

- small business and entrepreneur development;
- Riverbend Center for Entrepreneurial Facilitation;
- Elk Run bioscience park infrastructure;
- Minnesota Jobs Skills Partnership;
- Vocational rehabilitation programs;
- state services for the blind programs;
- centers for independent living;
- Twin Cities RISE!;
- Northern Connections;
- Advocating Change Together;
- extended employment services for persons with severe disabilities;
- employment support for persons with mental illness;
- Rise, Inc.;
- Lifetrack Resources;
- Minnesota youth programs;
- Opportunities Industrialization Center programs;
- Minneapolis summer youth employment programs;
- St. Paul summer youth employment;
- Youthbuild;
- Indigenous Earthkeepers;
- interpreters for regional transition programs for deaf, hard of hearing and deaf-blind students;
- Ramsey County Building Lives program;
- employment opportunities for persons with disabilities;
- Minnesota Alliance of Boys and Girls Clubs;
- Southeast Asian Collaborative in Hennepin County;
- emergency employment pilot projects;
- Enterprise Minnesota, Inc.; and
- Minnesota Diversified Industries.

- 4 Public facilities authority.** Appropriates funds for small community wastewater treatment.
- 5 Explore Minnesota Tourism.** Appropriates money for:
- the Upper Minnesota Film Office;
 - private sector tourism development;
 - marketing grants; and
 - the Minnesota Film and TV Board.
- 6 Housing Finance Agency.** Appropriates funds for the following:
- challenge program;
 - housing trust fund;
 - rental assistance for the mentally ill;
 - family homeless prevention;
 - home ownership assistance fund;
 - affordable rental investment fund;
 - housing rehabilitation;
 - homeownership education;
 - capacity building grants;
 - transfer of disaster relief contingency funds; and
 - demonstration project for high-risk adults.
- 7 Commissioner of finance.** Appropriates money to the commissioner of finance for administrative expenses related to the manufactured home relocation trust fund.
- 8 Department of Labor and Industry.** Appropriates funds for the following items:
- Vinland Center;
 - apprenticeship programs;
 - prevailing wage enforcement; and
 - independent contractor investigations.
- 9 Bureau of Mediation Services.**
- 10 Workers' Compensation Court of Appeals.**
- 11 Minnesota Historical Society.** Appropriates funds for:
- education and outreach;

- preservation and access;
- the Minnesota International Center;
- the Minnesota Air National Guard Museum;
- the Minnesota Military Museum; and
- Farmamerica.

12 **Board of Accountancy.**

13 **Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design.**

14 **Board of Barber and Cosmetologist Examiners.**

15 **Combative Sports Commission.**

16 **Legislative Coordinating Commission.**

17 **Board of the Arts.**

18 **Minnesota Humanities Center.**

19 **Public broadcasting.** Appropriates funds for:

- public television equipment grants;
- Twin Cities regional cable;
- community service grants; and
- public educational radio equipment grants.

20 **St. Paul RiverCentre Arena.** Reduces the amount the city must repay and allows the funds to be used for a community ice facility once the city issues bonds for the project.

Article 2: Employment and Economic Development-Related Provisions

1 **Agreements.** Clarifies that the department may enter into agreements with regional entities to prepare plans to ensure coordination for workforce development functions.

2 **Vehicles.** Updates the statute to correspond with a previous change that transferred investigative staff to the Department of Commerce.

3 **Identification and classification.** Updates statute to reflect DEED rather than the Department of Energy, Planning and Development.

4 **Expenditures.** Authorizes expenditures from the Petroleum Tank Fund for up to \$225,000 each year for administration of the contamination clean up grant program and allows funds to be used for investigations of contamination and clean up as a result of contamination

caused by tar and tar like substances-excluding bituminous and asphalt pavement.

