



# Agency overview

Commissioner Nicole Blissenbach

January 2025

# Agency operating areas

*DLI's mission is to ensure Minnesota's work and living environments are equitable, healthy and safe.*

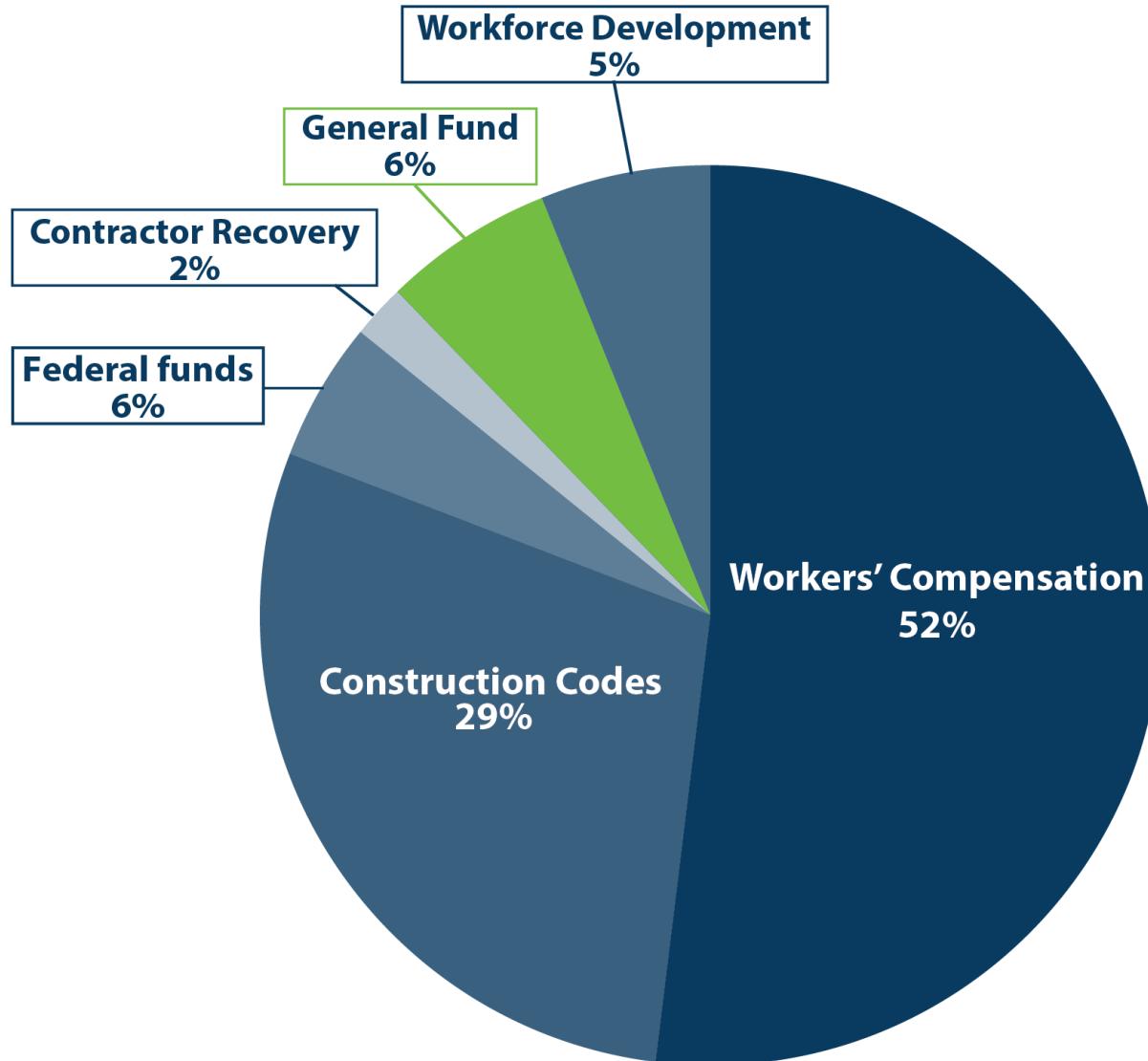
*DLI's vision is to be a trusted resource and an impartial regulator for employers, employees, property owners and other stakeholders.*

