

**CHAPTER 3330**  
**DEPARTMENT OF ECONOMIC SECURITY**  
**EMPLOYMENT AND ECONOMIC DEVELOPMENT**

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**3330.0010 DEFINITIONS.**

Subpart 1. **Scope.** The terms defined in this part have the meanings given them when used in this chapter.

Subp. 2. **Good cause.** "Good cause" as used in Minnesota Statutes, section 268.681, subdivision 3, in determining business paybacks means a reasonable, common sense decision by the employer that the employee fails or refuses to comply with usual and applicable work rules or to attain performance standards. A voluntary termination by the employee shall be treated the same as a good cause dismissal for the purposes of Minnesota Statutes, section 268.681, subdivision 3.

Subp. 3. **Income source.** "Income source" as used in Minnesota Statutes, section 268.676, subdivision 1, clause (1), includes, but is not limited to, gross wages or salaries before deductions, net self-employment income (gross receipts minus operating expenses), rents, social security benefits, old age and survivors benefits, supplemental security income, veteran's benefits, pensions, alimony, child support, AFDC payments, Minnesota Employment and Economic Development Act wages or wage subsidies, periodic income from insurance annuities, interest or dividend income from investment or savings accounts, reemployment compensation benefits including federal supplemental compensation, extended benefits, payments from the Railroad Retirement Board, and workers' compensation payments.

Subp. 4. **Supplies and materials.** "Supplies and materials" as used in Minnesota Statutes, sections 268.678, subdivision 8, and 268.68, means usual consumable supplies and materials and does not include items ordinarily classified as equipment and capital items having a life expectancy of one year or more.

Subp. 5. **Unemployed.** "Unemployed" as used in Minnesota Statutes, section 268.62, subdivision 6, means a person who is neither employed nor self-employed and is available for substantially full-time employment, unless participating in a job training program.

**Statutory Authority:** *MS s 268.673 subd 6*

**History:** *1Sp1985 c 9 art 2 s 103; L 1997 c 66 s 80; L 1999 c 107 s 66*

**3330.0020 PURPOSE.**

This chapter is established by the commissioner of Economic Security pursuant to Minnesota Statutes, section 268.673, subdivision 6, are to clarify and reflect interpretation of the Minnesota Employment and Economic Development Act (MEED) authorized by Minnesota Statutes, sections 268.672 to 268.682.

**Statutory Authority:** *MS s 268.673 subd 6*

**History:** *1Sp1985 c 14 art 9 s 75; L 1994 c 483 s 1*

**3330.0030 ELIGIBILITY AND PRIORITY.**

Subpart 1. **Use of existing systems.** Designated employment administrators shall use existing effective employment and training systems already in place to determine applicant eligibility in accordance with Minnesota Statutes, sections 268.672 to 268.682 to avoid duplication of effort.

Subp. 2. **Eligibility criteria.** Job applicant eligibility determinations shall be based upon the criteria in Minnesota Statutes, section 268.672, subdivision 6, and shall be the

responsibility of the employment administrator. Preliminary determinations may be made on the basis of a mail application if appropriate.

Subp. 3. **Applicant priority.** Minnesota Statutes, section 268.676, subdivision 1, identifies two priorities among eligible job applicants. Employment administrators shall consider these equally. Placement within these priorities should reasonably reflect the proportion each group represents of the total eligible for participation in the program in the jurisdiction served by the employment administrator. Priorities in addition to those described in the act may be established only by written justification of the employment administrator and approval by the MEED coordinator.

**Statutory Authority:** *MS s 268.673 subd 6*

### 3330.0040 USE OF FUNDS.

Subpart 1. **Section 268.677, clause (c).** With respect to Minnesota Statutes, section 268.677, clause (c):

A. funds shall be planned and available to provide child care services for eligible applicants;

B. child care services provided or subsidized shall be supplied by licensed day care facilities or those exempted by the Public Welfare Licensing Act;

C. employment administrators shall utilize existing resources from other programs, for example, welfare or WIN, before authorizing expenditure of MEED funds for child care; and

D. employment administrators shall make the availability of child care resources known to eligible applicants and provide information and referral services.

Subp. 2. **Limits on government jobs.** The employment goal of limiting no more than 60 percent of funds for jobs with eligible government and nonprofit agencies shall not be exceeded without written approval of the MEED coordinator. Requests to waive this goal shall be initiated by the employment administrator and consist of a written justification outlining the efforts made to comply and the reasons the goal is considered unattainable. Deviations from this goal must be authorized by the MEED coordinator.

Subp. 3. **Private sector job terminations.** Eligible business employers (private sector) shall notify the employment administrator with whom they contracted of the termination of employment of any eligible job applicant not later than ten working days after the date of employment termination.

Subp. 4. **Repayments.** Repayment of funds received for employment of eligible job applicants as authorized by Minnesota Statutes, section 268.681, subdivision 3, shall be negotiated by the employment administrator within the following guidelines:

A. The "proportional reduction" in the amount that must be repaid for employment of less than one year following the six-month subsidized period shall be 5.9 percent of the amount received for each of the first 11 months and 5.1 percent for the 12th month. Employment for more than ten working days in a month will count as a full month for computation purposes. The employer may elect to repay at an accelerated rate or in a lump sum.

B. The employment administrator shall require that repayment commence no later than 60 calendar days after either the termination of employment or the determination by the employment administrator or designee that good cause does not exist.

C. The repayment schedule shall not ordinarily exceed one year. Small repayments should be for a shorter period. The repayment schedule may be extended in extenuating circumstances with the approval of the MEED coordinator.

**Statutory Authority:** *MS s 268.673 subd 6*

### 3330.0050 EMPLOYMENT CONDITIONS.

Subpart 1. **Labor union membership.** No eligible job applicant shall be disqualified from eligibility for participation in the program for refusing to join a labor union as a condition of employment.

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## EMPLOYMENT AND ECONOMIC DEVELOPMENT 3330.0060

Subp. 2. **Labor dispute.** No eligible job applicant shall be referred to, placed, or remain on a job affected by a labor dispute involving a work stoppage.

Subp. 3. **Collective bargaining agreement honored.** In no event shall provisions of a collective bargaining agreement or state or federal law be violated when referring or placing eligible job applicants. The employment administrator shall obtain assurance from the eligible employer that concurrence with respect to job duties of persons employed under the act has been obtained from the appropriate collective bargaining agents.

**Statutory Authority:** *MS s 268.673 subd 6*

### **3330.0060 PROGRAM ADMINISTRATION.**

Employment administrators and eligible employers shall maintain records necessary for reporting activities, monitoring of activities, and possible audit in accordance with state and federal laws but in no case less than three years after the date of the last action affecting them under the terms of the act.

This chapter is binding on any contracts negotiated under Minnesota Statutes, sections 268.672 to 268.682.

**Statutory Authority:** *MS s 268.673 subd 6*