- 5 Powers.** Provides that all federal money received by the commissioner of employment and economic development is subject to the requirements of Minnesota Statutes, section 3.3005.
- 6 Receipts.** Recodifies statutory language regarding revenues received by the department into chapter 116J.
- 7 Duties.** Recodifies the duties, authorizations and limitations statutorily placed upon the department into one section of chapter 116J.
- 8 - 12 Greater Minnesota Business Development Infrastructure Grant Program.** Allows counties to receive grants under the program.
- 13 Minnesota Green Enterprise Assistance.** Directs the commissioner to lead a multiagency project to further green enterprise and green economy projects.
- 14 - 15 Contamination Clean Up Grants.** Increases the maximum grant amount to \$500,000 and requires at least 50 percent of the money to be used for sites outside the metropolitan area if there are sufficient grant applications.
- 16 Duties.** Eliminates an obsolete reference to Minnesota Project Outreach Corporation which was repealed last year. This change occurs within the Bureau of Small Business section of law.
- 17 - 18 Minnesota Investment Fund.** Expands the authorized uses of the Minnesota Investment Fund (MIF) to include renewable energy investments including low interest loans for equipment manufacturing, workforce training grants, development of a renewable energy supply chains and external marketing. These activities would not be subject to the 50 percent of project cost limitation.
- 19 Program accountability requirements.**

Subd. 1. Accountability measurement. Requires the commissioner of employment and economic development to develop by October 1, 2009, a uniform accountability report for economic or workforce development programs funded by state or federal funds. The commissioner must also develop a formula for measuring return on investment and comparisons between programs. Requires the commissioner to report to the legislature by October 15, 2009.

Subd. 2. Report to the legislature. Requires the commissioner to report to the legislature in even numbered years information on each program receiving state or federal funds. The information to be reported would include: the target population, the region where the program operated, the amount of state or federal funds received, the number of jobs affected by the program and the net number of new jobs created, the average annual wage per job, how unemployment is affected, how MFIP utilization is affected, and the return on investment.

Subd. 3. Report to the commissioner. Before receiving a grant from the department, a recipient must report to the commissioner on the items required in subdivision 2. The commissioner must notify grant applicants and recipients about the data collection and reporting requirements and provide compliance assistance.

Subd. 4. Biennial budget. Requires biennial budget submissions to include information collected and reported under the proposal.

- 20 Technical.** Eliminates references to the start up terms of Jobs Skills Partnership Board members.
- 21 Workforce development funds.** Clarifies that workforce development funds may be used for low income worker training programs.
- 22 Special assessment.** Increases the workforce development fund special assessment to .14 percent from July 1, 2009 until June 30, 2011, and sets it at .12 percent beginning July 1, 2011 and thereafter.
- 23 - 24 Youth employment.** Adds improvements to the energy efficiency and environmental health of residential units and facilities to support community garden projects as eligible projects for grants for targeted youth programs and specifies that work on these types of projects qualifies as work experience components.
- 25 Technical.** Removes an obsolete date reference.
- 26 Displaced homemaker program.** Updates the department to DEED rather than economic security.
- 27 Qualified company.** Modifies the criteria for being a company qualified to receive assistance under the small business growth acceleration program by changing the number of employees needed from 100 or fewer to 250 or fewer.
- 28 Fund awards.** Increases the maximum amount of funds that may go for a project from 50 percent of the total cost to 75 percent of the total cost. Companies receiving assistance must provide a match as follows:
- companies with fewer than 50 employees must contribute \$1 dollar for every \$3 of assistance;
 - companies with between 50 and 100 employees must provide a one to one match; and
 - companies with 101 to 250 employees must contribute \$3 dollars for each \$1 of assistance.
- 29 Resources and referral.** Updates an obsolete reference to the Job Skills Partnership (now the Workforce Investment Act).
- 30 Local education and employment transitions system.** Same update as previous section.
- 31 Revenue.** Updates reference to Explore Minnesota Tourism (previously called the Office of Tourism).
- 32 MINNCORR.** Updates references to DEED rather than economic security.
- 33 Library.** Updates the name reference from the State Library for the Blind and Physically Handicapped to the Minnesota Braille and Talking Book Library

