



**MINNESOTA ASSOCIATION
OF WORKFORCE BOARDS**



MAWB Legislative Advocacy Speaker Series

**March 2, 2021
1:30 – 2:00 PM**

**Deep Dive: A History of the State
Workforce Development Fund and Job
Skills Partnership Board**

**Anne Kilzer, Director, Hennepin-Carver
Workforce Development Board**



Upcoming Legislative Advocacy Session:

Tuesday, March 16, 2021 | 1:00 - 1:30 p.m.

"Advocacy 101: What is Your Role?"

Presenter: Ron Painter, President, National Association of Workforce Boards

Brief History: Federal and State



- **1982:** Jobs Training Partnership Act
- **1983:** Minnesota begins offering federal program
- **1989:** Minnesota Dislocated Worker Program Inception
- **1990:** Dislocated Worker Fund Established
- **1998:** Workforce Investment Act passed
- **1999:** DW Fund renamed Workforce Development Fund
- **2014:** Workforce Innovation and Opportunity Act passed, focuses more on regionalism

History: Minnesota Legislative Detail



- WDF fee came from broad agreement, labor and business leaders
- Original purpose: support to dislocated workers
- Priority to dislocated workers still in law
- Legislative transfers continue

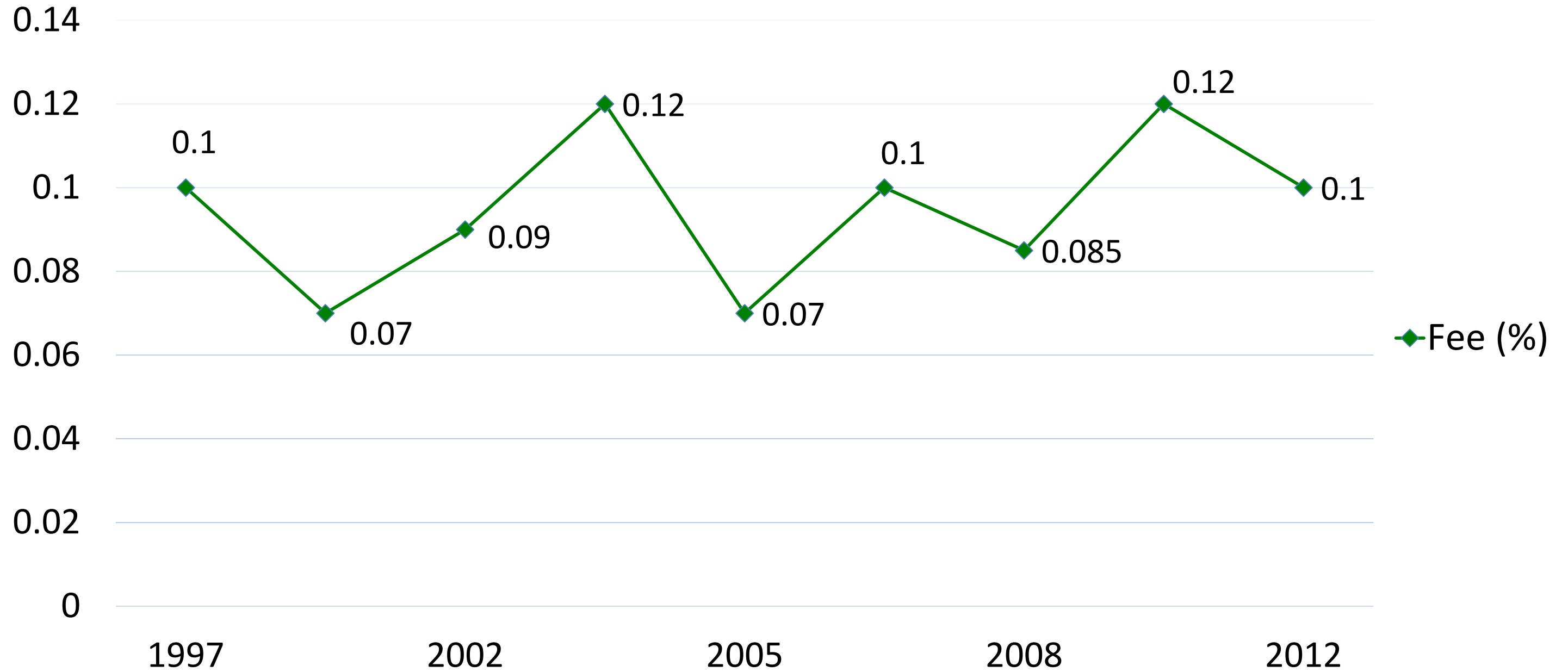


Funding: Workforce Development Fund



- Special assessment levied at the rate of .10 percent per year on all taxable wages
- “Taxable wages”: those wages paid to an employee in covered employment each year up to an amount equal to 60 percent of the state’s average annual wage, rounded to the nearest \$1,000
- Works out to an average of \$13/employee per year

Funding: WDF Rate Over Time



Job Skills Partnership Board



116L.03 BOARD.

§ Subdivision 1. **Members.**

The partnership shall be governed by a board of 12 directors.

§ Subd. 2. **Appointment.**

