving and is not qualified to receive unemployment compensation or workers' compensation, and (4) is determined by the employment administrator to be likely to be available for employment by an eligible employer for the duration of the job.

A farmer or any member of a farm family household who can demonstrate severe household financial need shall be considered unemployed under this subdivision.

Subd. 6. **Eligible job applicant.** "Eligible job applicant" means a person who: (1) has been a resident of this state for at least one month, (2) is unemployed, (3) is not receiving and is not qualified to receive unemployment compensation or workers' compensation, and (4) is determined to be likely to be available for employment by an eligible employer for the duration of the job.

For the purposes of this subdivision, a farmer or any member of a farm family household who can demonstrate severe household financial need must be considered unemployed.

[For text of subd 7, see M.S.1984]

Subd. 8. [Repealed, 1Sp1985 c 14 art 9 s 78 subd 2]

[For text of subd 9, see M.S.1984]

Subd. 10. [Repealed, 1Sp1985 c 14 art 9 s 78 subd 2]

Subd. 11. [Repealed, 1Sp1985 c 14 art 9 s 78 subd 2]

Subd. 12. **Eligible local service unit.** "Eligible local service unit" means a local service unit that is not operating an employment experience program. After February 15, 1986, an eligible local service unit means a local service unit with an approved community investment program and includes a city of the first class in a county with an approved community investment program.

History: *1Sp1985 c 9 art 2 s 78,79,105; 1Sp1985 c 14 art 9 s 48,49*

268.673 MINNESOTA EMERGENCY EMPLOYMENT DEVELOPMENT COORDINATOR.

Subdivision 1. [Repealed, 1Sp1985 c 14 art 9 s 78 subd 2]

Subd. 2. [Repealed, 1Sp1985 c 14 art 9 s 78 subd 2]

Subd. 3. **Department of jobs and training.** The commissioner shall supervise wage subsidies and shall provide technical assistance to the eligible local service units for the purpose of delivering wage subsidies.

Subd. 4. **Enforcement.** (a) The commissioner shall ensure compliance with sections 268.672 to 268.682.

(b) The commissioner may:

(1) make public or private investigations within or without this state necessary to determine whether any person has violated or is about to violate sections 268.672 to 268.682, a contract entered into under them, or any rule or order adopted under them, or to aid in the enforcement of sections 268.672 to 268.682 or in rules and forms adopted under them;

(2) require or permit any person to file a written statement under oath or otherwise, as the commissioner determines, as to all the facts and circumstances concerning the matter being investigated; and

(3) hold hearings, upon reasonable notice, on any matter arising out of the administration of sections 268.672 to 268.682.

(c) The attorney general shall assign from his staff one or more assistant attorneys general to the commissioner and shall conduct all proceedings involving the violation of sections 268.672 to 268.682 and all other enforcement proceedings.

(d) Whenever it appears to the commissioner that any person has violated a provision of sections 268.672 to 268.682, a contract entered into under them, or a rule or order adopted under them:

(1) He may issue and cause to be served upon the person an order requiring the person to cease and desist from the violation. The order must be calculated to give reasonable notice of the right of the person to request a hearing on it and must state the reasons for the entry of the order. A hearing must be held not later than seven days after a request for the hearing is received by the commissioner, after which and within 20 days of the date of the hearing the commissioner shall issue a further order vacating the cease and desist order or making it permanent as the facts require. If no hearing is requested within 30 days of service of the order, the order becomes final and remains in effect until it is modified or vacated by the commissioner. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against him upon consideration of the cease and desist order, the allegations of which may be deemed to be true;

(2) He may bring an action in the district court of the appropriate county to enjoin the violation and to enforce compliance with the provisions of sections 268.672 to 268.682, a contract entered into under them, or any rule or order adopted under them, and he may refer the matter to the attorney general. Upon a proper showing, a permanent or temporary injunction, restraining order, or writ of mandamus shall be granted. The court may not require the commissioner to post a bond.

Any injunction proceeding under the provisions of sections 268.672 to 268.682 may be brought on for hearing and disposition upon an order to show cause returnable upon not more than eight days notice to the defendant. The case has precedence over other cases upon the court calendar and may not be continued without the consent of the state, except upon good cause shown to the court, and then only for a reasonable length of time necessary in the opinion of the court to protect the rights of the defendant.

Subd. 5. Report. Each eligible local service unit shall report to the commissioner and the coordinator on a quarterly basis: (1) the number of persons employed; (2) the number and type of employers under the program; (3) the amount of money spent in each eligible local service unit for wages for each type of employment and each type of other expense; (4) the number of persons who have completed participation in the program and their current employment, educational, or training status; and (5) any other information requested by the commissioner or the coordinator. Each report must include cumulative information, as well as information for each quarter.

Subd. 6. Rules. The commissioner may adopt rules necessary to implement sections 268.672 to 268.682.

History: *1Sp1985 c 9 art 2 s 80, 105; 1Sp1985 c 14 art 9 s 50-53*

268.674 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 2]

NOTE: Subdivision 1 was also amended by Laws 1985, First Special Session chapter 9, article 2, section 81, to read as follows: "Subdivision 1. Creation. There is created a Minnesota employment and economic development task force to advise the coordinator in the administration of sections 268.671 to 268.686."