- 34 **Blind vendors.** Specifies that DEED is not liable under state workers compensation laws for any injury incurred by a blind vendor's employee or agent; that the department is not liable for the acts or omissions of a blind vendor, or employee or agent of the vendor that result in the blind vendor's liability to a third party; and that the department is not liable for negligence based on a relationship with a blind vendor.
- 35 **Vending machines.** Provides for the sharing of federal revenue with blind vendors.
- 36 **County and tribal service agreements.** Eliminates an obsolete reference.
- 37 **On the job training.** Updates an old reference to the Job Training Partnership Act to the Workforce Investment Act.
- 38 **Application.** Removes obsolete language related to budget plans and establishes a new requirement to provide audited financial statements.
- 39 **Evaluation of applications.** Same update as previous section.
- 40 **Economic development strategy working group.** Creates an 18 member, bipartisan working group to develop an economic development strategy for the state. The working group is to consist of six members of the senate and three public members appointed by the senate and six members of the house and three public members appointed by the house of representatives. The Legislative Coordinating Commission is directed to provide staff support to the working group. The group must report to the legislature by February 15, 2010.
- 41 **Green enterprise assistance appropriation.** Transfers a special revenue fund appropriation made in 2008 for the Green Jobs Task Force to the commissioner to fund the green enterprise assistance program.
- 42 **Revisor instructions.**
- 43 **Repealers.** Repeals individual sections recodified into a single section outlining the department's duties.

Article 3: Unemployment Insurance Policy

- 1 - 2 **Reimbursable account.** Eliminates a step used by nonprofit or government entities in the process of switching between paying unemployment insurance taxes or reimbursing the state for unemployment benefits paid. The stricken requirement allowed reimbursable accounts to be terminated only if the employing entity paid taxes of at least 125 percent of the unemployment benefits used in computing the experience rating.
- 3 **Cancellations.** Allows the commissioner to cancel at any time, unemployment interest, penalties, or fees due if pursuing collection is not in the public interest. This authority to cancel does not apply to unemployment taxes or reimbursements.
- 4 **Compromise.** Specifies that the requirement that a compromise amount exceeding \$10,000 be authorized by a DEED attorney.

- 5 **Unemployment benefits paid from state funds.** Removes burden of proof language.
- 6 **Applications and benefit account.** Modifies the conditions under which an applicant can withdraw a benefit account to strike the requirement that an applicant has not served the waiting week. The applicant, however, must not have received unemployment benefits.
- 7 **Payments that delay benefits.** Provides that early distributions from a 401k or similar plan for which federal penalties have been paid, do not delay the payment of unemployment benefits.
- 8 **Back pay.** Provides that back pay received within 24 months of when a benefit account was established are deducted from unemployment insurance benefits.
- 9 **Available for suitable employment.** Strikes reference to “labor market area” and “transportation throughout the labor market area” in defining available for suitable employment.
- 10 **Quit.** Makes technical changes.
- 11 **Quit defined.** Clarifies the status of a person working for a temporary agency who accepts employment with a client of the staffing service.
- 12 **Appeals.** Requires online appeal filings if an agent files an appeal on behalf of an employee.
- 13 **Collection fees.** Provides that if the IRS assesses a fee to the state for offsetting a fraud assessment against federal tax refund, the fee charged may be added to the total amount due.
- 14 **Audits.** Authorizes a \$100 fee against an employer failing to provide an applicant’s weekly earnings breakdown if requested to do so by the commissioner.
- 15 **Dislocated under program.** Waives the “available for suitable work” requirement for individuals participating in an entrepreneurship program.
- 16 **Effective dates.**

Article 4: Unemployment Insurance Technical Changes

- 1 **Standard of proof.** Specifies all facts under unemployment insurance law are determined by a preponderance of evidence; strikes definition and establishes a presumption of eligibility for benefits.
- 2 **Rounding.** Provides that all computations must be rounded down to the nearest dollar amount.
- 3 **Agricultural employment.** Technical change; changes “shall not be” to “is not.”
- 4 **Independent contractors.** Clarifies that the independent contractor qualifications in section 181.723 determines independent contractor status for building construction

contractors.

