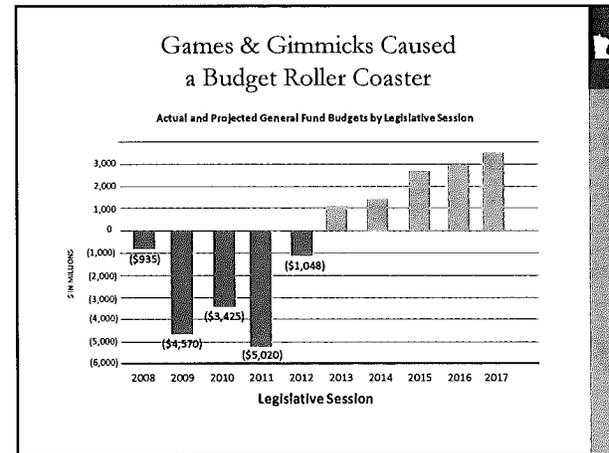
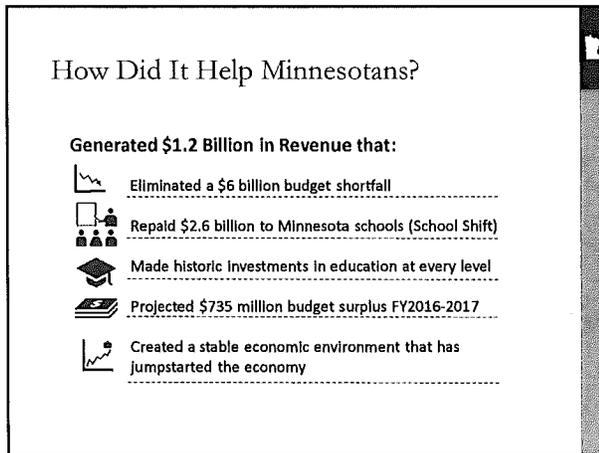
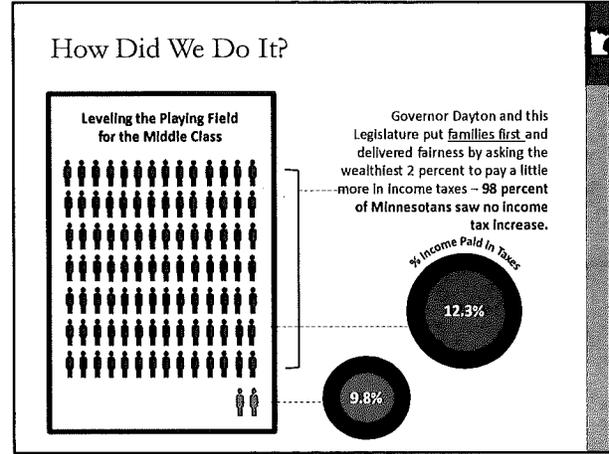
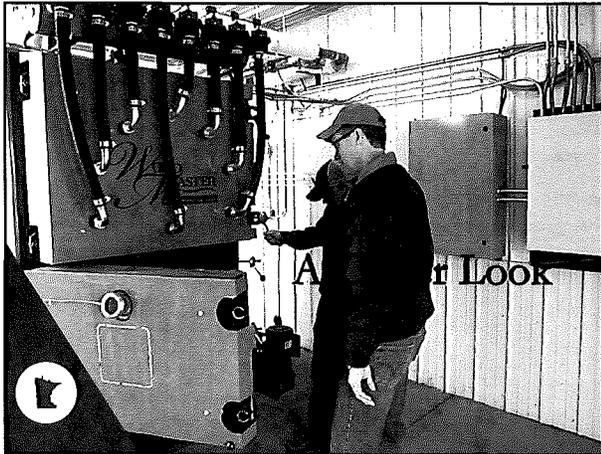




A New Approach:  
*A Fair and Balanced Budget  
 That Invests in the Middle Class*





