

Minnesota Emergency Employment Development Program

390 North Robert Street
St. Paul, Minnesota 55101

612/297-4566

September 16, 1983

Members of the Legislative
Advisory Commission (LAC)
309 Administration Building
St. Paul, Minnesota 55155

Dear LAC Members:

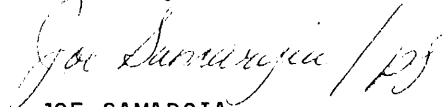
The attached report is provided to you and the Governor as required by the Minnesota Emergency Employment Development (MEED) Act, Section 3, Subdivision 5. Because the program began on July 1, 1983 and was operational on July 29, 1983, the first quarterly report concentrates primarily on steps taken to implement the program in Minnesota. The report does not necessarily follow the other requirements of the law regarding data.

The MEED Act establishes a two-year \$70 million state jobs program intended to create jobs both in the public and private sector. The Act, enacted as Minnesota Laws 1983, Chapter 312, Article 7, Section 1-16, has a sunset provision of June 30, 1985.

On June 24, Joe Samargia was appointed to coordinate the program effective July 1, 1983.

If you have questions about this report or any other aspect of the MEED program implementation, please contact me at 297-4566.

Sincerely,



JOE SAMARGIA
Coordinator

JS:pj

Attachment

— Pursuant to 1983 Laws, ch 312, Art 7 —
— Section 3, subd 5/ —
— mandated quarterly report —

LEGISLATIVE ADVISORY COMMISSION (LAC)
REPORT
PREPARED BY
THE MINNESOTA EMERGENCY EMPLOYMENT DEVELOPMENT PROGRAM

ACCOMPLISHMENTS AS OF SEPTEMBER 16, 1983

Following are statements about the implementation of the Minnesota Emergency Employment Development (MEED) Program in accordance with the Act:

1. Enrollment Performance. As of September 16, 1983, 13,361 applicants were eligible for MEED, 1000 are enrolled. Their status is as follows:

Working in the Private Sector	<u>220</u>
Working in the Public Sector	<u>754</u>
Other Program Status	<u>26</u>

We receive weekly progress reports and will provide updates as they develop.

2. MEED Rules & Public Hearing. Article 7, MEED Rules, are the responsibility of the Commissioner of the Department of Economic Security. On July 5, 1983, proposed rules for implementing MEED were sent to interested people for comments by or before the Rules public hearing, which was held on July 14, 1983. After consideration of all written and oral comments, the Department of Economic Security issued the final rules on July 22, 1983. (Attachment 1)
3. Service Delivery Area/Employment Administrator Designation. Joe Samargia (Coordinator) and Fred Matson (Deputy Coordinator) met with several key people, agencies and organizations prior to Samargia designating seventeen Employment Administrators. Governor Perpich and Joe Samargia then named the Employment Administrators on July 29, 1983 with allocations for the Service Delivery Areas as listed on Attachment 2.
4. Formula Allocations to Service Delivery Areas (SDA). Each SDA received that proportion of the funds available, which equals the number of unemployed persons in the SDA divided by the total number of unemployed persons in the State for the 12-month period ending March 31, 1983.
5. Employment Administrator Grants. All grants are in place effective August 15, 1983. On August 3, we received a pre-grant encumbrance authorization from the Commissioner of Finance (Gus Donhowe). We pursued this authorization with the Finance Commissioner in order to speed up program implementation. This authorization allows pre-grant encumbrance of costs to July 29, 1983 to ensure early and effective implementation of MEED. This approval was based on the necessity of implementing the program and providing jobs at the earliest possible times, recognizing the length of time it takes to complete the formal processing of the grant contracts. All 17 of the MEED Employment Administrator contracts have been approved and executed by appropriated parties. All Employment Administrators have received their first month's cash advance for administering the MEED program.