The Minnesota Job Skills Partnership Board consists of: seven members appointed by the governor, the commissioner of employment and economic development, the chancellor, or the chancellor's designee, of the Minnesota State Colleges and Universities, the president, or the president's designee, of the University of Minnesota, and two nonlegislator members, one appointed by the Subcommittee on Committees of the senate Committee on Rules and Administration and one appointed by the speaker of the house. If the chancellor or the president of the university makes a designation under this subdivision, the designee must have experience in technical education. Four of the appointed members must be members of the governor's Workforce Development Board, of whom two must represent organized labor and two must represent business and industry. One of the appointed members must be a representative of a nonprofit organization that provides workforce development or job training services.

§ Subd. 3. **Qualifications.**

Members must have expertise in, and be representative of the following fields of education, job skills training, labor, business, and government.

§ Subd. 4. **Chair.**

The chair shall be appointed by the governor.

Current JSPB Members



Chair	Steve Grove, Commissioner, MN DEED
University of Minnesota	Dr. Robert Stine (proxy for Joan Gabel), Interim Dean, College of Continuing & Professional Studies
Minnesota State	Mary Rothchild (proxy for Devinder Malhotra) Senior System Director, Workforce Development
Senate Appointee	Vacant
House Appointee	Sami Gabriel (2023) President, Teamsters Local 320
Governor Appointee/Nonprofit Rep.	Joe Hobot (2024) President/CEO of American Indian OIC
Governor Appointee/GWDB/Labor Rep.	William McCarthy (2022) President of MN AFL-CIO
Governor Appointee	Robert Marsh (2024) President/CEO of Cyber Orbits
Governor Appointee/GWDB Labor Rep.	Scott Parker (2022) International Union of Painters and Allied Trades
Governor Appointee	Traci Tapani (2024) Co-President, Wyoming Machine, Inc.
Governor Appointee/GWDB Business Rep.	Jennifer Theisen (2024) Director of Human Resources, DiaSorin
Governor Appointee/GWDB Business Rep.	Rick Trosvet (2022) Sr. VP Human Resources, Marvin Windows & Doors