268.675 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 2]

NOTE: Section 268.675 was also amended by Laws 1985, First Special Session chapter 9, article 2, section 82, to read as follows: "268.675 Allocation of funds among service delivery areas.

Subdivision 1. Service delivery area portion. (a) Seventy percent of the funds available for allocation to employment administrators for the program must be allocated among service delivery areas as follows: (1) each service delivery area shall be eligible to receive that proportion of the funds available which equals the number of unemployed persons in the service delivery area divided by the total number of unemployed persons in the state for the 12-month period ending the most recent March 31; (2) however, 15 percent of the amount which would be allocated under paragraph (1) to each service delivery area in which the unemployment rate, for the 12-month period ending the most recent March 31, is less than the statewide unemployment rate on that date shall not be allocated according to paragraph (1). This amount shall be pooled and distributed at the discretion of the coordinator only to employment administrators in service delivery areas with lower than average unemployment rates who have demonstrated outstanding performance in placement of applicants whose income and resources are less than the standard of assistance established under section 256D.05, subdivision 1, or who would otherwise be eligible to receive aid to families with dependent children, as shown by:

(i) the proportion of the applicants who have been placed in permanent private sector jobs under the program, relative to the total number of the applicants placed under the program; or

(ii) the proportion of the applicants placed in all jobs under the program, relative to total job placements under the program.

(b) Five percent of the funds available for allocation to employment administrators under the program must be allocated at the discretion of the coordinator to employment administrators:

(1) who will maximize the use of the funds through coordination with other programs and state, local, and federal agencies, through the use of matching funds or through the involvement of low-income constituent groups;

(2) who have demonstrated need beyond the allocation available under clause (1);

(3) who have demonstrated outstanding performance in job creation; or

(4) who have demonstrated that the unemployed persons in the service delivery area incur unusual costs related to employment under sections 268.671 to 268.686.

(c) Five percent of the funds available to employment administrators under the program must be allocated for necessary costs of relocation.

Subd. 2. High unemployment regions. (a) Twenty percent of the funds available for allocation to employment administrators under the program must be allocated by the coordinator to employment administrators for use in distressed counties. A county is distressed if it has an average unemployment rate of ten percent or more for the one-year period ending on April 30 of the year in which the designation is made.

(b) The commissioner shall designate a contiguous portion of a county containing a city of the first class located outside of the metropolitan area as a distressed county if:

(1) that portion of the county has an unemployment rate of ten percent or more for the one-year period ending on April 30 of the year in which the designation is made; and

(2) that portion of the county has a population of at least 50,000 as determined by the 1980 federal census."

268.6751 ALLOCATION OF WAGE SUBSIDY MONEY.

Subdivision 1. **Wage subsidies.** Wage subsidy money must be allocated to eligible local service units in the following manner:

(a) The commissioner shall allocate 70 percent of the funds available for allocation to eligible local service units for wage subsidy programs as follows: the proportion of the wage subsidy money available to each eligible local service unit must be based on the number of unemployed persons in the eligible local service unit for the most recent six-month period and the number of work readiness assistance cases and aid to families with dependent children cases in the eligible local service unit for the most recent six-month period.

(b) Thirty percent of the money available for wage subsidy programs must be allocated at the direction and discretion of the coordinator. The commissioner shall distribute the discretionary portion of wage subsidy appropriations at the request of the coordinator. For the biennium ending June 30, 1987, up to 25 percent of the discretionary portion of the wage subsidy appropriation may be used to support the office of full productivity and opportunity and the development of an intake, referral, and inventory system. In allocating the remaining discretionary portion of the wage subsidy appropriation, the coordinator shall give priority to eligible local service units that have:

- (1) high numbers of farmers who can demonstrate severe household financial need;
- (2) demonstrated success in placing public assistance applicants in private sector jobs;
- (3) demonstrated need beyond the allocation distributed under paragraph (a);
- (4) maximized use of money through coordination with other programs and state, local, and federal agencies, and through the use of matching money from private and nonprofit sources;
- (5) demonstrated need to provide special assistance in order to serve unemployed persons who incur unusual costs such as necessary relocation expenses; or
- (6) areas with high unemployment rates.

Subd. 2. **Emergency wage subsidies.** (a) The coordinator shall monitor local and statewide unemployment rates. Upon determining that an economic emergency exists in one or more local service units, the coordinator may implement an emergency wage subsidy program and recommend to the governor to pursue ways to increase the wage subsidy money available to local service units in the affected area or areas from sources other than the appropriation allocated under subdivision 1.

(b) When the unemployment rate for the state of Minnesota equals or exceeds nine percent, the coordinator shall implement a statewide emergency wage subsidy program and shall recommend to the governor to pursue ways to increase money available for wage subsidies.

History: 1Sp1985 c 14 art 9 s 54

268.676 ALLOCATION WITHIN ELIGIBLE LOCAL SERVICE UNITS; PRIORITIES.

Subdivision 1. **Among job applicants.** Allocation of funds among eligible job applicants within an eligible local service unit shall give priority to:

- (1) applicants living in households with no other income source;
- (2) applicants whose incomes and resources are less than the standards for eligibility for general assistance;

- (3) applicants who are eligible for aid to families with dependent children; and
- (4) applicants who live in a farm household who demonstrate severe household financial need.