### Jumpstarting Our Economy

Since 2011, Minnesota has added **122,200 new jobs**

**AND over 200 business expansions**

### Investments in our Competitiveness

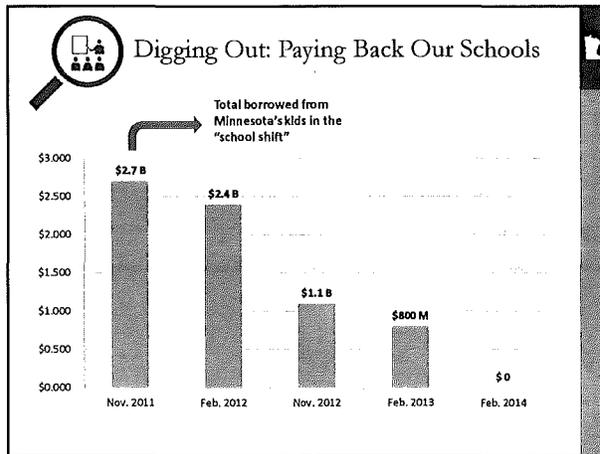
- Minnesota Investment Fund - \$30m
- Minnesota Job Creation Fund - \$24m
- Minnesota Global Competitiveness Initiative - \$1.5m
- Community Redevelopment - \$6m
- Adult Workforce Competitive Grant Program - \$3.3m
- Youth Workforce Competitive Grant Program - \$5.7m
- Minnesota FastTRAC Adult Career Pathways - \$3m

### More Jobs on the Way

- DESTINATION MEDICAL CENTER** - Rochester - 37,000 Jobs Created
- MALL OF AMERICA** - Bloomington - Will Attract over 20 million visitors a year
- PEOPLE'S STADIUM** - Minneapolis - Supports 13,000 Jobs
- SHUTTLEFLY** - Shakopee - 1,000 Jobs Created
- 3M** - Maplewood - Supports 13,000 Jobs
- EMERSON** - Shakopee - 400 Jobs Created
- BAXTER PHARMACEUTICAL** - Brooklyn Park - 200 Jobs Created

### Moving Minnesota's Economy Forward

- MN economy grew 5<sup>th</sup> fastest in 2012**  
-U.S. Dept. of Commerce
- MN ranks 1<sup>st</sup> in Fortune 500 Headquarters per capita in 2013**  
-Fortune 500 2013
- MN ranked 8<sup>th</sup> in best states for business in 2013**  
-Forbes 2013
- MN ranked 2<sup>nd</sup> most competitive workforce in 2011**  
-Beacon Hill Institute



### Where We Are: E-12 Education

**Where We Lead the Way**

92% of Minnesotans have graduated from high school. (2<sup>nd</sup> in Nation!)

**Where We Must Improve**

Minnesota's achievement gap in 8<sup>th</sup> grade reading and math is higher than the national average.

**HOW WE ARE GETTING STARTED**

>> Invested \$606 million for Minnesota schools (All-Day K, Early Learning Scholarships, LGA, Special Ed Reform)

### Where We Are: Higher Education

**Where We Are On Track**

MN ranks 11<sup>th</sup> in percent of population with BA or higher.

**Where We Must Do Better**

Nearly a third of Minnesotans have at least a 4-year degree.

Minnesota Students Graduate with an Average \$29,000 In Debt

**HOW WE ARE GETTING STARTED**

>> Invested \$250 million for Higher Ed, Financial Aid and Tuition Freeze

## Educating a World-Class Workforce

Jobs and investment follow talent. Minnesota has historically had one of the best educated and most innovative workforces. That starts with ensuring Minnesota Kids and their families have access to a world-class education. Governor Dayton and this Legislature has:



Made all-day kindergarten a reality for every Minnesota child – saving families \$2,500 a year.



Provided \$606 million to E-12 schools to make sure communities have the tools they need to keep class sizes small, lower property taxes, and ensure every Minnesota gets a world-class education that prepares them to compete in a 21st century economy.



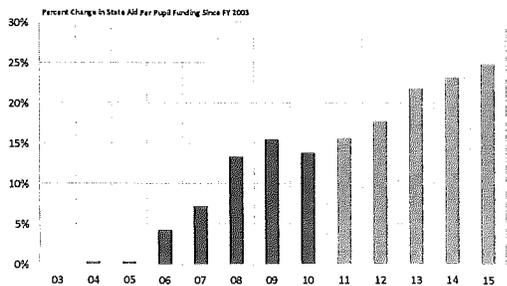
Invested in early learning to narrow the achievement gap, lay the foundation for success, and deliver a 16:1 return on investment for taxpayers.



Delivered the largest financial aid increase in a generation that will help 100,000 students and middle-class families pay for college and froze tuition at state colleges and universities.



## Moving Minnesota Schools Forward: Investing Every Year – No Excuses, No Exceptions



## Reforming Government Through Smart Improvements



**LEAN CONTINUOUS IMPROVEMENT** – Efforts to streamline government operations over the last two years have saved taxpayers an estimated \$12 million.