6. Goals and Objectives. We have established program goals and objectives which are consistent with the MEED Act. (Attachment 3)
7. Operating Guidelines. The MEED Law, Rules and Administrative Policy are the guidelines being used to administer the MEED Act. Employment Administrators are fully accountable for operation of the program in their area under contract with our office.
8. Reporting Requirements. We have established monthly reporting requirements which meet the minimal expectations of reports to the LAC and Governor. They also include information we need to manage the grants and other information we anticipate will be wanted later. (Attachment 4)
9. Inventory of Community Needs & Emergency Employment Development Plan. This item is part of the Employment Administrator Grant. Each Employment Administrator prepared this document and provided a summary of their plans to implement the MEED program locally. Each report meets the program's minimum requirements as set forth in the instructions contained in the grant agreement packet. It was virtually impossible to meet the statutory requirements of having an Inventory of Community Needs 30 days after the Coordinator was appointed. We delegated that responsibility to the Employment Administrators and they addressed the matter locally in this document.
10. MEED Task Force. As required by Law, the MEED Task Force has been named to advise the coordinator in the administration of the program. The Task Force consist of Barbara Beerhalter, Commissioner, Department of Economic Security; Mark Dayton, Commissioner, Department of Energy & Economic Development; Steeve Keefe, Commissioner, Department of Labor & Industry; Leonard Levine, Commissioner, Department of Public Welfare; Jeff Farmer, Labor Coordinator, AFL-CIO; Paula Mannillo, Business Consultant, Growth Ventures; Mike Gunderson, Employment and Training Director, Arrowhead Economic Opportunity Agency; and Patrick McFarland, Executive Director/Chief Operating Officer, Anoka County Community Action Program, Inc. (Attachment 5)
11. Day Care Services. Information on available day care services has been provided to the Employment Administrators as required.
12. Applicant Outreach. Each Employment Administrator is responsible for local outreach and identification of applicants for MEED. Additionally, we have an applicant poster available for statewide use.
13. Private Sector Marketing. This may be the key to program success. In addition to developing a strong working relationship with the Department of Economic Development and to personally talk with any employer upon request, we are doing the following:
 - a) Private Sector Marketing Plan. Each Employment Administrator prepared a private sector marketing plan/statement as part of their program plan.
 - b) Employer Brochure. This brochure is designed to provide the private sector employer with an explanation of the benefits of this program. It will be used by each Employment Administrator.

- c) Radio & TV spots. These spots are used to recommend and encourage private sector employers to participate in the MEED program.
 - d) Targeted Jobs Tax Credit (TJTC). The Department of Labor Regional and National Office has confirmed to the Department of Economic Security that private sector employers under MEED are also eligible for a TJTC tax credit. The employer can only take the credit for the amount paid from his/her own resources. Private sector employers may benefit considerably from this MEED-TJTC leveraging or resources.
14. Economic Development/Economic Security MEED Staff Liaison. Valerie Jerich, (Special Assistant to Commissioner Mark Dayton), 297-3712, has been appointed staff liaison between the Department of Economic Development/Economic Security/MEED. The purpose of this position is to increase the opportunity to leverage all resources available to meet an applicant and employer needs.
15. Article 8 Coordination. A meeting was held on September 7 with Employment Administrators, Department of Public Welfare and the Department of Economic Security to discuss Article 8 provisions, and to ensure coordination and cooperation of the departments/agencies involved. Roles and responsibilities between all parties have been worked out.
16. Employment Administrator Operations Meeting. We held our first Employment Administrator meeting on August 16, 1983 to discuss concerns relating to MEED's implementation. A subsequent meeting was held on September 7, 1983. We intend to continue frequent meetings during implementation.

STATE OF MINNESOTA
DEPARTMENT OF ECONOMIC SECURITY

In the Matter of the Adoption
of Rules of the Department of
Economic Security governing
the Minnesota Emergency
Employment Development Act

ORDER ADOPTING RULES

The Department was authorized by the Laws of 1983, Chapter 312, Section 3, Subdivision 6 to adopt rules for the Minnesota Emergency Employment Development Act. The same section of the law exempted the Department from the provisions of the Minnesota Administrative Procedure Act, Chapter 14 of the Minnesota Statutes.