Subd. 2. **Among employers.** Allocation of funds among eligible employers within an eligible local service unit shall give priority to funding private sector jobs to the extent that eligible businesses apply for funds. If possible, no more than 25 percent of the statewide funds available for wages may be allocated for temporary jobs with eligible government and nonprofit agencies during the biennium.

Subd. 3. [Repealed, 1Sp1985 c 14 art 9 s 78 subd 2]

History: 1Sp1985 c 9 art 2 s 83,84,105; 1Sp1985 c 14 art 9 s 55

268.677 USE OF FUNDS.

Subdivision 1. To the extent allowable under federal and state law, wage subsidy money must be pooled and used in combination with money from other employment and training services or income maintenance and support services. At least 75 percent of the money appropriated for wage subsidies must be used to pay wages for eligible job applicants. For each eligible job applicant employed, the maximum state contribution from any combination of public assistance grant diversion and employment and training services governed under this chapter, including wage subsidies, is \$4 per hour for wages and \$1 per hour for fringe benefits. In addition, wage subsidies are limited as follows:

(a) For each eligible job applicant placed in private or nonprofit employment, the state may subsidize wages for a maximum of 1,040 hours over a period of 26 weeks. Employers are encouraged to use money from other sources to provide increased wages to applicants they employ.

(b) For each eligible job applicant participating in a job training program and placed in private sector employment, the state may subsidize wages for a maximum of 1,040 hours over a period of 52 weeks.

(c) For each eligible job applicant placed in a community investment program, the state may provide wage subsidies for a maximum of 780 hours over a maximum of 26 weeks. For an individual placed in a community investment program, the county share of the wage subsidy shall be 25 percent. Counties may use money from sources other than public assistance and wage subsidies, including private grants, contributions from nonprofit corporations and other units of government, and other state money, to increase the wages or hours of persons employed in community investment programs.

(d) Notwithstanding the limitations of paragraphs (a) and (b), money may be used to provide a state contribution for wages and fringe benefits in private sector jobs for eligible applicants who had previously held temporary jobs with eligible government and nonprofit agencies or who had previously held community investment program jobs for which a state contribution had been made, and who are among the priority groups established in section 268.676, subdivision 1. The use of money under this paragraph shall be for a maximum of 1,040 hours over a maximum period of 26 weeks per job applicant.

Subd. 2. Reimbursement to the commissioner for the costs of administering wage subsidies must not exceed one-half percent of the money appropriated. Reimbursement to an eligible local service unit for the costs of administering wage subsidies must not exceed five percent and for the purchase of supplies and materials necessary to create permanent improvements to public property must not exceed one percent of the money allocated to that local service unit. The commissioner and the

eligible local service units shall reallocate money from other sources to cover the costs of administering wage subsidies whenever possible.

Subd. 3. Eligible local service units may use up to 25 percent of their wage subsidy allocations to provide eligible applicants with job search assistance, labor market orientation, job seeking skills, necessary child care services, relocation, and transportation, and to subsidize fringe benefits.

History: *1Sp1985 c 9 art 2 s 85,105; 1Sp1985 c 14 art 9 s 56*

268.678 ELIGIBLE LOCAL SERVICE UNITS; POWERS AND DUTIES.

Subdivision 1. **General powers.** Eligible local service units have the powers and duties given in this section and any additional duties given by the coordinator or the commissioner.

Subd. 2. [Repealed, *1Sp1985 c 14 art 9 s 78* subd 2]

Subd. 3. **Outreach.** Each eligible local service unit shall publicize the availability of wage subsidies within its area to seek maximum participation by eligible job applicants and employers.

Subd. 4. **Contracts.** Each eligible local service unit may enter into contracts with certified service providers to deliver wage subsidies.

Subd. 5. **Screening and coordination.** Each eligible local service unit shall provide for the screening of job applicants and employers to achieve the best possible placement of eligible job applicants with eligible employers.

Subd. 6. **Eligible job applicant priority lists.** Each eligible local service unit shall provide for the maintenance of a list of eligible job applicants unable to secure employment under the program at the time of application. The list shall prioritize eligible job applicants and shall be used to fill jobs with eligible employers as they become available.

Subd. 7. [Repealed, *1Sp1985 c 14 art 9 s 78* subd 2]

Subd. 8. [Repealed, *1Sp1985 c 14 art 9 s 78* subd 2]

History: *1Sp1985 c 9 art 2 s 86,105; 1Sp1985 c 14 art 9 s 57-61*

268.679 DUTIES OF COMMISSIONER OF HUMAN SERVICES.

Subdivision 1. [Repealed, *1Sp1985 c 14 art 9 s 78* subd 2]

Subd. 2. [Repealed, *1Sp1985 c 14 art 9 s 78* subd 2]

Subd. 3. **Department of human services.** The commissioner of human services shall provide to each local service unit lists of currently licensed local day care facilities, updated quarterly, to be available to all persons who receive wage subsidies.

History: *1Sp1985 c 9 art 2 s 87,105; 1Sp1985 c 14 art 9 s 62*

268.68 [Repealed, *1Sp1985 c 14 art 9 s 78* subd 2]

NOTE: Section 268.68 was also amended by Laws 1985, First Special Session chapter 9, article 2, section 8, to read as follows:

“268.68 Eligible government and nonprofit agency employment.

