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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 551

02/02/2015 Authored by O'Neill, Isaacson, Gunther, Nornes, Uglem and others
The bill was read for the first time and referred to the Committee on Higher Education Policy and Finance

1.1 A bill for an act
1.2 relating to workforce development; requiring the commissioner of labor and
1.3 industry to identify competency standards for dual training; creating a dual
1.4 training competency grant program; appropriating money; proposing coding for
1.5 new law in Minnesota Statutes, chapters 116L; 175.

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

1.7 Section 1. [116L.31] DUAL TRAINING COMPETENCY GRANTS.

1.8 Subdivision 1. Program created. The commissioner of employment and economic
1.9 development shall make grants for the training of employees to achieve the competency
1.10 standard for an occupation identified by the commissioner of labor and industry under
1.11 section 175.45 and Laws 2014, chapter 312, article 3, section 21.

1.12 Subd. 2. Eligible grantees. An employer is eligible to apply for a grant to train
1.13 employees if the employer has employees who are in or are to be trained to be in an
1.14 occupation for which a competency standard has been identified and the employee has not
1.15 attained the competency standard prior to the commencement of the planned training.

1.16 Subd. 3. Training institution. Prior to applying for a grant, the employer must have
1.17 an agreement with a training institution to provide the employee competency standard
1.18 training. The Board of Trustees of the Minnesota State Colleges and Universities may enter
1.19 into an agreement under this section. Any accredited institution may provide the training.

1.20 Subd. 4. Application. Applications must be made to the commissioner on a
1.21 form provided by the commissioner. The commissioner shall establish a schedule for
1.22 applications and grants. The application must include, without limitation:

- 1.23 (1) the projected number of employee trainees;
- 1.24 (2) the competency standard for which training will be provided;

2.1 (3) the name and address of the training institution and a signed statement by the
 2.2 institution that it is able and agrees to provide the training;

2.3 (4) the period of the training; and

2.4 (5) the cost of the training charged by the training institution and certified by the
 2.5 institution.

2.6 Subd. 5. **Grant criteria.** The commissioner shall, to the extent there are sufficient
 2.7 applications, make at least an equal dollar amount of grants for training for employees
 2.8 whose work site is projected to be outside the metropolitan area as defined in section
 2.9 473.121, subdivision 2, as for employees whose work site is projected to be within the
 2.10 metropolitan area. In determining the award of grants, the commissioner must consider,
 2.11 among other factors:

2.12 (1) the aggregate state and regional need for employees with the competency to
 2.13 be trained;

2.14 (2) the per employee cost of training;

2.15 (3) the additional employment opportunities for employees because of the training;

2.16 (4) projected increases in compensation for employees receiving the training; and

2.17 (5) the amount of employer training cost match on both a per employee and
 2.18 aggregate basis.

2.19 Subd. 6. **Employer match.** An employer must pay for at least percent of the
 2.20 training institution's charge for the training to the training institution.

2.21 Subd. 7. **Payment of grant.** The commissioner shall make grant payments to the
 2.22 training institution in a manner determined by the commissioner after receiving notice
 2.23 from the institution that the employer has paid the employer match.

2.24 Subd. 8. **Grant amounts.** The maximum amount of a grant may not exceed \$.....
 2.25 The maximum grant per employee trained under a grant may not exceed \$.....

2.26 Subd. 9. **Reporting.** Commencing in 2017, the commissioner shall annually by
 2.27 February 1 report on the activity of the grant program for the preceding fiscal year to the
 2.28 chairs of the legislative committees with jurisdiction over workforce policy and finance.

2.29 **EFFECTIVE DATE.** This section is effective July 1, 2015.

2.30 Sec. 2. **[175.45] COMPETENCY STANDARDS FOR DUAL TRAINING.**

2.31 Subdivision 1. **Duties; goal.** The commissioner of labor and industry shall identify
 2.32 competency standards for dual training. The goal of dual training is to provide current
 2.33 employees of an employer with training to acquire competencies that the employer
 2.34 requires. The standards shall be identified for employment areas of economic demand and
 2.35 potential growth. The identification of standards is not subject to chapter 14.

3.1 Subd. 2. **Definition; competency standard.** For purposes of this section,
 3.2 "competency standards" means the specific knowledge and skills necessary for a particular
 3.3 occupation.

3.4 Subd. 3. **Competency standard identification process.** In identifying competency
 3.5 standards, the commissioner shall consult with the commissioner of employment
 3.6 and economic development and convene recognized industry experts, representative
 3.7 employers, higher education institutions, and representatives of labor to assist in
 3.8 identifying credible competency standards.

3.9 Subd. 4. **Duties.** The commissioner shall:

3.10 (1) establish competency standards for entry level and higher skill levels;

3.11 (2) verify the competency standards and skill levels and their transferability by
 3.12 subject matter expert representatives of each respective industry;

3.13 (3) create and execute a plan for dual training outreach, development, and awareness;

3.14 (4) develop models for Minnesota educational institutions to engage in providing
 3.15 education and training to meet the competency standards established;

3.16 (5) encourage participation by employers in the standard identification process for
 3.17 occupations in their industry; and

3.18 (6) align dual training competency standards with other workforce initiatives.

3.19 Subd. 5. **Notification.** The commissioner must communicate identified competency
 3.20 standards to the commissioner of employment and economic development for the purpose
 3.21 of the dual training competency grant program under section 116L.31. The commissioner
 3.22 of labor and industry shall maintain the competency standards on the department's Web site.

3.23 Sec. 3. **DUAL TRAINING COMPETENCY GRANTS; APPROPRIATION.**

3.24 \$..... in fiscal year 2016 and \$..... in fiscal year 2017 are appropriated from the
 3.25 general fund to the commissioner of employment and economic development for the
 3.26 purpose of making training grants under Minnesota Statutes, section 116L.31.

3.27 Sec. 4. **APPROPRIATION.**

3.28 \$..... is appropriated in fiscal year 2016 from the general fund to the commissioner
 3.29 of labor and industry for identification of competency standards for dual training under
 3.30 Minnesota Statutes, section 175.45.