The Department mailed a notice of a public hearing on its proposed rules and published the notice in the State Register on July 11, 1983. (8 S.R. 66).

The Department received written comments and heard from all who wished to comment at the public hearing. The Department has duly weighed the comments of interested citizens and made certain changes to the rules in light of those comments.

NOW, THEREFORE, IT IS ORDERED that the attached rules, identified as Minnesota Emergency Employment Development Act Rules, are finally adopted this 22 day of July, 1983, pursuant

to the authority vested in me by the Laws of the State of
Minnesota, Chapter 312, Section 3, Subdivision 6; and

IT IS FURTHER ORDERED that these rules are effective
on the date of this order.

DEPARTMENT OF ECONOMIC SECURITY

A handwritten signature in cursive script that reads "Barbara Beerhalter". The signature is written in dark ink and is positioned above a horizontal line.

Barbara Beerhalter
Commissioner

July 22, 1983

Minnesota Emergency Employment Development Act
Rules

A. Purpose. These rules established by the Commissioner of Economic Security pursuant to Minnesota Statute § 268.64 Subdivision 6 are to clarify and reflect interpretation of the Minnesota Emergency Employment Development Act (MEED) authorized by Minnesota Statute § 268.60 to 268.77.

B. Definition of Terms. The following terms used in these rules shall have the meanings given them.

1. "Unemployed" as used in Minnesota Statute §268.62 Subdivision 6 means a person who is neither employed nor self-employed and is available for substantially full time employment, unless participating in a job training program.

2. "Income Source" as used in Minnesota Statute §268.67 Subdivision 1, (1) includes, but is not limited to, gross wages or salaries before deductions; net self-employment income (gross receipts minus operating expenses); rents; social security benefits; old age and survivors benefits; SSI; veteran's benefits; pensions; alimony; child support; AFDC payments; MEED wages or wage subsidies; periodic income from insurance annuities; interest or dividend income from investment or savings accounts; unemployment insurance benefits including Federal Supplemental Compensation (FSC); Extended Benefits (EB); payments from the Railroad Retirement Board; and workers' compensation payments.

3. "Supplies and Materials" as used in Minnesota Statute §268.68 (f) and 268.69 Subdivision 8 means usual consumable supplies and materials and does not include items ordinarily classified as equipment and capital items having a life expectancy of one year or more.

4. "Good Cause" as used in Minnesota Statute §268.72 Subdivision 3 in determining business paybacks means a reasonable, common sense decision by the employer that the employee fails or refuses to comply with usual and applicable work rules or to attain performance standards. A voluntary termination by the employee shall be treated the same as a good cause dismissal for the purposes of Minnesota Statute §268.72 Subdivision 3.

C. Eligibility and Priority.

1. Designated employment administrators shall use existing effective employment and training systems already in place to determine applicant eligibility in accordance with Minnesota Statute § 268.62 through 268.67 to avoid duplication of effort.

2. Job applicant eligibility determinations shall be based upon the criteria set forth in Minnesota Statute §268.60 Subdivision 6 and shall be the responsibility of the employment administrator. Preliminary determinations may be made on the basis of a mail application if appropriate.

3. Minnesota Statute §268.67 Subdivision 1 identifies two priorities among eligible job applicants. Employment administrators shall consider these equally.

Placement within these priorities should reasonably reflect the proportion each group represents of the total eligible for participation in the program in the jurisdiction served by the employment administrator.

4. Priorities in addition to those described in the Act may be established only by written justification of the employment administrator and approval by the MEED Coordinator.

D. Use of Funds.

1. With respect to Minnesota Statute §268.68 clause (c).

a. Funds shall be planned and available to provide child care services for eligible applicants.

b. Child care services provided or subsidized shall be supplied by licensed day care facilities or those exempted by the Public Welfare Licensing Act.

c. Employment administrators shall utilize existing resources from other programs (e.g. welfare or WIN) before authorizing expenditure of MEED funds for child care.

d. Employment administrators shall make the availability of child care resources known to eligible applicants and provide information and referral services.