A government or nonprofit agency is an eligible employer with respect to temporary work relief projects that are determined by the employment administrator to have long-term benefit to or are needed by the community including, but not limited to, jobs in permanent public improvement projects, residential or public building weatherization projects, reforestation projects, mineland reclamation projects, planting or tree trimming projects, soil conservation projects, natural resource development projects, and community social service programs such as child care and home health care. Employment administrators to the greatest extent practicable shall place only those applicants deemed hard to employ by the administrator in temporary nonprofit jobs.”

268.681 BUSINESS EMPLOYMENT.

Subdivision 1. **Eligible businesses.** A business employer is an eligible employer if it enters into a written contract, signed and subscribed to under oath, with an eligible local service unit or its contractor, containing assurances that:

(a) funds received by a business shall be used only as permitted under sections 268.672 to 268.682;

(b) the business has submitted information to the eligible local service unit or its contractor (1) describing the duties and proposed compensation of each employee proposed to be hired under the program; and (2) demonstrating that, with the funds provided under sections 268.672 to 268.682, the business is likely to succeed and continue to employ persons hired using wage subsidies;

(c) the business will use funds exclusively for compensation and fringe benefits of eligible job applicants and will provide employees hired with these funds with fringe benefits and other terms and conditions of employment comparable to those provided to other employees of the business who do comparable work;

(d) the funds are necessary to allow the business to begin, or to employ additional people, but not to fill positions which would be filled even in the absence of wage subsidies;

(e) the business will cooperate with the eligible local service unit and the commissioner in collecting data to assess the result of wage subsidies; and

(f) the business is in compliance with all applicable affirmative action, fair labor, health, safety, and environmental standards.

Subd. 2. **Priorities.** In allocating funds among eligible businesses, the eligible local service unit or its contractor shall give priority to businesses which best satisfy the following criteria:

(a) have a high potential for growth and long-term job creation;

(b) are labor intensive;

(c) meet the definition of a small business as defined in section 645.445;

(d) make high use of local and Minnesota resources;

(e) are under ownership of women and minorities;

(f) make high use of new technology;

(g) produce energy conserving materials or services or are involved in development of renewable sources of energy; and

(h) have their primary place of business in Minnesota.

Subd. 3. **Payback.** A business receiving wage subsidies shall repay 70 percent of the amount initially received for each eligible job applicant employed, if the employee does not continue in the employment of the business beyond the six-month subsidized period. If the employee continues in the employment of the business for one year or longer after the six-month subsidized period, the business need not repay any of the funds received for that employee's wages. If the employee continues in the employment of the business for a period of less than one year after the expiration of the six-month subsidized period, the business shall receive a proportional reduction in the amount it must repay. If an employer dismisses an employee for good cause and works in good faith with the eligible local service unit or its contractor to employ and train another person referred by the eligible local service unit or its contractor, the payback formula shall apply as if the original person had continued in employment.

A repayment schedule shall be negotiated and agreed to by the eligible local service unit and the business prior to the disbursement of the funds and is subject to

renegotiation. The eligible local service unit shall forward payments received under this subdivision to the commissioner on a monthly basis. The commissioner shall deposit these payments in the Minnesota wage subsidy account created by subdivision 4.

Subd. 4. Minnesota wage subsidy account. The Minnesota wage subsidy account is created in the state treasury. All payments from businesses pursuant to subdivision 3 shall be deposited in this account, and all funds in the account are appropriated to the commissioner for the purpose of making disbursements pursuant to section 268.6751.

History: 1Sp1985 c 14 art 9 s 63

268.682 WORKER DISPLACEMENT PROHIBITED.

Subdivision 1. Layoffs; work reductions. An eligible employer may not terminate, lay off, or reduce the working hours of an employee for the purpose of hiring an individual with funds available under sections 268.672 to 268.682.

Subd. 2. Hiring during layoffs. An eligible employer may not hire an individual with funds available under sections 268.672 to 268.682 if any other person is on layoff from the same or a substantially equivalent job.

Subd. 3. Employer certification. In order to qualify as an eligible employer, a government or nonprofit agency or business must certify to the eligible local service unit that each job created and funded under sections 268.672 to 268.682:

(a) will result in an increase in employment opportunities over those which would otherwise be available;

(b) will not result in the displacement of currently employed workers, including partial displacement such as reduction in hours of nonovertime work, wages, or employment benefits; and

(c) will not impair existing contracts for service or result in the substitution of wage subsidy funds for other funds in connection with work that would otherwise be performed.

History: 1Sp1985 c 14 art 9 s 64

268.683 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 2]

268.684 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 2]

268.685 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 1]

NOTE: Section 268.685 was also amended by Laws 1985, First Special Session chapter 9, article 2, section 89, to read as follows:
"268.685 Termination; notification.

The commissioner of economic security shall immediately terminate the Minnesota emergency employment development program if and when none of the money appropriated for the program remains. The commissioner of economic security shall immediately notify the commissioner of human services of the program's termination. On the date the program is terminated, any balance remaining in the Minnesota emergency employment development account established under section 268.681, subdivision 4, cancels to the general fund. Payments received under section 268.681, subdivisions 3 and 4, on or after that date must be deposited in the general fund."