- 5 **Determination.** Provides a definition.
- 6 **Filing.** Clarifies definitions.
- 7 **Preponderance of evidence.** Reestablishes definition.
- 8 **Elections for covered employment.** Clarifies that elections to have noncovered employment be considered covered employment apply to all employees in that class of employment.
- 9 **Determinations of coverage.** Technical.
- 10 **Timely filing of reports.** Technical.
- 11 **General rule.** Conforms to rounding convention.
- 12 **Charge back exception.** Removes small employers in tourism or recreation from the exemption for being assessed for benefits paid out.
- 13 **Payments.** Provides for rounding convention.
- 14 **Experience rating.** Technical; changes “experience rating” to “assigned tax rate.”
- 15 **Costs.** Technical.
- 16 **Interest.** Provides for rounding convention.
- 17 **Debt notice.** Technical.
- 18 **Requirements.** Technical.
- 19 **Applications and determinations.** Clarifying change.
- 20 **Account requirement.** Provides for rounding convention.
- 21 **Second benefit accounts.** Technical.
- 22 **Personal identification.** Statutory reference change.
- 23 **Eligibility.** Statutory reference change; adds requirement that applicant be actively seeking work except in circumstances when an applicant is on jury duty or in reemployment assistance training.
- 24 **Not eligible.** Provides rounding convention.
- 25 **Workers’ compensation/disability offset.** Technical.
- 26 **Social Security benefits.** Clarifying language.
- 27 **Deductible earnings.** Provides for rounding convention.
- 28 **Continued requests.** Clarifying language.

- 29 **Ineligibility.** Prohibits the use in establishing a benefit account of wage credits earned during employment that resulted in a discharge due to aggravated misconduct.
- 30 **Application.** Technical.
- 31 **Notification.** Technical.
- 32 **Determination.** Strikes “without regard to any burden of proof” in relation to information provided by applicant or employer on issues of benefit ineligibility.
- 33 **Commissioner’s discretion.** Technical.
- 34 **Hearings.** Requires notice that the judge will decide based on a preponderance of evidence and explain what that means.
- 35 **Request for reconsideration.** Technical.
- 36 **Decisions.** Clarifying change.
- 37 **Oaths, subpoenas.** Requires unemployment insurance judge to give full consideration to a request for subpoenas and specifies that judge can’t unreasonably deny a request. Requires reconsideration.
- 38 **Use of evidence.** Clarifies conditions under which recorded testimony and other evidence may be made available.
- 39 - 40 **Maximums.** Technical; strikes reference to rounding.
- 41 **Weekly benefits.** Technical; strikes reference to rounding.
- 42 **Notification.** Technical; strikes reference to rounding.
- 43 - 44 **Overpayments.** Technical.
- 45 **Administration.** Clarifying.
- 46 **Wrongful use.** Strikes reference to Wagner-Peyser Act.
- 47 **Contingent account.** Technical.
- 48 **Telephone system.** Technical.
- 49 **Revisor instructions.**
- 50 **Repealers.**
- 51 **Effective dates.**

Article 5: Labor Standards and Wages

- 1 **Prevailing wage records and penalties.** Requires an employer to furnish under oath a certified payroll report for each employee specifying the employee’s name, identifying

number, job classification, hours worked each day, total hours, rate of pay, gross earnings, tax deductions, total deductions, net pay per week, dollars contributed per hour for benefits, and benefit administrator information.

- 2 **Posting of law, rules.** Clarifies statutory cross-references.
- 3 **Penalties.** Clarifies statutory cross-references.
- 4 **Prevailing wage rate.** Clarifies what is encompassed by “prevailing wage rate.”
- 5 **Employer.** Defines “employer.”
- 6 **Contract requirements.** Requires that prevailing wage proposals and contracts include applicable prevailing wage determinations and notifications to contractors and subcontractors of the applicability of the state prevailing wage laws. Failure to include the required items shall make the contracting authority liable to the contractor or subcontractor for any increases in wages paid based on the prevailing wage due on the project.
- 7 **Prevailing wage violations.** The commissioner is required to issue cease and desist orders against an employer who violates the law and require payment of back pay and liquidated damages in cases for repeated violations. Employers who repeatedly or willfully violate the law are subject to a civil penalty of up to \$1,000 for each violation for each employee.
- 8 **Mining equipment operators, hours.** Prohibits an employer from requiring an employee to operate mining equipment or other mining related equipment for more than 16 cumulative hours following eight hours off duty.