2. The employment goal of limiting no more than sixty percent (60%) of funds for jobs with eligible government and nonprofit agencies shall not be exceeded without written approval of the MEED Coordinator. Requests to waive this goal shall be initiated by the employment administrator and consist of a written justification outlining the efforts made to comply and the reasons the goal is considered unattainable. Deviations from this goal must be authorized by the MEED Coordinator.

3. Eligible business employers (private sector) shall notify the employment administrator with whom they contracted of the termination of employment of any eligible job applicant not later than 10 working days after the date of employment termination.

4. Repayment of funds received for employment of eligible job applicants as authorized by Minnesota Statute §268.72 Subdivision 3 shall be negotiated by the employment administrator within the following guidelines:

a. The "proportional reduction" in the amount that must be repaid for employment of less than one year following the six-month subsidized period shall be 5.9% of the amount received for each of the first 11 months and 5.1% for the 12th month. Employment for more than 10 working days in a month will count as a full month for computation purposes. The employer may elect to repay at an accelerated rate or in a lump sum.

b. The employment administrator shall require that repayment commence no later than 60 calendar days after either the termination of employment or the determination by the employment administrator or designee that good cause does not exist.

c. The repayment schedule shall not ordinarily exceed one year. Small repayments should be for a shorter period. The repayment schedule may be extended in extenuating circumstances with the approval of the MEED Coordinator.

E. Employment Conditions.

1. No eligible job applicant shall be disqualified from eligibility for participation in the program for refusing to join a labor union as a condition of employment.

2. No eligible job applicant shall be referred to, placed, or remain on a job affected by a labor dispute involving a work stoppage.

3. In no event shall provisions of a collective bargaining agreement or state or federal law be violated when referring or placing eligible job applicants.

4. The employment administrator shall obtain assurance from the eligible employer that concurrence with respect to job duties of persons employed under the Act has been obtained from the appropriate collective bargaining agents.

F. Program Administration.

1. Employment administrators and eligible employers shall maintain records necessary for reporting activities, monitoring of activities and possible audit in accordance with state and federal laws but in no case less than three (3) years after the date of the last action affecting them under the terms of the Act.

2. These rules are binding on any contracts negotiated under the provisions of the Act Minnesota Statute §§268.60 to 268.77.

Minnesota Emergency Employment Development Program

390 North Robert Street
St. Paul, Minnesota 55101

612/297-4566

SERVICE DELIVERY AREA	ALLOCATION	EMPLOYMENT ADMINISTRATOR	CONTACT PERSON PERSON
Region 1	\$1,566,359	Dept. of Economic Security	David Maday 612/762-2131
Region 3 less Duluth	8,107,221	Arrowhead Economic Opportunity Agency	Vincent Gentilini 218/749-2912
Duluth	1,583,874	City of Duluth	Eva Lacey 218/723-3419
Regions 2,4 & 5	6,570,053	Rural Minnesota Concentrated Employment Program, Inc.	Larry Buboltz 218/847-9205
Regions 6E, 7E & 7W	6,995,213	Dept. of Economic Security	Dale Heimermann 612/255-3266
Regions 6W&8	2,512,837	Dept. of Economic Security	Eldon Kirgiss 612/255-4262
Region 9	3,239,866	Dept. of Economic Security	George Chase 507/389-6723
Region 10	5,658,948	Dept. of Economic Security	Mary Brunkow 507/457-5470
Minneapolis	4,999,917	City of Minneapolis	Donna Harris 612/348-4383
Hennepin less Mpls.	6,918,615	Hennepin County	Bill Brumfield 612/348-4139
Carver	528,941	Carver County	Theresa Erickson 612/448-3435
Scott	725,301	Scott County	Michael Lorinser 612/445-7750
St. Paul	3,781,103	City of St. Paul	Richard Thorpe 612/298-4904
Ramsey less St. Paul	2,251,510	Ramsey County	Chris Larsen 612/770-8900
Anoka	2,873,074	Anoka County	Jerry Vitzthum 612/571-8500
Dakota	2,635,070	Dakota County	Percy Zachary 612/437-1921
Washington	<u>1,422,098</u>	Washington County	Fred Feuerpheil 612/439-3220
	<u>\$62,370,000</u>		

Minnesota Emergency Employment Development (MEED) Program

Goals and Objectives

Introduction

The Minnesota Emergency Employment Development Program (MEED) is Minnesota's response to a severe unemployment problem. It is intended to fill a federal policy gap.