268.686 [Repealed, 1Sp1985 c 9 art 2 s 104; 1Sp1985 c 14 art 9 s 78 subd 2]

268.80 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 1]

268.81 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 1]

268.82 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 1]

268.83 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 1]

268.84 [Repealed, 1Sp1985 c 14 art 9 s 78 subd 1]

268.85 SERVICE PRIORITIES.

Subdivision 1. **Groups with severe disadvantages.** To the extent that the state has the authority to establish priority groups to be served through employment and training services, greatest consideration must be given to client groups identified as experiencing the most severe disadvantages to employment. Individuals volunteering for employment, regardless of whether they are required to register, must also be given preference to avoid the effects of long-term unemployment or dependence on public assistance.

Subd. 2. **Order of priority.** (a) The priority for services to be provided is:

(1) permanent, unsubsidized, full-time private or nonprofit sector employment and, where possible, in conjunction with targeted jobs tax credits as defined at United States Code, title 26, section 44B, as amended by Public Law Number 98-369;

(2) permanent, subsidized, full-time private sector employment;

(3) permanent, subsidized, full-time nonprofit sector employment;

(4) training;

(5) relocation; and

(6) part-time, subsidized, nonprofit, or public employment with continued employment assistance.

(b) Individuals receiving any of the priority services in paragraph (a) must be provided with child care, transportation, or other support services as necessary and in relation to their eligibility and the availability of funds.

(c) In delivering employment and training services, local service units shall distribute their available resources in a manner that provides greater incentives to clients in permanent private or nonprofit sector employment than in public sector jobs.

History: *1Sp1985 c 14 art 9 s 65*

268.86 EMPLOYMENT AND TRAINING PROGRAMS.

Subdivision 1. **Development.** The commissioner shall develop and administer employment and training services to assist appropriate recipients of public assistance and persons eligible to receive wage subsidies to become economically independent. The services must have as their objective the improvement of clients' opportunities for economic independence through permanent employment. The services must provide sufficient employment and training options to allow local service units to effectively meet the support services, educational, and training needs of their public assistance and wage subsidy clients.

Subd. 2. **Administration.** Under agreements necessary to comply with federal regulations, the commissioner, on behalf of the commissioner of human services, shall administer employment and training services for applicants for or recipients of aid to families with dependent children and food stamps. The commissioner shall administer employment and training services for general assistance and work readiness recipients in consultation with the commissioner of human services.

Subd. 3. **Registration.** The commissioner shall ensure that public assistance recipients are registered within time limits necessary to avoid delaying a recipient's receipt of assistance, denying benefits, or reducing the amount of benefits.

Subd. 4. **Employability plans.** The commissioner shall require that a public assistance recipient's employment status is appraised within 30 days and that a written employability plan is prepared for appropriate public assistance recipients in consultation with the recipients. The plan must be designed to help the recipient

obtain suitable employment, or training and work skills necessary to secure suitable employment, and may include an arrangement with another service provider or agency for specialized employment, education, training, or support services. A copy of the plan must be given to the recipient at the time it is prepared; an additional copy must be given to the local agency for its files.

Subd. 5. Participation. The commissioner shall establish, by rule, the conditions under which individuals participate in services, their rights and responsibilities while participating, and the standards by which the services must be administered, and shall provide fair hearing procedures governing participation.

Subd. 6. Coordination. In developing employment and training services, the commissioner shall identify and incorporate, to the extent possible, money from both federal and state income maintenance, employment and training, and educational programs.

Subd. 7. Work incentive program. In administering the work incentive program under section 256.736, the commissioner shall insure that no later than July 1, 1986, at least 25 percent of all state and federal money appropriated to that program must be spent for direct client services, including child care, transportation, institutional training, and on-the-job training. Seventy-five percent or less of the money must be spent for services provided directly by state or county staff.

Subd. 8. Grant diversion. The commissioner shall develop grant diversion processes for recipients of aid to families with dependent children and work readiness assistance payments and shall supervise the counties in the administration of the employment and training services to meet the needs and circumstances of public assistance recipients.

Subd. 9. Supported work program. The commissioner shall establish a supported work program for recipients of aid to families with dependent children who have received public assistance for more than three years and who are residents of counties that have had more than three percent of their aid to families with dependent children recipients on such assistance for three years or longer. The goals of the supported work program are to help individuals who are making a transition from prolonged economic dependence to independence through employment.

History: 1Sp1985 c 14 art 9 s 66

268.871 LOCAL DELIVERY.

Subdivision 1. Responsibility and certification. Unless prohibited by federal law or otherwise determined by state law or the coordinator, a local service unit is responsible for the delivery of employment and training services. After February 1, 1986, employment and training services must be delivered by public, nonprofit, or private service providers that are certified to provide the services.

Subd. 2. Contracting preference. In contracting, a local service unit must give preference, whenever possible, to existing employment and training providers including the job service, opportunities industrialization centers, displaced homemaker providers, work incentive providers, Minnesota emergency employment development act providers, post-secondary educational institutions, and job training partnership act programs.

Subd. 3. Enforcement. The local service units shall provide for the enforcement of employment and training requirements for appropriate recipients of public assistance, and must include provisions for enforcing the requirements in any contracts with providers under subdivisions 1 and 2.

Subd. 4. Location of staff. (a) In establishing a contract, the county shall agree to co-locate, where feasible, income maintenance and social service staff as necessary to accept applications and determine eligibility, monitor ongoing client eligibility, and authorize services and grants available under programs administered by the county or local service unit that are related to employment and training or the client's successful participation in employment and training activities.