## DLI operating areas:

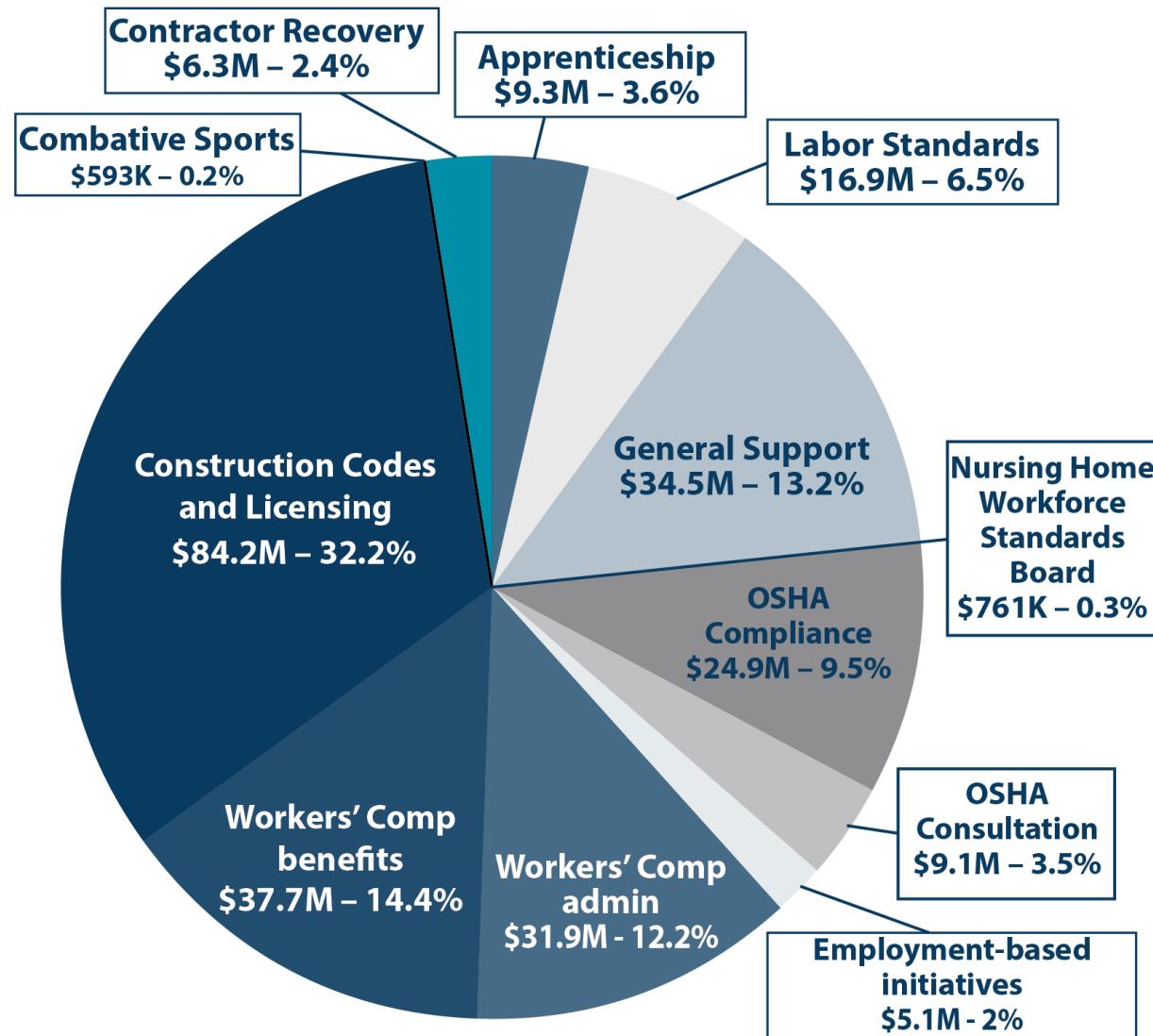
- Workers' Compensation
- Occupational Safety and Health (OSHA)
- Labor Standards
- Apprenticeship Minnesota
- Construction Codes and Licensing
- Minnesota Dual-Training Pipeline
- Youth Skills Training
- Office of Combative Sports
- Nursing Home Workforce Standards Board (NHWSB)