Allocations to Workforce Development Areas

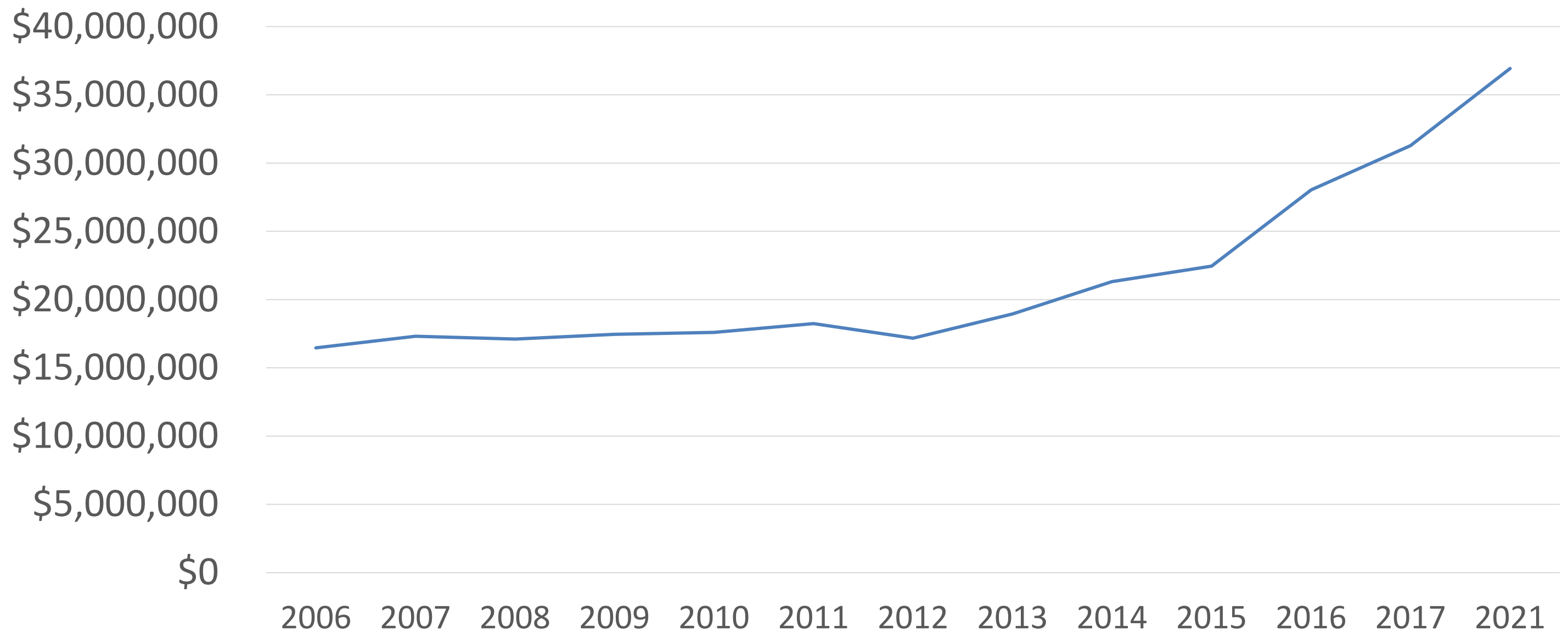


(b) The (Job Skills Partnership Board) shall regularly allocate funds to provide services to individual dislocated workers or small groups. The initial allocation for this purpose must be **50 percent of the deposits and transfers into the workforce development fund, less any collection costs paid out of the fund and any amounts appropriated by the legislature from the workforce development fund for programs other than the state dislocated worker program.**

