

## One Minnesota Budget

### 2023 BUDGET PROPOSALS

#### SUPPORTING WORKING FAMILIES



##### **Paid family and medical leave**

A comprehensive paid family and medical leave program would provide Minnesotans with economic stability, boost the economy, help retain workers and recognize that people need to be able to take time away from work to welcome a new family member, care for a sick loved one or recover from an illness or injury without losing their wages. The governor's recommended funding for the Department of Labor and Industry (DLI) of \$601,000 in FY24, \$480,000 in FY25 and \$646,000 in each additional year would address education and compliance costs of the program and information technology systems upgrades.



##### **Earned sick and safe time**

The COVID-19 pandemic has reminded us how critically important it is for people to stay home from work when they are sick. Workers who go to work sick risk spreading illness to coworkers, customers and the public. Too many Minnesotans don't have access to earned sick and safe time and are forced to choose between going to work sick and not being able to pay their bills. This proposal would ensure workers can accrue up to 48 hours a year of earned sick and safe time for when they need to recover from an illness, go to a medical appointment, care for a child during a school closure, or get care and assistance due to domestic abuse, stalking or sexual assault. The governor recommends \$1.445 million in FY24, \$2.209 million in FY25 and \$1.899 million each year after, which would fund enforcement and compliance activities, as well as outreach and engagement efforts.



##### **Prevailing-wage education and compliance**

Minnesota is estimated to net more than \$7.4 billion in federal Infrastructure Investment and Jobs Act (IIJA) funding during the coming years, much of which will be used for public infrastructure projects covered by prevailing-wage laws. Prevailing-wage laws exist in Minnesota to ensure projects funded with public money be constructed and maintained by the best means and highest quality of labor reasonably available and that people working on public works projects be compensated according to the real value of the services they perform. The governor recommends a base increase of \$1.412 million in FY24 and \$1.484 million each year thereafter that would fund the additional staff members necessary to provide education and enforcement to ensure our tax dollars are not promoting exploitative practices, such as wage theft.



### **Fair labor standards for agricultural and food processing workers**

The governor recommends \$184,000 in FY24 and \$142,000 each year thereafter to strengthen existing workplace protections for agricultural and food processing workers so a greater number of these workers are protected and aware of their workplace rights. This recommendation is among those made by the Committee for the Safety, Health, and Wellbeing of Agricultural and Food Processing Workers to improve housing, safety and labor standards for agricultural and food processing workers.



### **Women's Economic Security Act outreach and policy**

The governor recommends \$100,000 each year to continue outreach to employees and businesses about the requirements of the Women's Economic Security Act (WESA) and \$134,000 for an outreach and education coordinator. Prior to DLI's accelerated outreach efforts on WESA with the 2021 appropriation, the agency found that few employees submitted complaints of violations of their rights under WESA. Since beginning outreach efforts in August 2021, DLI has experienced a 37.5% increase in the volume of complaints specific to WESA and more than a 250% increase in complaints related to nursing mothers' accommodations. A separate agency policy proposal also includes expansion of employees' rights under the act.

## **DEVELOPING A SKILLED AND DIVERSE WORKFORCE**



### **Equity in apprenticeship**

The governor recommends a \$1.034 million increase in FY24 and a \$1.042 million increase thereafter. The recommendation includes a \$900,000 increase to the Labor Education Advancement Program (LEAP) grant to better facilitate the participation and retention of women, people of color and Indigenous people in registered apprenticeship programs and employment in careers that pay a family-sustaining wage. The remaining \$134,000 would fund a full-time grants coordinator to administer the LEAP grants and other apprenticeship grants funding.



### **Opportunities for student learners**

The Youth Skills Training program supports the development of partnerships among school districts, employers and other community organizations to offer safe, healthy and meaningful work experience to 16- and 17-year-old student learners. The governor recommends increasing grant funding by \$500,000 each year and providing additional resources for staff members needed to administer the program. By growing Youth Skills Training, more student learners would be better equipped to enter the workforce and select a course of education to contribute to their career path, and more employers would have the skilled workers they need.



### **Division of Apprenticeship**

The governor recommends separating the Division of Labor Standards and Apprenticeship into two separate divisions. Currently, the Labor Standards and Apprenticeship areas are distinct from each other with very little overlap, except for the director of Labor Standards and Apprenticeship, who must carry out duties related to both divisions. Creating two separate divisions will benefit employers, workers and apprentices by enabling each director to better lead each program and meet statutory requirements.



### **Nursing Home Workforce Standards Board**

The governor recommends establishing a Nursing Home Workforce Standards Board responsible for setting minimum standards necessary and appropriate to protect the health and welfare of nursing home workers. A Nursing Home Workforce Standards Board with equal representation between workers and employers will level standards, improve working conditions and better serve the vulnerable Minnesotans being cared for in these facilities.



### **Dual-training programs in legal cannabis industry**

The governor recommends funding for the safe and responsible legalization of cannabis for adults in Minnesota. An annual appropriation of \$132,000 to DLI would be used to support employers in the legal cannabis industry to build their own dual-training programs, which combine structured on-the-job training with formal related education, in the statutorily allowed industries within DLI's Minnesota Dual-Training Pipeline.