# Source of funds FY 2026-2027



# Base budget FY 2026-2027



# Workers' Compensation



- Helps employees injured on-the-job to receive proper medical treatment and benefit payments in a timely manner
- Mediates disputes about injuries and benefits
- Issues penalties for late benefit payments to injured employees
- Reviews records to ensure state laws are followed
- Provides return to work assistance for injured workers



# Workers' Compensation highlight



- DLI's Vocational Rehabilitation unit provides return-to-work assistance for injured workers.
- Injured worker in Greater Minnesota limited to driving 10 miles due to work-related concussion
- DLI's qualified rehabilitation consultant provided job skills training and job search support.
- Helped return to work as a paraprofessional for a local school district.
- Helping injured workers return to work restores their income and reduces employer and insurer risk of a potentially costly claim.



# Workers' Compensation highlight



- In spring of 2024, DLI's compliance unit identified self-insured employers and claim administrators with an unusually high number of prohibited practice penalties.
- The compliance team developed individualized training for these payors.
- Customized training of 3 hours across two days was provided.
- Following the training, penalties against this subset of self-insured employers and claim administrators dropped sharply.



# Workers' Compensation highlight



- An employee sustained a serious injury involving a meat grinder that resulted in amputation of the right hand.
- The employer did not have an active worker's compensation policy at the time of the injury.
- The employee filed a claim with the Special Compensation Fund at DLI, which helps provide coverage for injured workers when their employer fails to maintain coverage.
- The employee received wage loss benefits, medical management, and return to work assistance
- The SCF pursued reimbursement from the uninsured employer of the benefit and settlement costs.

- The council recommends legislation pertaining to workers' compensation and advises the department in carrying out the purposes of chapter 176.
- Six representatives each from business and organized labor make up the council. The four legislative caucuses and the governor each appoint one labor and one business representative. The heads of the state's largest labor group, the Minnesota AFL-CIO, and the state's largest business group, the Minnesota Chamber of Commerce, are permanent members. DLI provides administrative support and its commissioner serves as nonvoting chair.
- By law, the council approval requires a near consensus of members — the support of a majority of both the labor and business delegations (Minnesota Statutes 175.007, subd. 2).
- Due to decades of contention over workers' comp bills at the legislature, in 1995 legislators informally agreed that all future workers' comp bills would need to be recommended by a labor-business workers' comp advisory council before passage.



The Construction Codes and Licensing Division (CCLD) works to protect the public through:

- education,
- inspection,
- plan review,
- licensing,
- enforcement, and
- the Contractor Recovery Fund, which helps make homeowners whole when they are defrauded by a licensed building contractor.

# CCLD highlight: Greater MN test proctoring



- Two exam proctors assigned to the northern and southern portions of the state.
- Exams now offered in Detroit Lakes, Bemidji, Virginia, St. Cloud, Moorhead, Duluth, Rochester, Mankato, Willmar, Marshall, and Winona.
- 6,300: Exams proctored at DLI's St. Paul office in 2024.
- 3,454: Exams proctored outside of the metro area in 2024.
- Previously, only 1,500 non-metro exams proctored each year.





The Labor Standards Division ensures workers are paid correctly and workplace rights and responsibilities are enforced for all workers. The division also educates employers and employees about their rights under Minnesota employment laws. Areas include:

- child labor,
- earned sick and safe time,
- misclassification,
- overtime,
- minimum wage,
- prevailing wage,
- wage theft, and
- the Women's Economic Security Act.

# Labor Standards enforcement actions



## AGRICULTURE

### **Bushel Boy to Pay \$200K for Unpaid Overtime**

The Owatonna-based greenhouse operator is paying back wages and damages to 94 workers in total.

