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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 274

01/17/2017 Authored by Bly
The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance

1.1 A bill for an act
1.2 relating to employment; creating the full employment grant program; requiring a
1.3 state workforce needs survey; appropriating money.

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

1.5 Section 1. FULL EMPLOYMENT GRANT PROGRAM.

1.6 Subdivision 1. Definitions. (a) For the purposes of this section, "employee" means an
1.7 individual who performs services for hire for an employer but does not include an
1.8 independent contractor.

1.9 (b) For the purposes of this section, "employer" means:

1.10 (1) an agency, department, or institution of the state; a governmental unit as defined in
1.11 Minnesota Statutes, section 471.59; the state judicial branch; the Minnesota State Colleges
1.12 and Universities system; the University of Minnesota; and a political subdivision of the
1.13 state;

1.14 (2) a nonprofit organization described in United States Code, title 26, section 501(c)(3),
1.15 of the Internal Revenue Code that is exempt from income tax under section 501(a); and

1.16 (3) a business that employs 20 or fewer employees.

1.17 Subd. 2. Grant program eligibility. (a) The commissioner of employment and economic
1.18 development must create a competitive grant program, adhering to the requirements of
1.19 paragraphs (b) and (c) and subdivision 3, in which employers may apply for monetary grants
1.20 for the hiring of new employees or increasing the hours of existing employees. The
1.21 commissioner of employment and economic development must then publicize the grant
1.22 program to eligible employers.

2.1 (b) In determining eligibility for grants under this section, the commissioner must
2.2 consider, at a minimum, the following factors:

2.3 (1) whether an employer applicant is located in an economically distressed area, as
2.4 determined by the commissioner, or whether an employee hired, or whose hours are
2.5 increased, lives in an economically distressed area, as determined by the commissioner;

2.6 (2) whether an employee hired had been detached from the workforce for at least 27
2.7 weeks before being hired by an employer applicant;

2.8 (3) whether the employer applicant, but for receipt of the grant, would not have hired a
2.9 new employee or increased the hours of an existing employee for the position described in
2.10 the grant application;

2.11 (4) for employers seeking to increase the hours of an existing employee or employees,
2.12 whether the hours will increase by at least ten each week to a total of at least 40 each week;

2.13 (5) whether an employee hired under or whose hours are increased under the grant will
2.14 be provided a rigorous training program, including training in transferable skills, as
2.15 determined by the commissioner;

2.16 (6) the wages and fringe benefits available to employees hired under the program; and

2.17 (7) whether, and to what degree, employees hired under the program face barriers to
2.18 employment.

2.19 (c) Applications by employers for grants under this section must be made to the
2.20 commissioner on a form provided by the commissioner, and must include at a minimum:

2.21 (1) descriptions of positions the employer seeks to create, fill, or expand; and

2.22 (2) the locations of the work sites of employees to be hired or given more hours under
2.23 the grant program.

2.24 Subd. 3. **Grant awards.** (a) Grants provided under this section may not exceed \$20,000
2.25 per employee per year.

2.26 (b) Grants may be awarded on a rolling basis, with no set deadline for application and
2.27 grants awarded.

2.28 (c) Grant money must be awarded, at the earliest, when an applicant employer proves
2.29 that it has retained an employee hired under this section for at least one year.

3.1 Sec. 2. **STATEWIDE WORKFORCE NEEDS SURVEY.**

3.2 The commissioner of employment and economic development must conduct or
3.3 commission a statewide survey of public and private employers to determine unmet workforce
3.4 needs in the state. The survey results must include workforce needs by job type, industry,
3.5 and geographic area. The survey results must also include the skills needed by workers to
3.6 fill any unmet workforce needs found. The commissioner must report the results of the
3.7 survey to the house of representatives and senate committees with jurisdiction over
3.8 employment and economic development no later than

3.9 Sec. 3. **APPROPRIATION.**

3.10 \$2,000,000 in fiscal year 2018 is appropriated from the workforce development fund to
3.11 the commissioner of employment and economic development for the full employment grant
3.12 program described in section 1. Of this amount, \$..... is for publicizing the program as
3.13 required by section 1, subdivision 2, paragraph (a); \$..... is for administration of the grant
3.14 program; and \$..... is for grants under section 1. This is a onetime appropriation and is
3.15 available until expended.

3.16 Sec. 4. **APPROPRIATION.**

3.17 \$..... in fiscal year 2018 is appropriated from the workforce development fund to the
3.18 commissioner of employment and economic development to fund the statewide workforce
3.19 needs survey described in section 2. This is a onetime appropriation.