Funding: Appropriations and Transfers



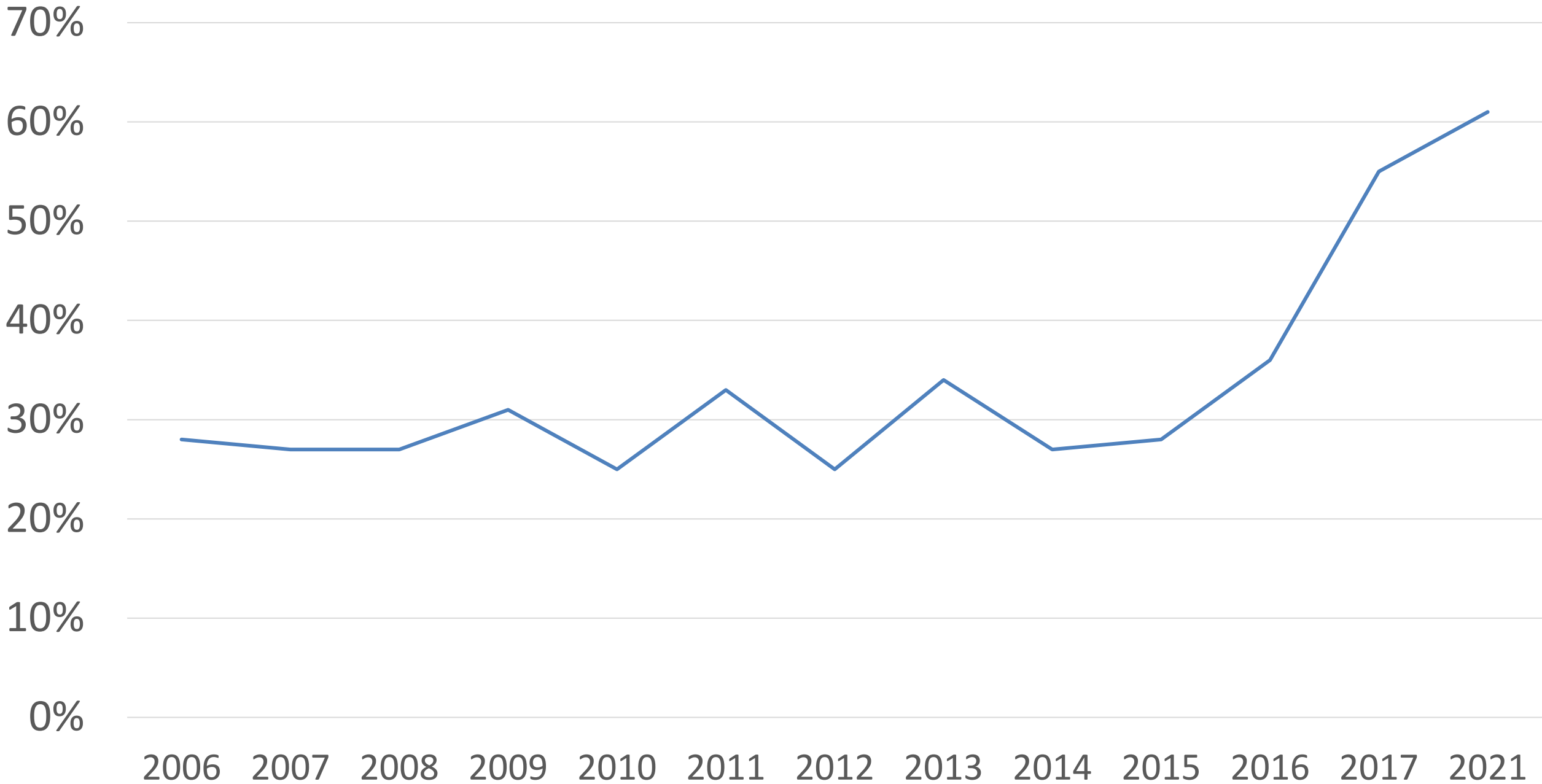
Legislative Appropriations – Dollar Amounts



