

Minutes
LEGISLATIVE AUDIT COMMISSION
May 27, 2021

Members Present:

Senator Michelle Benson
Senator Nick A. Frentz
Senator Mary Kiffmeyer
Senator Mark W. Koran
Senator Ann H. Rest
Representative Connie Bernardy
Representative Sondra Erickson
Representative Rick Hansen
Representative Duane Quam

Members Absent:

Senator Matt D. Klein
Representative Tina Liebling
Representative Nels Pierson

Senator Mark W. Koran, Chair, called the Legislative Audit Commission (LAC) meeting to order at 12:32 p.m. He said the meeting's purpose was to hear the Office of the Legislative Auditor's (OLA's) Program Evaluation Division's reports—*Board of Cosmetology Licensing* and *MnDOT Workforce and Contracting Goals*—which had both been released on May 26, 2021.

Chair Koran introduced Laura Schwartz, Project Manager, OLA's Program Evaluation Division, to present the *Board of Cosmetology Licensing* report. Ms. Schwartz presented background information on and responsibilities of the Board of Cosmetology. She described the current licensing structure and a proposed licensing structure for those working in cosmetology and related services, along with findings and recommendations pertaining to both. The presentation also included information in the related areas of the Board of Barber Examiners and barbering.

Following Ms. Schwartz's presentation, Gina Fast, Executive Director of the Board of Cosmetology spoke. Ms. Fast thanked the LAC for the opportunity to speak and OLA for conducting the first-ever evaluation of the Board of Cosmetology. She thanked her team and the board chair for their work during the evaluation, as well as licensees and other stakeholders who participated in OLA's interviews and surveys. Finally, she thanked the Legislature in advance and said the board is ready to assist the Legislature in making any changes to licensing legislation and looks forward to engaging in the legislative process. Ms. Fast said her statement was a prepared statement on behalf of herself and the board chair.

Brent Grebinoski, Executive Director of the Board of Barber Examiners, spoke next. Mr. Grebinoski thanked the LAC for the opportunity to share the board's response and added that the board had been actively trying to address some of the recommendations in the report, including reciprocity between cosmetologists and barbers; clarification of the barbers' scopes of practice, particularly regarding straight razor shaving and waxing; and that the board had already been drafting legislation on some of these topics. He said the Board of Barber Examiners is looking forward to working with the Legislature on these recommendations and thanked OLA for its work on the report and the recommendations within it.

Senator Kiffmeyer asked Ms. Fast and Mr. Grebinoski what recommendations they agreed or disagreed with. Ms. Fast, among other things, said she agreed with the clarifying language regarding the shaving of beards and disagreed with the suggestion to merge the two boards. She added that language changes in law would need stakeholder involvement and possibly a task force. Mr. Grebinoski said he would like to see reciprocity between the professions addressed. He said that the Board of Barber Examiners had language for events permits and mobile barber shops in a bill this year, but the bill was not carried forward. He added that clarity on straight razor shaving and waxing as it pertains to barbering would be helpful. He said that he, too, and barbers as well, disagree with merging the two boards.

Senator Kiffmeyer asked Ms. Fast and Mr. Grebinoski about their interaction and familiarity with the rulemaking process. Ms. Fast briefly described her interaction with the rulemaking process and Mr. Grebinoski said that during his limited time as the Executive Director, he has not engaged in rulemaking. Senator Kiffmeyer said that she intended to have staff draw up legislative task force language to consider the recommendations of the report.

Chair Koran then introduced Caitlin Badger, Project Manager, OLA's Program Evaluation Division, to present the *MnDOT Workforce and Contracting Goals* report. Ms. Badger began with a background on MnDOT's workforce and contracting goals, which are intended to increase the diversity of workers and business owners working on MnDOT contracts. She added, however, that they are goals, not quotas, so MnDOT is striving to achieve them but is not required to meet them. Ms. Badger explained that MnDOT has rarely met workforce and contracting goals but that MnDOT also has limited authority in law to enforce these goals and no clear authority to sanction contractors for poor goal performance. She concluded with recommendations that MnDOT and the Legislature could make to help meet these diversity goals.

Chair Koran introduced Kim Collins, Deputy Commissioner and Chief Administrative Officer at MnDOT. Ms. Collins thanked the LAC for the opportunity to speak and thanked OLA for their evaluation. Ms. Collins introduced Sean Skibbie, Interim Director of the Office of Civil Rights at MnDOT, who also helped present MnDOT's response. Ms. Collins stated that the workforce and the small business contracting programs are two distinct programs. She explained that statewide workforce goals are established by the Minnesota Department of Human Rights and that trends show improvement. She added that small business goals are, however, set by MnDOT on a contract-by-contract basis and that women-owned businesses far exceed the participation of minority-owned firms.

Further discussion took place as to how state versus federal dollars were spent within these goals, and how trends showing improvement were measured. Ms. Collins said she would provide more information to members after the meeting.

Chair Koran asked about the coordination between the Minnesota Department of Human Rights (MDHR) and MnDOT in setting goals, particularly as it relates to metro versus out-state goals, and the criteria for defining what the goals are. Ms. Collins responded that MDHR updated their goals in 2017 and that MnDOT was engaged with MDHR's advisory group at that time. She added, however, it is ultimately MDHR's decision to set the goals and would defer that question to MDHR's commissioner.

Chair Koran thanked everybody for their participation and work on the reports. With no further discussion, Chair Koran adjourned the meeting at 1:59 p.m.