

April 8, 2019

Representative Lyndon Carlson
Chair, Ways and Means Committee
479 State Office Building
St. Paul, MN 55155

Re: H.F. 2208 Omnibus Jobs and Economic Development Finance Bill

Dear Representative Carlson,

Thank you for the opportunity to comment on H.F. 2208, the Omnibus Jobs bill. The Department of Labor and Industry (DLI) is pleased to share our support for many of the provisions included in this legislation.

The bill prioritizes wage theft prevention and enforcement, leveling the playing field for businesses and ensuring workers receive the wages they are owed. The enforcement tools and investments proposed in this bill position the Department to further develop and execute enforcement strategies to identify, address, and deter systemic wage theft in Minnesota to protect vulnerable workers and employers who play by the rules. I sincerely appreciate the author's commitment to addressing wage theft and dedicating the funding needed to achieve compliance with the law.

The paid family and medical leave insurance benefit in H.F. 2208 provides workers the ability to take time away from work to care for themselves and their family members without risking losing their job and their financial security. It also creates a foundation that allows all employers to offer their workers the benefits of a good job. The Department appreciates the investments this bill provides to not only create such benefits, but funding to ensure that workers have a right to access that paid benefit and the ability to return to their job thereafter.

The Department appreciates the increased funding for the Youth Skills Training Program (YST) which will result in more opportunities for Minnesota youth to gain industry experience as student learners in high-demand fields. However, I encourage you to consider funding this important and in-demand program at the Governor's recommended level. By increasing funding from the House proposal to the Governor's recommendation, 1,750 more students could be exposed to careers in high-wage, high-demand industries who have a critical need for workers.

I am also pleased that the bill includes the other Governor's budget priorities that will enable the Department to better serve Minnesota workers, businesses, and consumers. Funding for the Workers' Compensation IT system modernization will ensure a system that will increase the speed, timeliness and accuracy of filings, allowing injured workers to obtain treatment for their injuries and resolve their claims more efficiently and at lower costs. By licensing solar

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contractors as residential contractors, the bill increases consumer protection for homeowners. Investing in DLI's IT systems modernization will enable the Department to upgrade our technology infrastructure and enhance online functionality to further easier citizen interaction with the agency. Conforming Minnesota's OSHA penalties to federal law ensures Minnesota can maintain its state plan and continue to enforce workplace safety and health laws and provide employers with the technical assistance they are seeking. The combative sports fee reduction will attract more licensed events and participants to the state.

In addition, I appreciate your inclusion of the Workers' Compensation Advisory Council recommendations and technical changes to the Construction Codes and Licensing program in the bill (Article 8).

Despite our strong support for the inclusion of many DLI provisions in this legislation, the Department is concerned that H.F. 2208 eliminates funding for the PIPELINE program. Nearly 1,000 workers and 300 employers have benefited from PIPELINE. Employees in dual-training programs receive on-the-job training, formal instruction related to their profession, earn industry-recognized credentials, wage increases, and other opportunities that assist them in advancing their careers. Eliminating funding for this successful program, which is complemented by significant employer investments, is unwise particularly as the state faces significant labor shortages. Employers need the skilled workers PIPELINE helps develop to fill high-wage, high-demand occupations in advanced manufacturing, health care, agriculture, and information technology.

Thank you for your consideration. If you have any questions, please contact me or Director of Legislative Affairs Kate Perushek (kate.perushek@state.mn.us).

Sincerely,



Nancy Leppink
Commissioner

cc: Representative Tim Mahoney, Chair, Jobs and Economic Development Finance Division