(b) The commissioner shall co-locate, where feasible, sufficient staff to make the services provided through the department of jobs and training and the programs it administers or supervises available to clients being served by the local service unit or the contract agency.

(c) The commissioner has emergency and permanent rulemaking authority to implement this section and shall establish the circumstances under which the requirements for co-location may be waived.

History: *ISp1985 c 14 art 9 s 67*

268.872 STATE FUNDING OF EMPLOYMENT AND TRAINING PROGRAMS.

Subdivision 1. Available money. The commissioner and local service units are not required to provide employment and training services that exceed the levels permitted by available federal, state, and local funds subject to the requirements or limitations of each program.

Subd. 2. Maintenance of effort. A local service unit shall certify to the commissioner that it has not reduced funds from other federal, state, and county sources which would, in the absence of this section, have been available for employment and training services and child care services and related administrative costs.

Subd. 3. Allocation. The commissioner shall pay administrative aid to local service units for employment and training services according to the formula established by rule. Seventy-five percent of the money must be allocated among local service units based on the number of work readiness assistance recipients and aid to families with dependent children caseloads of individuals not exempt from work requirements as forecast by the commissioner of human services; 25 percent must be allocated in a way that encourages full-time, private-sector job placement, program completion by public assistance recipients, and other performance characteristics. This subdivision does not apply to the administrative aid for the work readiness program.

History: *ISp1985 c 14 art 9 s 68*

268.88 LOCAL SERVICE UNIT PLANS.

(a) Local service units shall prepare and submit to the commissioner by October 15 of each year an annual plan for the subsequent calendar year. The commissioner shall notify each local service unit by December 1 of each year if its plan has been approved or disapproved. The plan must include:

(1) a statement of objectives for the employment and training services the local service unit administers;

(2) the establishment of public assistance caseload reduction goals and the strategies that will be used to achieve these goals;

(3) a statement of whether the goals from the preceding year were met and an explanation if the local service unit failed to meet the goals;

(4) the amount proposed to be allocated to each employment and training service;

(5) the proposed types of employment and training services the local service unit plans to utilize;

(6) a report on the use of wage subsidies, grant diversions, community investment programs, sliding fee day care, and other services administered under this chapter;

(7) an annual update of the community investment program plan according to standards established by the commissioner; and

(8) a performance review of service providers delivering employment and training services.

(b) In counties with a city of the first class, the county and the city shall develop and submit a joint plan. The plan may not be submitted until agreed to by both the city and the county. The plan must provide for the direct allocation of employment and training money to the city and the county unless waived by either. If the county and the city cannot concur on a plan, the coordinator shall resolve their dispute.

(c) The commissioner may withhold the distribution of employment and training money from a local service unit that does not submit a plan to the commissioner by the date set by this section, and shall withhold the distribution of employment and training money from a local service unit whose plan has been disapproved by the coordinator until an acceptable amended plan has been submitted.

(d) For 1985, local service unit plans must be submitted by November 1, 1985 and must include:

(1) a statement of objectives for the employment and training services the local service unit administers;

(2) the establishment of public assistance caseload reduction goals and the strategies that will be used to achieve these goals;

(3) the amount proposed to be allocated to each employment and training service;

(4) the proposed employment and training services and service providers the local service unit plans to utilize; and

(5) a statement of intent regarding the establishment of either a community investment program or an employment experience program.

If the local service unit provides a statement of intent for the establishment of a community investment program under clause (5), the local service unit must submit a preliminary community investment program plan by February 1, 1986.

History: *1Sp1985 c 14 art 9 s 69*

268.89 JOBS TRAINING PARTNERSHIP ACT; ADMINISTRATION.

Subdivision 1. Coordination of state and federal programs. The commissioner shall act as the governor's agent in administering the federal jobs training partnership act. To the extent permitted under federal regulation, this program must be administered in conjunction with a comprehensive state employment and training strategy and its resources used in coordination with state programs and to further state objectives.

Subd. 2. Biennial plan. The commissioner shall recommend to the governor the priorities, performance standards, and special projects that are consistent with the coordinator's biennial plan.

Subd. 3. Other plans. Strong consideration for income maintenance recipients must be included in the goals, objectives, and criteria of the governor's coordination and special services plan under section 121 of the jobs training partnership act, United States Code, title 29, section 1531. Local service delivery area plans and job service plans must describe methods of complying with the coordination criteria under the governor's coordination and special services plan as required under United States Code, title 29, sections 49g and 1514.

History: 1Sp1985 c 14 art 9 s 70

268.90 COMMUNITY INVESTMENT PROGRAMS.

Subdivision 1. Community investment programs provide temporary employment to people who are experiencing prolonged unemployment and economic hardship. Community investment programs consist of one or more projects. Community investment programs must be beneficial to the state and the communities in which they are located and must provide program employees with training and work experience. The projects must include activities that:

- (1) expand or improve services, including education, health, social services, recreation, and safety;
- (2) improve or maintain natural resources, including rivers, streams and lakes, forest lands and roads, and soil conservation;
- (3) make permanent improvements to lands and buildings; or
- (4) weatherize public buildings and private residential dwellings.

Community investment programs may not include job placements that replace work that was part or all of the duties or responsibilities of an authorized public employee position established as of January 1, 1985.

