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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 2233

02/27/2023 Authored by Xiong
03/13/2023 The bill was read for the first time and referred to the Committee on Economic Development Finance and Policy
Adoption of Report: Re-referred to the Committee on Workforce Development Finance and Policy

1.1 A bill for an act
1.2 relating to economic development; Department of Employment and Economic
1.3 Development policy provisions; amending Minnesota Statutes 2022, sections
1.4 116J.552, subdivisions 4, 6; 116L.04, subdivision 1a; 116L.17, subdivision 1;
1.5 proposing coding for new law in Minnesota Statutes, chapter 116J.

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

1.7 Section 1. 116J.015 EXPIRATION OF REPORT MANDATES.

1.8 (a) If the submission of a report by the commissioner of employment and economic
1.9 development to the legislature is mandated by statute and the enabling legislation does not
1.10 include a date for the submission of a final report, the mandate to submit the report expires
1.11 according to this section.

1.12 (b) If the mandate requires the submission of an annual report and the mandate was
1.13 enacted before January 1, 2022, the mandate expires January 1, 2024. If the mandate requires
1.14 the submission of a biennial or less frequent report and the mandate was enacted before
1.15 January 1, 2022, the mandate expires January 1, 2025.

1.16 (c) Any reporting mandate enacted on or after January 1, 2022, expires three years after
1.17 the date of enactment if the mandate requires the submission of an annual report and expires
1.18 five years after the date of enactment if the mandate requires the submission of a biennial
1.19 or less frequent report unless the enacting legislation provides for a different expiration
1.20 date.

1.21 (d) The commissioner shall submit to the chairs and ranking minority members of the
1.22 legislative committees with jurisdiction over employment and economic development by

2.1 February 15 of each year, beginning February 15, 2023, a list of all reports set to expire
2.2 during the following calendar year according to this section.

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

2.4 Sec. 2. Minnesota Statutes 2022, section 116J.552, subdivision 4, is amended to read:

2.5 Subd. 4. **Development authority.** "Development authority" includes a statutory or home
2.6 rule charter city, county, federally recognized Tribe, housing and redevelopment authority,
2.7 economic development authority, and a port authority.

2.8 Sec. 3. Minnesota Statutes 2022, section 116J.552, subdivision 6, is amended to read:

2.9 Subd. 6. **Municipality.** "Municipality" means the statutory or home rule charter city,
2.10 town, federally recognized Tribe, or, in the case of unorganized territory, the county in
2.11 which the site is located.

2.12 Sec. 4. Minnesota Statutes 2022, section 116L.04, subdivision 1a, is amended to read:

2.13 Subd. 1a. **Pathways program.** The pathways program may provide grants-in-aid for
2.14 developing programs which assist in the transition of persons from welfare to work and
2.15 assist individuals at or below 200 percent of the federal poverty guidelines. The program
2.16 is to be operated by the board. The board shall consult and coordinate with program
2.17 administrators at the Department of Employment and Economic Development to design
2.18 and provide services for temporary assistance for needy families recipients.

2.19 Pathways grants-in-aid may be awarded to educational or other nonprofit training
2.20 institutions or to workforce development intermediaries for education and training programs
2.21 and services supporting education and training programs that serve eligible recipients.

2.22 Preference shall be given to projects that:

2.23 (1) provide employment with benefits paid to employees;

2.24 (2) provide employment where there are defined career paths for trainees;

2.25 (3) pilot the development of an educational pathway that can be used on a continuing
2.26 basis for transitioning persons from welfare to work; and

2.27 (4) demonstrate the active participation of Department of Employment and Economic
2.28 Development workforce centers, Minnesota State College and University institutions and
2.29 other educational institutions, and local welfare agencies.

3.1 Pathways projects must demonstrate the active involvement and financial commitment
3.2 of ~~private~~ a participating business. Pathways projects must be matched with cash or in-kind
3.3 contributions on at least a one-half-to-one ratio by a participating ~~private~~ business.

3.4 A single grant to any one institution shall not exceed \$400,000. A portion of a grant may
3.5 be used for preemployment training.

3.6 Sec. 5. Minnesota Statutes 2022, section 116L.17, subdivision 1, is amended to read:

3.7 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
3.8 the meanings given them in this subdivision.

3.9 (b) "Commissioner" means the commissioner of employment and economic development.

3.10 (c) "Dislocated worker" means an individual who is a resident of Minnesota at the time
3.11 employment ceased or was working in the state at the time employment ceased and:

3.12 (1) has been permanently separated or has received a notice of permanent separation
3.13 from public or private sector employment and is eligible for or has exhausted entitlement
3.14 to unemployment benefits, and is unlikely to return to the previous industry or occupation;

3.15 (2) has been long-term unemployed and has limited opportunities for employment or
3.16 reemployment in the same or a similar occupation in the area in which the individual resides,
3.17 including older individuals who may have substantial barriers to employment by reason of
3.18 age;

3.19 (3) has been terminated or has received a notice of termination of employment as a result
3.20 of a plant closing or a substantial layoff at a plant, facility, or enterprise;

3.21 (4) has been self-employed, including farmers and ranchers, and is unemployed as a
3.22 result of general economic conditions in the community in which the individual resides or
3.23 because of natural disasters;

3.24 (5) is a veteran as defined by section 197.447, has been discharged or released from
3.25 active duty under honorable conditions within the last 36 months, and (i) is unemployed or
3.26 (ii) is employed in a job verified to be below the skill level and earning capacity of the
3.27 veteran;

3.28 (6) is an individual determined by the United States Department of Labor to be covered
3.29 by trade adjustment assistance under United States Code, title 19, sections 2271 to 2331,
3.30 as amended; or

3.31 (7) is a displaced homemaker. A "displaced homemaker" is an individual who has spent
3.32 a substantial number of years in the home providing homemaking service and (i) has been

4.1 dependent upon the financial support of another; and ~~now~~ due to divorce, separation, death,
4.2 or disability of that person, must now find employment to self support; or (ii) derived the
4.3 substantial share of support from public assistance on account of dependents in the home
4.4 and no longer receives such support. To be eligible under this clause, the support must have
4.5 ceased while the worker resided in Minnesota.

4.6 For the purposes of this section, "dislocated worker" does not include an individual who
4.7 was an employee, at the time employment ceased, of a political committee, political fund,
4.8 principal campaign committee, or party unit, as those terms are used in chapter 10A, or an
4.9 organization required to file with the federal elections commission.

4.10 (d) "Eligible organization" means a state or local government unit, nonprofit organization,
4.11 community action agency, business organization or association, or labor organization.

4.12 (e) "Plant closing" means the announced or actual permanent shutdown of a single site
4.13 of employment, or one or more facilities or operating units within a single site of
4.14 employment.

4.15 (f) "Substantial layoff" means a permanent reduction in the workforce, which is not a
4.16 result of a plant closing, and which results in an employment loss at a single site of
4.17 employment during any 30-day period for at least 50 employees excluding those employees
4.18 that work less than 20 hours per week.