**REFORM 2020** – Smart reforms that change how we pay for long-term care services. Providing Minnesotans coordinated, preventive, in-home care to seniors and persons with disabilities that will help avoid costly nursing care and save an estimated \$151 million.



**IT CONSOLIDATION** – In 2011 streamlined the state's IT systems and consolidated resources. These efforts have saved taxpayers \$19.5 million and counting and have made Minnesota a national leader in public sector IT consolidation.

### Strengthening Health Care Through Reform

**MN has the #1 health care system.**

*-U.S. Agency for Health Care Quality and Research 2012*

**MN ranks 5<sup>th</sup> in overall health among states**

*-America's Health Rankings 2012*

**HOW WE ARE GETTING STARTED**

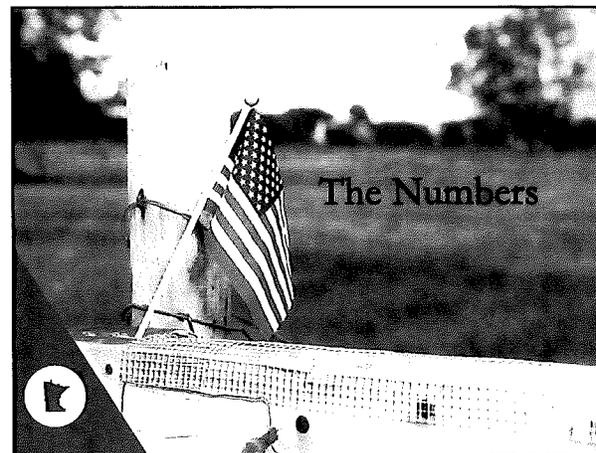
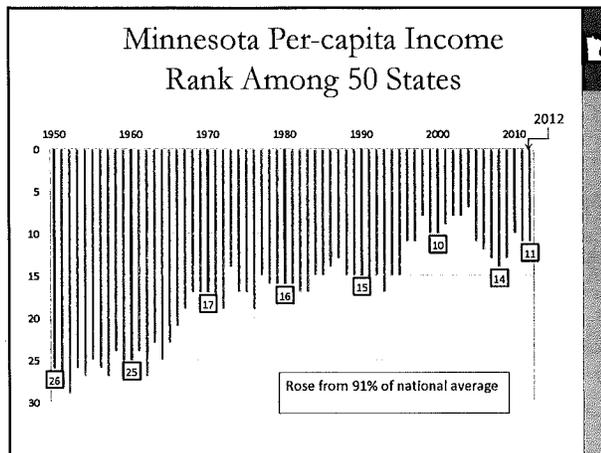
- Enacted MNsure to provide health care access to over 1 million Minnesotans and save consumers and estimated \$1 billion by 2016
- Expanded coverage to 400,000 uninsured Minnesotans which will lower insurance premiums for all Minnesotans and save taxpayers hundreds of millions of dollars

