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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1426

03/04/2015 Authored by Isaacson, Gunther, O'Neill, Schomacker, Mahoney and others

The bill was read for the first time and referred to the Committee on Higher Education Policy and Finance

03/05/2015 By motion, recalled and re-referred to the Committee on Job Growth and Energy Affordability Policy and Finance

1.1 A bill for an act  
1.2 relating to workforce development; economic development; providing for  
1.3 customized training for skilled manufacturing industries; appropriating money;  
1.4 proposing coding for new law in Minnesota Statutes, chapter 116L.

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

1.6 Section 1. [116L.65] CUSTOMIZED TRAINING FOR SKILLED  
1.7 MANUFACTURING INDUSTRIES.

1.8 Subdivision 1. Program. The commissioner of employment and economic  
1.9 development, in consultation with the commissioner of labor and industry, shall  
1.10 collaborate with Minnesota State Colleges and Universities (MnSCU) institutions  
1.11 and employers to develop and administer a customized training program for skilled  
1.12 manufacturing industries that integrates academic instruction and job-related learning  
1.13 in the workplace and MnSCU institutions. The commissioner shall actively recruit  
1.14 participants in a customized training program for skilled manufacturing industries from  
1.15 the following groups: secondary and postsecondary school systems, individuals with  
1.16 disabilities, dislocated workers, retired and disabled veterans, individuals enrolled in  
1.17 MFIP under chapter 256J, minorities, previously incarcerated individuals, individuals  
1.18 residing in labor surplus areas as defined by the United States Department of Labor, and  
1.19 any other disadvantaged group as determined by the commissioner.

1.20 Subd. 2. Definitions. (a) For the purposes of this section and section 116L.651, the  
1.21 terms defined in this subdivision have the meanings given them.

1.22 (b) "Commissioner" means the commissioner of employment and economic  
1.23 development.

2.1 (c) "Employer" means an employer in Minnesota in the skilled manufacturing  
 2.2 industry who employs no more than 50 employees and who enters into the agreements  
 2.3 with MnSCU institutions and the commissioner under subdivisions 3 to 5.

2.4 (d) "MnSCU institution" means an institution designated by the commissioner  
 2.5 unless otherwise specified by the legislature.

2.6 (e) "Participant" means an employee who enters into a customized training program  
 2.7 for skilled manufacturing industries participation agreement under subdivision 4.

2.8 (f) "Related instruction" means classroom instruction or technical or vocational  
 2.9 training required to perform the duties of the skilled manufacturing job.

2.10 (g) "Skilled manufacturing" means occupations in manufacturing industry sectors 31  
 2.11 to 33 as defined by the North American Industry Classification System (NAICS).

2.12 Subd. 3. **Skilled manufacturing customized training program employer**

2.13 **agreement.** (a) The commissioner, employer, and MnSCU institution shall enter into a  
 2.14 skilled manufacturing customized training program employer agreement that is specific to  
 2.15 the identified skilled manufacturing training needs of an employer.

2.16 (b) The agreement must contain the following:

2.17 (1) the name of the employer;

2.18 (2) a statement showing the number of hours to be spent by a participant in work and  
 2.19 the number of hours to be spent, if any, in concurrent, supplementary instruction in related  
 2.20 subjects. The maximum number of hours of work per week, not including time spent in  
 2.21 related instruction, for any participant shall not exceed either the number prescribed by  
 2.22 law or the customary regular number of hours per week for the employees of the employer.  
 2.23 A participant may be allowed to work overtime provided that the overtime work does not  
 2.24 conflict with supplementary instruction course attendance. All time spent by the participant  
 2.25 in excess of the number of hours of work per week as specified in the skilled manufacturing  
 2.26 customized training program participation agreement shall be considered overtime;

2.27 (3) the hourly wage to be paid to the participant and requirements for reporting to  
 2.28 the commissioner on actual wages paid to the participant;

2.29 (4) an explanation of how the employer agreement or participant agreement may  
 2.30 be terminated;

2.31 (5) a statement setting forth a schedule of the processes of the occupation in which  
 2.32 the participant is to be trained and the approximate time to be spent at each process;

2.33 (6) a statement by the MnSCU institution and the employer describing the related  
 2.34 instruction that will be offered, if any, under subdivision 5, paragraph (c); and

2.35 (7) any other provision the commissioner deems necessary to carry out the purposes  
 2.36 of this section.

3.1 (c) The commissioner may periodically review the adherence to the terms of the  
3.2 customized training program employer agreement. If the commissioner determines that  
3.3 an employer or employee has failed to comply with the terms of the agreement, the  
3.4 commissioner shall terminate the agreement. An employer must report to the commissioner  
3.5 any change in status for the participant within 30 days of the change in status.