The public jobs portion of the Act is intended to put people to work. It is not job training and it is not welfare. It is expected to appear at least in part like the WPA jobs of the 1930's.

The private sector portion of this Act is intended to create new jobs.

Goals

The broad general aims of the MEED program are described in the Act and are summarized as follows:

- a. Get people working in public and private sector jobs.
- b. Allow eligible households to maintain a decent level of subsistence.

- c. Provide an opportunity for businesses to grow in return for providing jobs.
- d. Provide needed public services and permanent public improvements otherwise not available.
- e. To accomplish the intent of the Act with minimal administration; to keep the program simple, yet effective.

Objectives

The Act specifies and quantifies some objectives. The specific targets (objectives) to be reached on the way toward achieving the stated goals are as follows:

- a. 40% or more of funds allocated to eligible employers by an employment administrator shall be for private sector jobs.
- b. At least 75% of the total appropriation is to be spent for participant wages only.
- c. Local administrative costs should be 4½% or less of all appropriated funds.
- d. No more than 1% of funds allocated to employment administrators will be used to purchase supplies and materials for projects creating permanent improvements to public property.

- e. An amount not to exceed 1% of funds appropriated may be used for state level administration of the program.

Additional objectives which are established to encourage program success are as follows:

- a. 50% of all participants will be female.
- b. 90% of the participants who are employed in the private sector with state subsidy and who also complete the employer subsidy contract will continue to be employed with the same employer after state subsidy ends.
- c. 90% of the participants who are employed in the private sector with state subsidy, who complete the employer subsidy contract, who continue to be employed after state subsidy ends, will continue to be employed with the same employer 60 days after state subsidy ends.
- d. 40% of all participants will enter unsubsidized employment upon leaving the program. This objective is set to promote job search type activity.
- e. The program will serve 12,500 persons; at least 4000 by November 1, 1983.

Minnesota Emergency Employment Development Program

Reporting Requirements

Each employment administrator shall submit a monthly report to the MEED coordinator by the tenth working day of the month following.

Each report shall contain, as a minimum cumulative program totals for the following:

- a. The number of employers in the following employer groups: state government, private sector, and other non-private sector.
- b. The amount of program money spent for wages and fringe by employer group.
- c. The amount of program money spent for expenses other than wages, fringe and administration: child-care, workers compensation, staff services, supplies, materials and job search.
- d. The amount of program money spent for administrative expenses.
- e. The number of participants who leave the program and their reason for termination and program completion: employed, unsubsidized, full-time education, enter other training programs, not available to work, reached a program maximum, other.

- f. A 60 day follow up status of participants who are employed unsubsidized at termination. This report item will be completed for two groups: "private sector unsubsidized employed following state private sector subsidy", and "other unsubsidized employed". Status categories shall be, as a minimum: employed, in school, or unemployed.
- g. Applicants and participant Information (Cumulative)

Applicant Information

1. Total applicants to date
2. Total eligible applicants
3. Household without other income
4. GA eligible
5. Female

Participant Information

1. Household without other income
2. GA eligible
3. Other eligible
4. Female
5. Through 21
6. 22 through 44
7. 45 and over
8. Black

9. Hispanic
10. American Indian
11. Asian/Pacific Islanders
12. Veteran
13. Required day care assistance
14. Total enrolled to date

Each report shall also contain, as a minimum, end of month on-board totals for following:

- a. Number of participants
- b. Number of participants in the public job portion
- c. Number of participants in the private jobs portion
- d. Number of participants in some other status

The monthly invoice will serve other financial reporting needs. Your budget (spending plan) items are: administration, participant fringe, wages, supplies and materials, staff services, and child care. The monthly financial status report (report to be provided later) will require reporting on the same items.