Article 6: Licensing and Fees

- 1 **Building permit fees.** Sets out the fee schedule for building permits.
- 2 **License, registration and renewal fees.** Strikes language related to a fee for a duplicate electrical license.
- 3 - 6 **Plumbers.** Provides for two year plumbing licenses
- 7 - 8 **Water conditioning.** Provides for two year licensing of water conditioning contractors and installers.
- 9 - 12 **Residential contractors, remodelers, and roofers.** Provides for two year licensing and aligns continuing education and bond requirements with two year licensing requirements.
- 13 **Contractor Recovery Fund fees.** Aligns with two year licensing.
- 14 **Additional assessment.** Aligns with two year licensing.
- 15 **High pressure piping licenses.** Provides for two year licensing.
- 16 - 19 **Boiler and pressure vehicle licensing.** Provides for two year licensing.
- 20 - 22 **Manufactured housing licensing.** Provides for two year licensing and sets specifies fee

schedule.

- 23 **Repealer.** Repeals manufactured housing license fees set in rule.

Article 7: Miscellaneous

- 1 **Cayuna Country State Recreation Area Citizens Advisory Council.** Eliminates sunset.
- 2 **Forest Resources Research Advisory Committee.** Eliminates sunset.
- 3 **Wood products facility.** Requires owner to maintain wood products facility in sellable operating condition for at least two years after closure.
- 4, 5, 7, 8, 11, 12, 18, 19, 20 **Board of Barber and Cosmetology Examiners.** Separates the current board into two separate boards and provides for transfer of staff, allocation of funds, enforcement and duties.
- 6 **Fees.** Provides for cosmetology fee changes.
- 9 **Apprenticeship Board.** Eliminates sunset.
- 10 **Occupational Health and Safety Advisory Council.** Eliminates sunset.
- 13 **Definitions.** Specifies that for the C-BED projects, the Office of Commissioner of Iron Range Resources is a political subdivision.
- 14 - 16 **Iron Range Resources/advisory committees.** Eliminates sunset.
- 17 **Transfers.** Eliminates transfer of funds from the construction code fund to the general fund.
- 21 **Repealer.** Repeals prohibition of payment to alternative practitioners from worker's compensation funds.

Article 8: Iron Range Resources

- 1, 4, 5, 8 - 13, 17, 18, 21 **Voting requirements.** Specifies projects and expenditures subject to Iron Range Resources and Rehabilitation Board approval require approval by at least seven board members.
- 2 - 3 **Early separation incentive.** Authorizes an early retirement incentive program for employees of the commissioner who have attained the age of at least 60 years or have credit for at least 30 years of allowable service.
- 6 - 7 **Private entity participation.** Adds nonprofit limited liability companies to the list of entities that the commissioner may establish, participate in the management of, and dispose of assets and clarifies the areas of the city of Biwabik for purposes of the Giants Ridge Recreation Area.

- 14 Higher education committee.** Provides for member expense reimbursement rates.
- 15 Taconite area environmental protection fund.** Requires at least seven board members to approve projects and expenditures and provides for local public works project funding amounts.
- 16 Taconite economic development fund.** Requires project and expenditure approval by at least seven members of the board and requires that repayment of a loan must be deposited in the taconite environmental protection fund and allocated for public works projects to house legislative districts in the same proportion as the taxable tonnage produced in those districts.
- 19 Transfer of funds.** Requires loan repayment for the Mesaba Nugget project to be transferred to a special account in the taconite environmental protection fund to be used for public works projects.
- 20 Investment of fund.** Directs that for fiscal years 2010 and 2011, \$1,000,000 of the net interest, dividends and other earnings of the Douglas J. Johnson Fund be transferred to a special account for loans or grants to small businesses.
- 22 Producer grants.** Requires at least seven members of the board to approve projects or expenditures and specifies that for distributions in 2009 only, a special account is created in the taconite environmental protection fund to receive 15.5 cents per ton that would otherwise be allocated under taconite property tax relief to be used for cooperative renewable energy projects.