Community investment programs that include other sources of money or authorized programs may provide employment for the groups eligible for the included programs under the terms and conditions of those programs. These programs include the Minnesota conservation corps, Minnesota summer youth program, county emergency jobs program, and the jobs training partnership act.

Subd. 2. Employment conditions. (a) An eligible nonprofit or public employer may not terminate, lay off, or reduce the regular working hours of an employee for the purpose of hiring an individual with money available under this program. An eligible employer may not hire an individual with money available through this program if any other person is on layoff from the same or a substantially equivalent job.

(b) Community investment program participants are employees of the project employer within the meaning of workers' compensation laws, personal income tax, and the federal insurance contribution act, but not retirement or civil service laws.

(c) Each project and job must comply with all applicable affirmative action, fair labor, health, safety, and environmental standards.

(d) Individuals employed under the community investment program must be paid a wage at the same wage rates as work site or employees doing comparable work in that locality, unless otherwise specified in law.

(e) Recipients of aid to families with dependent children who are eligible on the basis of an unemployed parent may not have available more than 100 hours a month. All employees are limited to 32 hours or four days a week, so that they can

continue to seek full-time private sector employment, unless otherwise specified in law.

(f) The commissioner shall establish, by rule, the terms and conditions governing the participation of appropriate public assistance recipients. The rules must, at a minimum, establish the procedures by which the minimum and maximum number of work hours and maximum allowable travel distances are determined, the amounts and methods by which work expenses will be paid, and the manner in which support services will be provided. The rules must also provide for periodic reviews of clients continuing employment in community investment programs.

(g) Participation in a community investment program by a recipient of aid to families with dependent children or general assistance is voluntary; however, work readiness registrants may be required to participate.

Subd. 3. Commissioner of jobs and training. The commissioner shall:

(1) make emergency or permanent rules governing plan content, criteria for approval, and administrative standards;

(2) refer community investment program administrators to the appropriate state agency for technical assistance in developing and administering community investment programs;

(3) establish the method by which community investment programs will be approved or disapproved through the community investment program plan and the annual update component of the county plan;

(4) review and comment on community investment program plans;

(5) institute ongoing methods to monitor and evaluate community investment programs; and

(6) inform the commissioner of human services of the counties that do not have an approved plan.

Subd. 4. County boards of commissioners. The county boards of commissioners shall:

(1) be encouraged to establish community investment programs that are administered jointly according to section 471.59, or through multicounty human service boards under chapter 402;

(2) develop community investment programs in consultation with the exclusive representatives of their employees;

(3) plan community investment programs by involving nonprofit organizations and other governmental units, community action agencies, community-based organizations, local union representatives, and representatives of client groups;

(4) submit to the commissioner a community investment program plan, before the initiation of a community investment program, for approval according to standards established by the commissioner;

(5) plan community investment projects that, whenever possible, utilize existing programs that are administered under contract by nonprofit organizations and governmental units, including departments and agencies of cities, counties, towns, school districts, state and federal agencies, park reserve districts, and other special districts;

(6) include in their local service unit plans an annual update to their community investment program plans for approval according to standards established by the commissioner;

(7) submit reports and meet administrative standards established by rule;

(8) monitor the performance of entities under contract to administer individual community investment projects;

(9) enter into contracts with other governmental and private bodies to jointly fund or jointly administer approvable projects when agreements expand the resources available, the scope of people employed, or further recognized public purposes; and

(10) be encouraged to enter into contracts with businesses or individuals for eligible projects under subdivision 1 and charge a fee for the completion of a project.

Subd. 5. State financial participation. The statutorily established state rates of financial participation or available state appropriations or grants are not affected by their incorporation into a community investment program.

History: 1Sp1985 c 14 art 9 s 71

268.91 CHILD CARE SLIDING FEE PROGRAM.

Subdivision 1. Definitions. For the purposes of this section the following terms have the meanings given.

(a) "Child care services" means family day care homes, group day care homes, nursery schools, day nurseries, child day care centers, play groups, head start, parent cooperatives, and in-home child care as defined in the Minnesota plan for social services to families and children.

(b) "Child" means a person 14 years old or younger.

(c) "Commissioner" means the commissioner of jobs and training.

Subd. 2. Duties of commissioner. The commissioner shall develop standards for county boards to provide child care services to enable eligible families to participate in employment or training programs. The commissioner shall distribute money to counties to reduce the costs of child care for eligible families. The commissioner shall adopt rules to govern the program in accordance with this section. The rules must establish a sliding schedule of fees for parents receiving child care services. The commissioner shall require counties to collect and report data that the commissioner deems necessary to evaluate the effectiveness of the program in preventing and reducing participants' dependence on public assistance and in providing other benefits, including improvement in the care provided to children. The commissioner shall report to the full productivity and opportunity coordinator in each even-numbered year on the effectiveness of the program.

Subd. 3. Allocation. (a) By June 1 of each odd-numbered year, the commissioner shall notify all county boards of the allocation and the procedures used for the sliding fee program. Allocations must be made by July 1 of each odd-numbered year. If the appropriation is insufficient to meet the needs in all counties, the amount must be prorated among the counties.