By Dan Niepow  
June 18, 2024



Owatonna-based **Bushel Boy** Farms must give nearly \$200,000 in back wages and damages to 94 workers for not providing proper overtime pay, the Minnesota Department of Labor and Industry (DLI) announced Monday.

The workers in question were



Bushel Boy operates gre  
VIA BUSHEL BOY FARM

NEWS MINNESOTA

### **Minnesota investigation finds Sanford violated state protections for pregnant worker**

According to a Minnesota Department of Labor and Industry press release, it found Sanford willfully violated Minnesota's Women's Economic Security Act.



### **GrapeTree Medical Staffing pays \$336K to workers after state discovers wage theft**

By Kilat Fitzgerald | Published July 25, 2024 6:45pm CDT  
| Business | FOX 9 |



## BUSINESS

### **Smithfield agrees to pay \$2 million to resolve child labor allegations at Minnesota meat plant**





The Nursing Home Workforce Standards Board is required to adopt rules establishing minimum nursing home employment standards. The board has conducted:

- 25 full board meetings and a total of 48 workgroup meetings, from six workgroups;
- research through engaging with the public and studying data; and
- five public forums before proposals began (Brooklyn Park, Duluth, Redwood Falls, two online) and three questionnaires with similar participation from employers and workers.

The board also examined data from DEED, DLI and DHS, including cost of living data and unique data about worker wages.

## Rules adopted

**Wage standards (5200.2060-2090)** were published Oct 28, 2024, meeting the statutory deadline for initial wages standards [Minnesota Statutes § 181.213, subdivision 1(b)] but is contingent on an appropriation and federal approval. **The earliest they could go into effect is Jan. 1, 2026.**

**Holiday pay, posting requirements and certified worker organizations (5200.2000-2050)** were adopted Dec. 9, 2024, and went **into effect Jan. 1, 2025**. These give the board its first sets of rules and allow the board to ensure workers are trained on their rights as statute directs DLI to do [Minn. Stat. § 181.213 subd 1(a).]

# OSHA Workplace Safety Consultation



By invitation from employers, provides free voluntary and confidential workplace safety and health services, with a priority for small businesses.

## MNSTAR highlight: Malco Tools

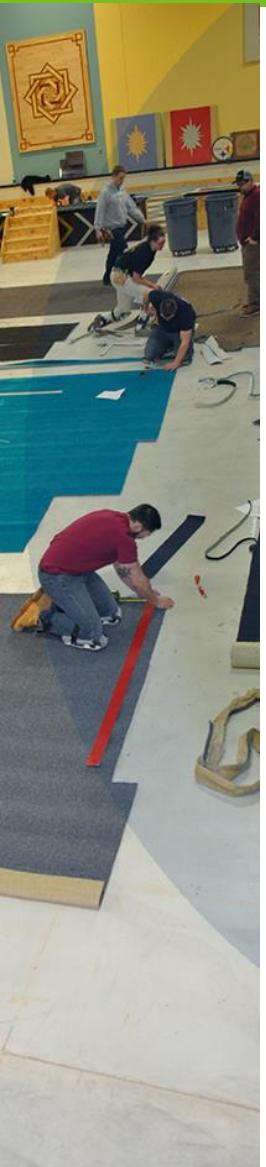
- Employee-owned company in Annandale, MN.
- Manufactures high-performance hand tools for HVAC, remodeling, fence, and installation professionals.
- Uses metal-punching and stamping, grinding, laser cutting and welding equipment.
- Achieved MNSTAR status on May 10, 2024.