## **PROTECTING MINNESOTANS' HEALTH AND SAFETY**



### **Penalties in line with federal OSHA**

To be "at least as effective as" federal OSHA, Minnesota OSHA needs to align the penalties it issues to employers that fail to provide safe and healthy workplaces for their workers with federal OSHA penalties. The governor recommends conforming with federal maximum penalties and tying future penalties to inflation. Conformity would ensure continued federal funding and would encourage employers to take workplace safety and health violations more seriously and do more to keep workers safe.



### **Minnesota OSHA ergonomics**

The governor recommends establishing a team within DLI that will address workplace ergonomic injuries through training, education and outreach activities, and enforcement. Covered industries include the warehouse, meatpacking and health care industries. The recommendation includes \$2 million from the General fund in FY24 for safety grants to employers to make ergonomic safety upgrades. It would also include \$477,000 in FY24 and \$1.128 million in FY25 from the Workers' Compensation fund to support program activities.



### **Safe housing for the elderly and vulnerable adults**

This recommendation gives DLI regulatory oversight of assisted living facilities and assisted living with dementia care facilities licensed by the Minnesota Department of Health. Assisted living is the only remaining type of housing in Minnesota serving vulnerable adults not under DLI jurisdiction. This recommendation would enable the agency to provide construction code reviews and inspections statewide to ensure that new construction and alterations to these facilities designed for the elderly and vulnerable adults meet minimum safety standards.



### **Combative sports health and safety**

The governor recommends statutory changes to the Office of Combative Sports (OCS) to better protect combatant health and safety. Proposed changes improve OCS oversight of combative sports contests, clarify grievance procedures, address inconsistencies in statutory language and close regulatory loopholes that put combatants' health and safety at risk. A proposed annual General fund appropriation of \$254,000 would supplement fee revenue to fully support program operations.



### **Window cleaning safety**

The governor recommends \$193,000 in one-time funding from the Construction Code fund for modifying the Minnesota State Building Code requirements for window cleaning safety to incorporate all the safe window cleaning methods recognized by a national window cleaning safety standard. The current building code creates unnecessary cost burdens by requiring window cleaning anchors on buildings when other nationally recognized safe means of window cleaning are more cost effective. This proposal has broad stakeholder agreement.



### **Safe and Skilled Worker Act**

The governor recommends the Safe and Skilled Worker Act proposal to improve safety at oil refineries by requiring a certain percentage of the contractor workforce to be participants in or graduates from a registered apprenticeship program. Registered apprenticeship training programs provide workers the skills needed to perform their work safely and effectively. Oil refineries are a high-hazard industry and require a workforce that is trained to the highest standard.

## **MITIGATING CLIMATE CHANGE**



### **Commercial energy code**

Since 2005, greenhouse gas emissions in the commercial building sector have increased by 15%, partially driven by higher heating and cooling demands caused by a changing climate. The governor recommends \$146,000 every three years to institute an adoption framework such that each new adopted commercial energy code shall establish efficiency performance standards for commercial and large multi-family buildings that can result in buildings and building systems that are powered completely by carbon-neutral energy sources by the year 2036.



### **Electric vehicle charging infrastructure**

Transportation is the largest contributor of greenhouse gas emissions in Minnesota and is a major contributor to climate change, air pollution and ecosystem degradation. The governor recommends adding requirements to the Minnesota State Building Code for electric vehicle (EV) charging infrastructure within or adjacent to new commercial and multi-family buildings. Providing Minnesotans with more access to EV charging infrastructure will increase the feasibility of EV use for Minnesotans.



### **Clean economy apprenticeships**

The governor recommends \$3 million in funding from the Workforce Development fund to grow apprenticeship opportunities for clean economy occupations. This will enable registered apprenticeship programs to purchase equipment and provide training to grow apprentice skills and upskill current workers in clean technologies.



### **Existing building energy efficiency**

The governor recommends adding requirements to the Minnesota State Building Code for energy conservation in existing buildings undergoing additions, alterations or changes in use to higher energy use. Energy consumption by buildings constitutes 40% of the total energy used in Minnesota; 19% of those buildings are commercial buildings. By 2035, the remaining existing buildings will comprise 50% of the total building stock making the need to address the energy efficiency of existing buildings of significant importance to curb overall energy consumption. Energy conservation is the single most cost-effective form of emissions mitigation.

## **IMPROVING SERVICE DELIVERY**



### **Current service level maintenance**

The governor recommends additional funding to maintain the current level of service delivery at DLI of \$147,000 in FY24 and \$246,000 in each subsequent year from the General fund, along with \$2,720,000 in FY24 and \$3,641,000 in each subsequent year from the Workers' Compensation fund, and \$59,000 in FY24 and \$121,000 in each subsequent year from the Workforce Development fund.



### **Technology services reorganization**

The governor recommends reorganizing how information technology costs are distributed throughout the agency. Currently, all applications pay the same share of Minnesota IT Services @ Labor and Industry costs, regardless of the amount of resources they use. Work Comp Campus is the sole custom-built system in the agency and requires additional funds to cover its resource use. This proposal also includes expanding DLI's Research and Statistics unit to enhance program evaluation, reporting and data analytics throughout the agency.



### **Construction Codes and Licensing fees**

The governor recommends reducing certain Construction Codes and Licensing Division fees to align more reasonably with services provided and to refund Contractor Recovery Fund fees when a residential building contractor or remodeler license is not issued. Only customers using licensed contractors can access the Contractor Recovery Fund, so the fund is intended to be funded only by contractors that are licensed.