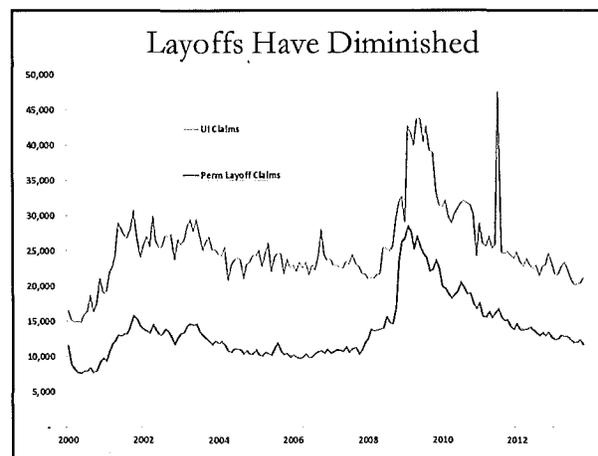
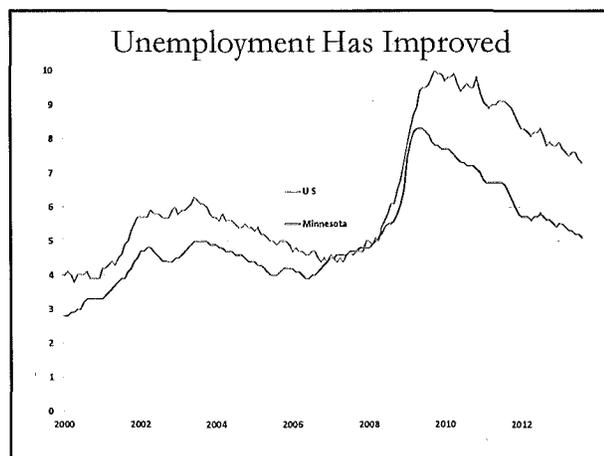
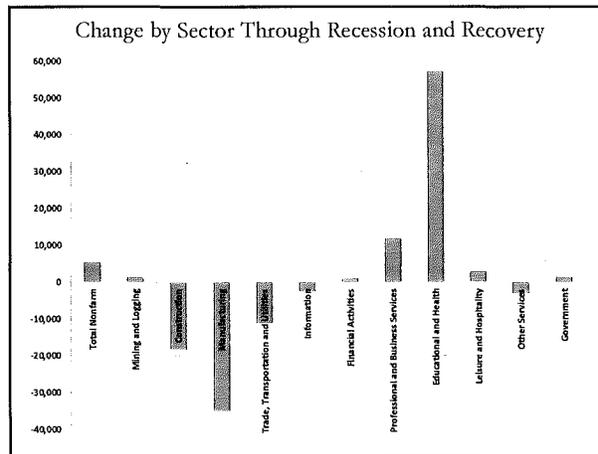
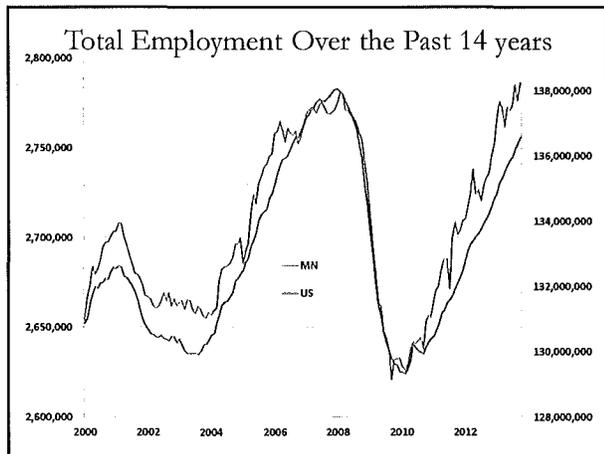
### We're on the Right Track

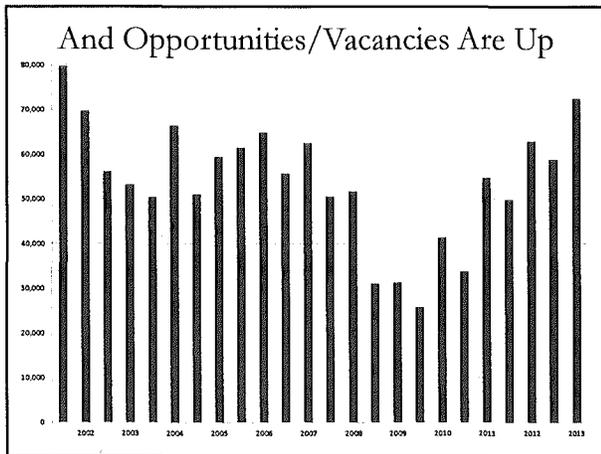
"The February 2013 Economic Forecast shows that Minnesota's economy continues to outperform the national economy, thanks to an improving labor market that results in higher-than-expected state revenue collections."

*- MN Budget Project*





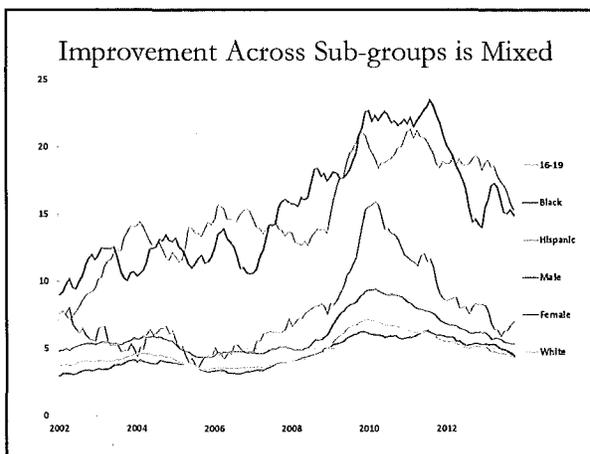
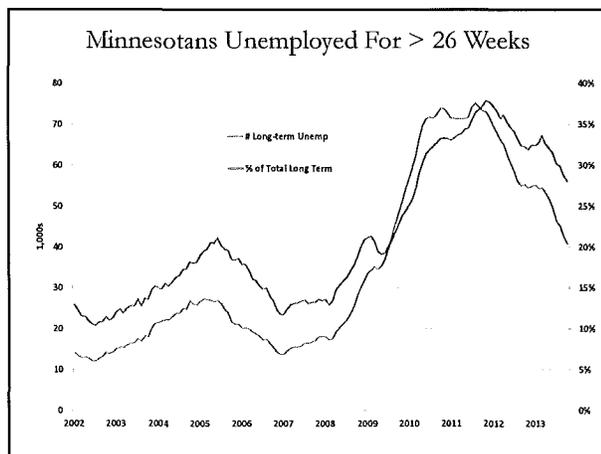