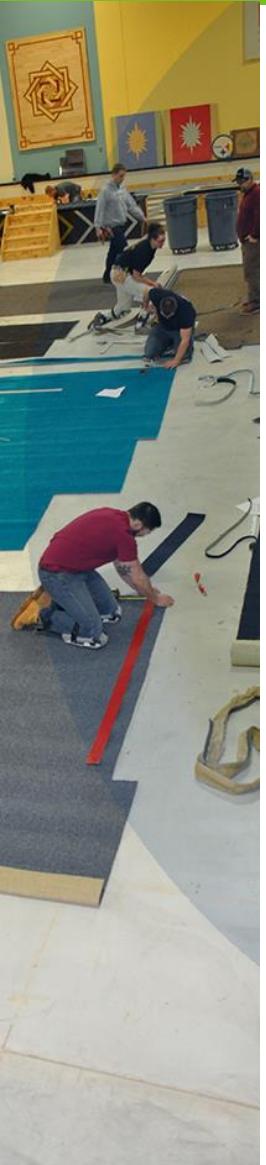
Enforces the Minnesota Occupational Safety and Health (OSHA) Act and standards that assure safe and healthful working conditions for Minnesota workers through:

- helping employers comply with safety and health regulations,
- conducting workplace inspections and investigations,
- providing technical assistance, training and outreach.



- Is the state's apprenticeship authority under the Minnesota Apprenticeship Act and is recognized by the U.S. Department of Labor's Office of Apprenticeship.
- Promotes and facilitates the development of quality registered apprenticeship programs that help employers recruit, train and retain a highly skilled and diverse workforce in Minnesota.
- Conducts compliance reviews to ensure the protection and advancement of apprentices training in their program.
- Works to ensure opportunities through apprenticeship for underrepresented Minnesotans including women, people of color, Indigenous people, veterans and people with disabilities.

# Apprenticeship highlight: Teacher apprenticeships



- Early childhood education apprenticeship program started in August 2023.
- Three teacher registered apprenticeship programs started in August 2024.
- Eighty-four percent of school districts report being impacted by a teacher shortage.
- Teacher registered apprenticeships provide a low-barrier, earn-and-learn pathway to the profession.

## NEWS & POLITICS

### Could this mentoring program be part of the teacher shortage solution?

The Minneapolis, Owatonna and North Branch school systems are part of the new 2-year “Forward Together” program that launched in August with 25 student teachers.

By Anthony Lonetree  
The Minnesota Star Tribune

DECEMBER 28, 2024 AT 9:00AM



Special education teaching apprentice Sofia Jenkins, left, and "journey teacher" Angel Dwyer pose for a portrait in Dwyer's classroom at Justice Page Middle School in Minneapolis on Thursday. (Ayrton Breckenridge/The Minnesota Star Tribune)

# Youth Skills Training

A close-up photograph of a young man with dark hair, wearing a white t-shirt and a blue apron. He is focused on a task involving several orange-colored flexible hoses or tubes. The background is blurred, suggesting a workshop or industrial setting.

Supports the development of partnerships between schools and employers to provide students 16 and older with classroom instruction, safety training and paid work experience in high-growth, high-demand occupations.

Grant money is available for partnerships to create and implement Youth Skills Training programs throughout the state. These locally developed programs are approved, supported and monitored by DLI.

Grant applications are currently open. The current round will close on Feb. 7, 2025.

## Grant recipient Highlights:

- Rounds 1 and 4: Hutchinson Public Schools
- Round 3: SW Metro District 288
- Round 5: ISD 912 Milaca Public Schools
- Recent grant round: Hermantown Community Schools and Moorhead Public Schools

# Dual-Training Pipeline



Supports employers in building their own dual-training programs, strategically combining related instruction with on-the-job training to develop a skilled workforce.

Targets four high-growth industry sectors: advanced manufacturing, agriculture, health care services and information technology.

Brings together leaders from industry to identify, define, create and validate occupational competencies for in-demand careers.

Grant recipient highlights:

- Pike Lake Dental in Hermantown
- American Crystal Sugar in Moorhead
- Lake County Ambulance Services in Two Harbors

# Office of Combative Sports



Ensures Minnesota's combative sporting events are conducted in a manner that minimizes injuries and ensures fair competition.

- Regulates professional boxing and professional and amateur mixed martial arts contests.
- Began regulating Muay Thai and kickboxing beginning Jan. 1, 2024.
- Licenses combatants, corners, officials, promoters and ringside physicians

Thank you