Article 9: Housing Finance Agency

- 1 Payment to the Minnesota manufactured home relocation trust fund.** Amends § 327C.03, by adding subd. 6. Allows certain park owners to collect the \$12 annual payment for participation in the relocation trust fund as a lump sum or along with month lot rent, a fee of no more than \$1 per month to cover the cost of participating in the relocation trust fund. Requires the \$1 fee to be separately itemized and clearly labeled “Minnesota manufactured home relocation trust fund.”
- 2 Payment to the Minnesota manufactured home relocation trust fund.** Amends § 327C.095, subd. 12. Modifies the way in which payments are made to the manufactured home relocation trust fund. Allows the court to award a prevailing party reasonable attorney fees, court costs, and disbursements.
- 3 Rehabilitation loans.** Amends § 462A.05, subd. 14. Specifies rehabilitation loans are for owner-occupied housing.
- 4 Rehabilitation loans; existing owner occupied residential housing.** Amends § 462A.05, subd. 14a. Increases the maximum amount of rehabilitation loans from \$20,000 to \$27,000 per loan.
- 5 City.** Amends § 469.201, subd. 2. Modifies the definition of “city.”

- 6 City matching money.** Amends § 469.201, subd. 4. Modifies the definition of “city matching money.”
- 7 Housing activities.** Amends § 469.201, subd. 6. Modifies the definition of “housing activities.”
- 8 Lost unit.** Amends § 469.201, subd. 7. Modifies the definition of “lost unit.”
- 9 Targeted community.** Amends § 469.201, subd. 10. Changes the term “targeted neighborhood” to “targeted community.”
- 10 Targeted community money.** Amends § 469.201, subd. 11. Changes the term “targeted neighborhood money” to “targeted community money.”
- 11 Targeted community revitalization and financing program.** Amends § 469.201, subd. 12. Changes the term “targeted neighborhood revitalization and financing program” to “targeted community revitalization and financing program.”
- 12 Designation of targeted communities.** Amends § 469.202. Makes technical changes to conform to modified terms. Modifies the eligibility requirements for targeted communities by requiring a community meet three of four listed criteria (rather than two of three) and adds to the list of eligibility criteria an area that is characterized as having a disproportionate number of vacant residential buildings and foreclosures.
- 13 Requirements.** Amends § 469.203, subd. 1. Makes technical changes to conform to modified terms.
- 14 Targeted community participation in preparing revitalization program.** Amends § 469.203, subd. 2. Makes technical changes to conform to modified terms. Removes requirements specific to Minneapolis, St. Paul, and Duluth.
- 15 City approval of program.** Amends § 469.203, subd. 4. Modifies the requirements for city approval of a revitalization program.
- 16 Payment of state money.** Amends § 469.204, subd. 1. Makes a technical change to conform to modified terms.
- 17 Revolving fund.** Amends § 469.204, by adding subd. 4. Establishes a targeted community revitalization revolving fund. Provides that the fund consists of appropriations to the commissioner for the targeted community revitalization program and all proceeds that result from housing activities related to the program.
- 18 City powers; uses of targeted community money.** Amends § 469.205. Makes technical changes to conform to modified terms.
- 19 Annual report.** Amends § 469.207, subd. 2. Makes a technical change to conform to modified terms.
- 20 Postponement.** Amends § 580.07.

Subd. 1. Postponement by mortgagee. Makes no change. This existing provision allows the lender to postpone a foreclosure sale, which has always been

allowed for any reason.

Subd. 2. Postponement by mortgagor or owner. Permits the borrower to postpone a foreclosure sale if the property is classified as homestead and has one to four dwelling units. Permits postponement of the sale to a date that is five months after the originally scheduled date of the sale. Reduces the post-sale redemption period from six months to five weeks, to keep the total time involved roughly the same. Describes in detail the procedure for postponing the sale, including how this postponement is dealt with for purposes of avoiding future real estate title problems.

Subd. 3. Affidavit form. Provides a form for the affidavit required in subdivision 2 as part of the process of getting the sale postponed. The affidavit recites that the borrower meets the requirements provided in this section for getting the sale postponed. An affidavit is a written statement signed under oath.

Effective date: Makes the bill effective one month after final enactment and apply to foreclosure sales scheduled to take place on or after that date.

- 21 Repealer.** Repeals Minnesota Statutes, § 469.203, subd. 3 (targeted neighborhood revitalization and financing provision related to Minneapolis); § 469.204, subd. 2 (allocation of revitalization funds to cities of the first class); and § 469.204, subd. 3 (city matching money requirements for the revitalization program).