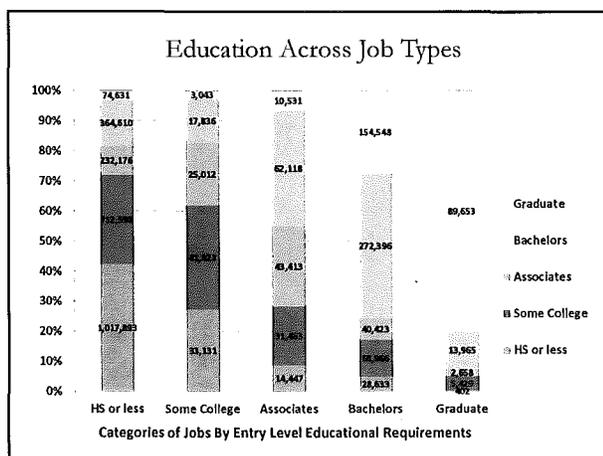
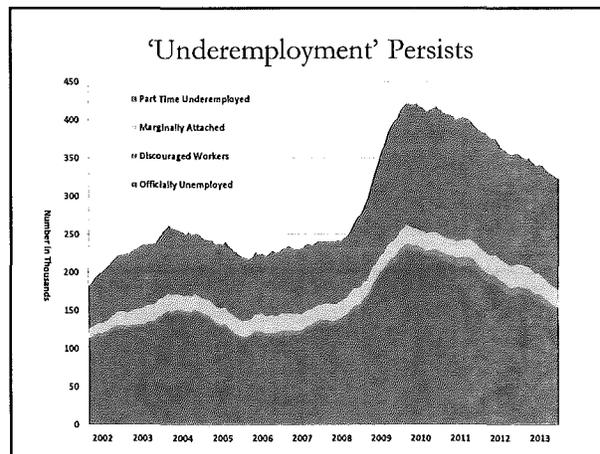
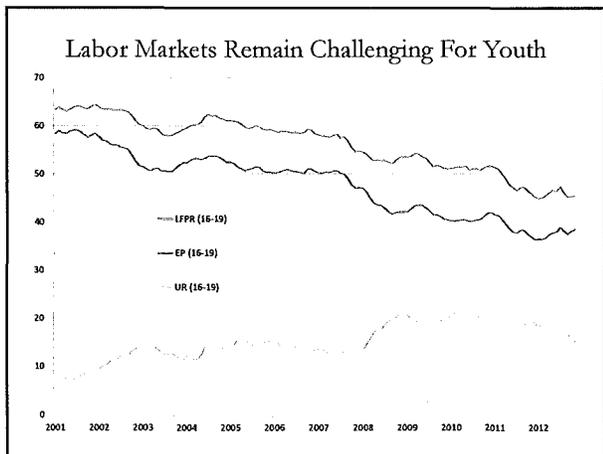


So Employment, Unemployment, Vacancies and Layoffs Are At (Or Near) Pre-Recessionary Levels

But Top-Level Numbers Conceal Some Persistent Underlying Concerns

- Long Term Unemployment Persist
- Demographic Disparities
- Substantial Underemployment





### Half of MN's Workforce is Underemployed

	Number	Share
Properly educated/employed	1,465,278	43.6%
Over-educated/Under-employed	1,657,103	49.3%
Under-educated	239,517	7.1%
<b>Total</b>	<b>3,361,898</b>	<b>100.0%</b>

In Review ....

- By many measures our labor markets have fully recovered from the 'Great Recession'
- But some groups continue to face extreme challenges, including (but not limited to) the long term unemployed, youth, racial minorities and many with post-secondary education.
- Regaining a 'full' utilization of our labor resources and human capital will take much longer than returning to pre-recessionary levels of employment and unemployment.

