

STATE OF MINNESOTA

DEPARTMENT OF JOBS AND TRAINING

IN THE MATTER OF THE PROPOSED RULES
RELATING TO YOUTH EMPLOYMENT
OPPORTUNITY, MINNESOTA RULES
PARTS 3300.0160 to 3300.0700.

STATEMENT OF NEED
AND REASONABLENESS

INTRODUCTION

These rules are presented by the Department of Jobs and Training (DJT) in accordance with the provisions of the Minnesota Administrative Procedures Act (APA), Minnesota Statutes §§ 14.22 to 14.28. The proposed rules have been developed as required by Minnesota Statutes § 268.33 as amended by Laws 1985, First Special Session, Chapter 14, Article 9 (Omnibus Jobs Act), which require the commissioner to make rules to implement the Youth Employment Opportunity Program.

The proposed rules reflect changes in Minn. Stat. §§ 268.31 to 268.36 as amended by the Omnibus Jobs Act including a change in the name of the department from Economic Security to Jobs and Training. In addition, the Jobs Act amended Minn. Stat. § 268.31 to require that up to ten percent of the allocation be used for support services. The current rule needs to be amended for clarification of and consistency with the new statutory language. In addition, technical changes were made for reasons of simplification and accuracy.

Because the proposed rule will have no effect on small business, section 14.115 of the APA does not apply.

DISCUSSION

3300.0100 DEFINITION OF TERMS

Subpart 3 Commissioner and Subpart 5 Department. The term "Economic Security" in these parts is deleted and replaced with the term "Jobs and Training" to reflect the name change of the department in Minn. Stat. §§ 268.31 to 268.36, as amended by the Jobs Act.

Subpart 9 Support Services. It is necessary to define this term because the amendment to Minn. Stat. § 268.31 (Section 41 of the Jobs Act) mandates that, in addition to establishing a program to employ eligible youth during the summer, available money must be used for job related support services. The definition is reasonable because it is consistent with the definition of support services in Parts 3301.0010 to 3301.0650 [Emergency] which were adopted to implement the majority of the Jobs Act.

3300.0300 ALLOCATION OF FUNDS.

Subpart 1. A technical change is made in items A and B of subpart 1. It is necessary to amend the phrase describing the age of eligible youth from "14 through 21 years of age" to "from the ages of 14 years up to but not including 22 years" to avoid any possible confusion as to whether the maximum age is 21 or 22 years. The change is reasonable because the language chosen is consistent with that found in the statute.

Subpart 1. Item B(2) under subpart 1 is amended by changing the county poverty ratio from proportion of families below the poverty level to percent of children 5-17 years of age living in families below the poverty level. The reason for this change is that since this is a youth program, allocations to counties should be based upon the number of youth in need. Under the old language, many of the families who were counted in determining the county poverty ratio had no children in the family. The proposed language more nearly reflects the incidence of poverty among youth in a particular county. This technical change is reasonable because of the increased accuracy.

The reason for using the age range 5-17 years of age is that the United States Census has a table listing the number of children 5-17 years of age living in families below the poverty line and this table is available for all counties within the State. While it might seem reasonable to use percent of children 14 through 21 years of age (the age range of eligibility in the Act), use of such a database would not be practical since it would involve using methods of interpolation of other U.S. Census tables or using untabulated census data.

The term "1980" is replaced by the term "most recent" simply to avoid having to amend the rule for a date change.

Subpart 1. Item C of subpart 1 is repealed because the method of allocation is adequately described in subpart 1, items A and B. Because the mathematical description of the method of allocation in this subpart is redundant, it is reasonable to delete it. This technical change is necessary to simplify the rule.

3300.0400 CONTRACTING

The language in this part which refers to the method used by the Commissioner to determine contractors is modified. The modification replaces consultation by the Commissioner with Private Industry Councils with consultation by the Commissioner with local service units. This modification is reasonable because it brings the methods of contractor determination in accord with the methodology of contractor determination used in the Jobs Act for other state administered employment programs. In addition, the modification uses terminology consistent with that used in the Act.

3300.0601 SUPPORT SERVICES

The Jobs Act amended Minn. Stat. § 268.31 by mandating that, of the funds allocated for the Youth Employment Opportunity Program, up to ten percent of the allocation be used for support service payments. Because this mandate did not specifically designate the responsible parties, clarification is needed. This rule further refines the law by requiring the contractors, the organizations which employ the youth, to provide support services as defined in Part 3300.0100, but that the cost of services must not exceed ten percent of the contract between the contractor and the local program administrator.

This rule is reasonable because it places the burden of meeting the ten percent cost limitation on the employers rather than on the local program administrators which allows for closer monitoring. The rule implies that once a contractor has accounted for or used ten percent of the contract for support service costs, an eligible youth is not entitled to payment of support services.

This part of the rule merely lists examples of support services rather than setting forth mandatory services. A mandatory list is not reasonable because (1) each eligible youth's need for support services must be determined individually, based on the type of employment, and (2) the eligible youth is not entitled to payment of support services if the employer's costs for services to all youth employed under the Act exceeds the ten percent limitation.