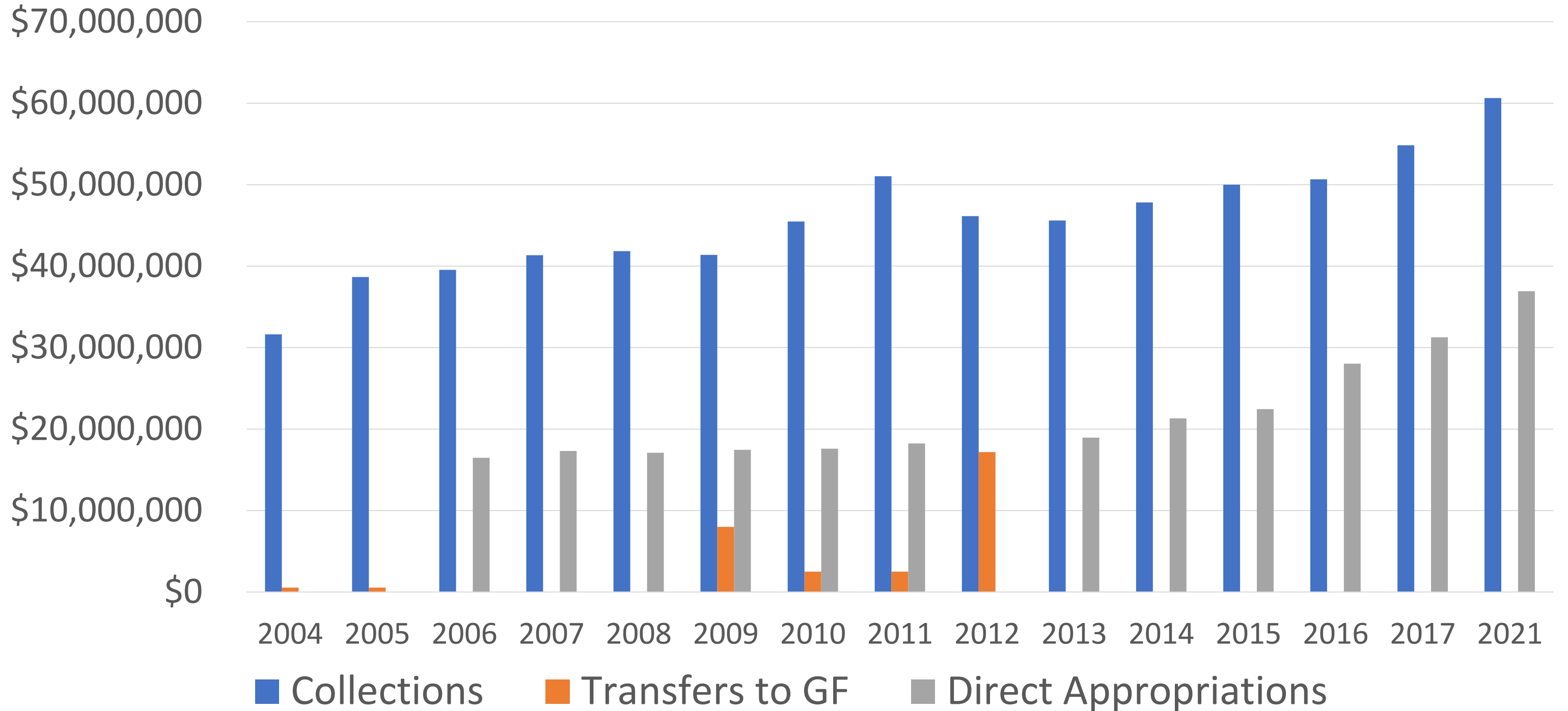
Funding: Appropriations and Transfers



Percentage of Collections



Funding: Appropriations and Transfers



Workforce Development Fund

Minn. Stat. Section 116L.20 Workforce Development Fund
Minn. Stat. Section 116L.17 State Dislocated Worker Program

Total Receipts into the Fund
Forecast SFY 20-21 \$121,268,879



Legislative Appropriations from the Fund
SFY 20-21 \$73,842,000

FY 20-21 DEED and DLI Programs
\$53,242,000

Job Training Grants, Pathways to Prosperity, Employment support for persons with mental illness, Employment Services for Deaf & Blind, Youth at Work, YouthBuild, MN Youth Program, Rural Career Counseling Coordinators, Extended Employment for Persons with Disabilities, Helmets to Hardhats, Youth Skills Training Program, Apprenticeship Program, Prevailing Wage Enforcement, LEAP Grants, MJSP

FY 20-21 Other Direct Appropriations
\$20,600,000

NDC, MEDA, White Earth Nation, Enterprise Minnesota, Youthprise, Propel, Minnesota Grocers Association, AIOIC, EMERGE, MPLS Foundation, Construction Careers Foundation, CLUES, TC RISE, MN Diversified Industries, MHTA, Bridges to Healthcare, Avivo, Better Futures MN, HAP, Displaced Homemaker Program, Summit Academy OIC, Big Brothers Big Sisters, Ujamaa Place, YWCA St. Paul, YWCA MPLS, Regional Center for Entrepreneurial Facilitation, Cedar-Riverside Partnership, OICs

Dislocated Worker Program

Total Receipts *minus* Legislative Appropriations *equals* Amount Available for Dislocated Worker Program
– 5% to DEED for administration and oversight - SFY 2020-21 Available for Prog. \$47,426,879

Small Layoffs
SFY 2020-21 \$28,930,396

61% of what funds are available for the Dislocated Worker program is allocated, by formula, to local workforce development areas and other providers to provide services for small layoffs (50% to Local Workforce Development Boards and 11% to Small Layoff Independent Grantees).

Mass Layoffs
SFY 2020-21 \$18,496,482

The remaining 39% of the Dislocated Worker Program funds available are used by DEED to respond to mass layoffs.



**MINNESOTA ASSOCIATION
OF WORKFORCE BOARDS**

Questions?

**Questions can also be sent via email to:
anne.kilzer@hennepin.us**



**MINNESOTA ASSOCIATION
OF WORKFORCE BOARDS**

Thank you for joining us!

Reminder, all materials from this and previous sessions can be found on our website. Go to "For Members" and select "Training Mini Sessions," or visit:

<http://mawb-mn.org/for-members/training-mini-sessions>