Minnesota Emergency Employment Development (MEED) Program
 Applicant/Participant Information (Cumulative)
 through _____ (month/year)
 for _____ (grantee)

Applicant Information

- | | |
|-------------------------------------|----------------------|
| a. Total Applicants to Date _____ | d. GA Eligible _____ |
| b. Total Eligible Applicants _____ | e. Female _____ |
| c. Household w/o other income _____ | |

Participant Information

- | | |
|-------------------------------------|------------------------------------|
| a. Household w/o other income _____ | g. 45 and Over _____ |
| b. GA eligible _____ | h. Black _____ |
| c. Other eligible _____ | i. Hispanic _____ |
| d. Female _____ | j. American Indian _____ |
| e. Through 21 _____ | k. Asian/Pacific Islanders _____ |
| f. 22 through 44 _____ | l. Veteran _____ |
| | m. Required Day Care Assist. _____ |
| | n. Total enrolled to date _____ |

Reason for Termination

- | | |
|----------------------------------|------------------------------------|
| a. Employed Unsubsidized _____ | e. Reached a Program Maximum _____ |
| b. Full Time Education _____ | f. Other Reason _____ |
| c. Enter Other Trng. Prog. _____ | g. Total leaving Program _____ |
| d. Not Available for Work _____ | |

60-Day Follow-up Status For Employed Unsubsidized

- a. Number receiving follow-up _____
- b. Number Private Sector/State Subsidy _____
- | | |
|---------------------|----------------|
| 1. employed _____ | 4. other _____ |
| 2. in school _____ | |
| 3. unemployed _____ | |
- c. No. of Other Unsubsidized Employed _____
- | |
|---------------------|
| 1. employed _____ |
| 2. in school _____ |
| 3. unemployed _____ |

NEWS RELEASE

Minnesota Department of Economic Security

390 North Robert Street, St. Paul, Minnesota 55101 612/296-2536

September 15, 1983

FOR IMMEDIATE RELEASE

Public Information and Education
Rick Naymark
612/296-2536

State jobs program task force appointed

A nine-member task force has been appointed as an advisory group for Minnesota's \$70 million jobs program.

The appointments were announced today by Minnesota Emergency Employment Development (NEED) program coordinator Joe Samargia. Task force members will serve for the duration of the two-year program, which began July 1.

Samargia, who will chair the group, said the task force members are:

- Barbara Beerhalter, commissioner, Department of Economic Security;
- Mark Dayton, commissioner, Department of Energy and Economic Development;
- Steve Keefe, commissioner, Department of Labor and Industry;
- Len Levine, commissioner, Department of Public Welfare;
- Jeff Farmer, Minnesota AFL/CIO labor coordinator (175 Aurora, St. Paul, MN 55103 612/227-7647), who will represent labor interests;
- Patrick McFarland, executive director/chief operating officer, Anoka County Community Action Program, Inc. (7150 East River Road, Fridley, MN 55432 612/572-0060), who will represent non-profit employers;
- Paula Mannillo, co-owner, Northland Lodge, Leech Lake, and business consultant for Growth Ventures, Inc. (4 Crocus Hill, St. Paul, MN 55102 612/292-0199 and 224-9337), who will represent the business sector;
- Michael Gunderson, employment and training director, Arrowhead Economic Opportunity Agency (621 Jones St., Eveleth, MN 55734 218/749-2912), who will represent NEED employment administrators.

The NEED legislation states that Samargia and the four department heads will serve on the task force and required Samargia to appoint the remaining members.

The NEED program, enacted by the 1983 Legislature to provide approximately 12,500 jobs over the next two years, subsidizes a worker's wages for up to \$4 an hour for up to six months.

Samargia said that to date 690 persons have been hired by private and public sector employers under the program. "Our objective is to have 4,000 Minnesotans employed by November 1," he said. "In the weeks ahead, we expect an acceleration in the number of workers coming on board the program."