3.6 **Subd. 4. Skilled manufacturing customized training program participation**  
3.7 **agreement.** (a) The commissioner, the prospective participant, and the employer shall  
3.8 enter into a skilled manufacturing customized training program participation agreement  
3.9 that is specific to the training to be provided to the participant.

3.10 (b) The participation agreement must contain the following:

3.11 (1) the name of the employer;

3.12 (2) the name of the participant;

3.13 (3) a statement setting forth a schedule of the processes of the occupation in which  
3.14 the participant is to be trained and the approximate time to be spent at each process;

3.15 (4) a description of any related instruction;

3.16 (5) a statement showing the number of hours to be spent by a participant in work and  
3.17 the number of hours to be spent, if any, in concurrent, supplementary instruction in related  
3.18 subjects. The maximum number of hours of work per week, not including time spent in  
3.19 related instruction, for any participant shall not exceed either the number prescribed  
3.20 by law or the customary regular number of hours per week for the employees of the  
3.21 employer. A participant may be allowed to work overtime provided that the overtime  
3.22 work does not conflict with supplementary instruction course attendance. All time spent  
3.23 by the participant in excess of the number of hours of work per week as specified in the  
3.24 customized training program participation agreement shall be considered overtime;

3.25 (6) the hourly wage to be paid to the participant; and

3.26 (7) an explanation of how the parties may terminate the participation agreement.

3.27 (c) The commissioner may periodically review the adherence to the terms of the  
3.28 customized training program participation agreement. If the commissioner determines  
3.29 that an employer or participant has failed to comply with the terms of the agreement, the  
3.30 commissioner shall terminate the agreement. An employer must report to the commissioner  
3.31 any change in status for the participant within 30 days of the change in status.

3.32 **Subd. 5. MnSCU instruction.** (a) MnSCU institutions shall collaborate with an  
3.33 employer to provide related instruction that the employer deems necessary to instruct  
3.34 participants of a skilled manufacturing customized training program. The related  
3.35 instruction provided must be, for the purposes of this section, career-level, as negotiated  
3.36 by the commissioner and the MnSCU institution. The related instruction may be for credit

4.1 or noncredit, and credit earned may be transferable to a degree program, as determined by  
 4.2 the MnSCU institution.

4.3 (b) The commissioner, in conjunction with the MnSCU institution, shall issue a  
 4.4 certificate of completion to a participant who completes all required components of the  
 4.5 skilled manufacturing customized training program participation agreement.

4.6 (c) As part of the skilled manufacturing customized training program, an employer  
 4.7 shall collaborate with a MnSCU institution for any related instruction required to perform  
 4.8 the skilled manufacturing job. The agreement shall include:

4.9 (1) a detailed explanation of the related instruction; and

4.10 (2) the number of hours of related instruction needed to receive a certificate of  
 4.11 completion.

4.12 **Sec. 2. [116L.651] SKILLED MANUFACTURING REPORTING**  
 4.13 **REQUIREMENTS.**

4.14 The commissioner shall coordinate and monitor customized training programs for  
 4.15 skilled manufacturing industries at participating MnSCU institutions. By January 15,  
 4.16 2017, the commissioner, in conjunction with each participating MnSCU institution, shall  
 4.17 report to the standing committees of the house of representatives and the senate having  
 4.18 jurisdiction over employment and workforce development. The report must address the  
 4.19 progress and success of the implementation of a customized training program for skilled  
 4.20 manufacturing industries at each participating MnSCU institution. The report must  
 4.21 give recommendations on where a skilled manufacturing customized training program  
 4.22 should next be implemented, taking into consideration all current and potential skilled  
 4.23 manufacturing training providers available.

4.24 **Sec. 3. SKILLED MANUFACTURING APPROPRIATION.**

4.25 \$..... in fiscal year 2016 and \$..... in fiscal year 2017 are appropriated to the  
 4.26 commissioner of employment and economic development from the general fund for the  
 4.27 customized training program for manufacturing industries under Minnesota Statutes,  
 4.28 sections 116L.65 and 116L.651. Of the amount appropriated in fiscal year 2016 and  
 4.29 fiscal year 2017:

4.30 (1) \$..... is for the commissioner of employment and economic development for  
 4.31 coordination, oversight, and reporting responsibilities related to the customized training  
 4.32 program;

4.33 (2) \$..... is for a grant to Central Lakes College for the purposes of this act;

4.34 (3) \$..... is for a grant to Century College for the purposes of this act;

5.1 (4) \$..... is for North Hennepin Community College for the purposes of this act;

5.2 (5) \$..... is for Minnesota State Community and Technical College, Moorhead  
5.3 campus for the purposes of this act;

5.4 (6) \$..... is for St. Paul College for the purposes of this act; and

5.5 (7) \$..... is for Minnesota West Community and Technical College for the purposes  
5.6 of this act.