(b) For the purposes of this section, the commissioner shall allocate money appropriated between the metropolitan area, comprising the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, and the area outside the metropolitan area so that no more than 55 percent of the total appropriation goes to either area after excluding allocations for statewide administrative costs. The commissioner shall allocate 50 percent of the money among counties on the basis of the number of families below the poverty level, as determined from the most recent special census, and 50 percent on the basis of caseloads of aid to families with dependent children for the preceding fiscal year, as determined by the commissioner of human services.

Subd. 4. Financial eligibility. (a) Child care services must be available to families who need child care to find or keep employment or to obtain the training or education necessary to find employment and who:

(1) receive aid to families with dependent children;

(2) have household income below the eligibility levels for aid to families with dependent children; or

(3) have household income within a range established by the commissioner.

(b) Child care services for the families receiving aid to families with dependent children must be made available as in-kind services, to cover any difference between the actual cost and the amount disregarded under the aid to families with dependent children program. Services to families whose incomes are below the threshold of eligibility for aid to families with dependent children, but that are not receiving aid to families with dependent children, must be made available without cost to the families.

(c) Child care services to families with incomes in the commissioner's established range must be made available on a sliding fee basis. The lower limit of the sliding fee range must be the eligibility limit for aid to families with dependent children. The upper limit of the range must be neither less than 70 percent nor more than 90 percent of the state median income for a family of four, adjusted for family size.

(d) If a disproportionate amount of the available money is provided to any one of the groups described in subdivision 4, paragraph (a), the county board shall document to the commissioner the reason the group received a disproportionate share.

Subd. 5. Employment or training eligibility. (a) Persons who are seeking employment and who are eligible for assistance under this section are eligible to receive the equivalent of one month of child care. Employed persons who work at least ten hours a week and receive at least a minimum wage for all hours worked are eligible for child care assistance.

(b) Persons eligible under this section for child care assistance for education or training must receive assistance for the length of the program or 24 months, whichever is shorter. An education or training program with demonstrated effectiveness may be approved by the commissioner of education and accredited by the appropriate agency as an eligible program including high school or an equivalent program, an English competency program, technical or vocational training, or a four-year or associate degree program.

Subd. 6. County contribution. In addition to payments from parents, the program must be funded by county contributions. Counties shall contribute five percent of the cost of the program in the program's first year and 15 percent in the second and subsequent years. The commissioner may require by rule that a county pay the commissioner the portion of sliding fee allocations paid by the state for which the county is responsible. The county shall advance its portion of sliding fee costs, based upon allocations made by the commissioner for that county for expenditures in the succeeding month. Adjustments of any overestimate or underestimate based on actual expenditures must be made by the commissioner by adjusting the estimate for any succeeding month.

A county shall certify to the commissioner that the county has not reduced allocations from other federal, state, and county sources, which, in the absence of child care sliding fee or wage subsidy money, would have been available for child care services.

Subd. 7. Sliding fee scale. In setting the sliding fee schedule, the commissioner shall exclude from the amount of income used to determine eligibility an amount for federal and state income and social security taxes attributable to that income level according to federal and state standardized tax tables. The fee schedule must

be designed to use any available tax credits and to progress smoothly from appropriated assistance to assistance through tax credits.

Subd. 8. **Maximum county rate.** The county board may limit the subsidy allowed by setting a maximum on the provider child care rate that the county shall subsidize. The rate set by any county shall not be lower than 110 percent of the median rate for like care arrangements in that county.

Subd. 9. **Limits on use of state funds.** The state's payment is limited to the difference between the fee set by the commissioner and the provider's charge for care. When the provider of child care services charges more than 125 percent of the median charge for similar care arrangements in the geographic area defined by the commissioner of human services for the purpose of ascertaining the median charge, the state's payment is limited to the difference between 125 percent of the median charge for similar care arrangements in the geographic area and the parents' fee.

Subd. 10. **Extension of employment opportunities.** The county board shall insure that child care services available to county residents are well advertised and that everyone who receives or applies for aid to families with dependent children is informed of training and employment opportunities and programs, including child care services.

Subd. 11. **Administrative expenses.** A county must not use more than seven percent of its allocation for its administrative expenses under this section.

History: *1Sp1985 c 14 art 9 s 72*

268.95 INDIVIDUAL ENTERPRISE.

Subdivision 1. **Coordination.** The commissioner may coordinate state activities related to self-employment enterprises, including home-based businesses, individual self-employment initiatives, and collective and cooperative efforts involving individual entrepreneurs.

Subd. 2. **Marketing.** The commissioner may undertake activities to expand the marketing of goods or services produced by the state's independent entrepreneurs.

Subd. 3. **Technical assistance.** The commissioner may provide or arrange for the provision of information, technical assistance, and support as necessary to help individuals determine whether they wish to become self-employed, to obtain needed training, to develop business plans and financing, and to sustain the initiatives.

Subd. 4. **Pilot program.** The commissioner shall develop a pilot program, in cooperation with the commissioners of energy and economic development and human services, to enable low-income persons to start or expand self-employment opportunities or home-based businesses that are designed to make the individual entrepreneurs economically independent. The commissioner of human services shall seek necessary waivers from federal regulations to allow recipients of aid to families with dependent children to participate and retain eligibility while establishing a business.

Subd. 5. **Study.** The commissioner shall study the needs of individual entrepreneurs and beginning businesses and recommend to the governor how state programs and resources can provide further assistance.

History: *1Sp1985 c 14 art 9 s 73*