

STATE OF MINNESOTA L'Étoile du Nord

Office of Governor Mark Dayton & Lt. Governor Tina Smith

Jobs! Jobs! Jobs!

An Opportunity Agenda for a Better Minnesota



Governor Mark Dayton 🥏



#MNSOTS



During his <u>State of the State Address</u>, Governor Mark Dayton noted the progress Minnesota has made to add new jobs over the last six years, and discussed the economic challenges still facing many Minnesota families. While we have made important progress, there is still more work to do to create better economic opportunity for all Minnesotans, everywhere in Minnesota. That is why Governor Dayton's <u>Opportunity Agenda for a</u> <u>Better Minnesota</u> would make additional investments in economic development, better infrastructure, and support for businesses to create more jobs for Minnesotans. <u>CLICK HERE</u> to learn more.

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Minnesota is Doing Much Better Than It Was Before

When Governor Dayton took office in January 2011, over 202,000 Minnesotans were out of work, and unemployment was at 6.9 percent. Since then, Minnesota's employers have added over 255,400 jobs, and the statewide unemployment rate has been at or below 4 percent for 30 straight months. Take a look at the progress Minnesota has made:

Economic Indicator	January 2011	January 2017
Jobs	When Governor Dayton took office, 202,000 Minnesotans were out of work.	Minnesota has gained 255,400 new jobs since January 2011.
Unemployment Rate	When Governor Dayton took office, the unemployment rate in Minnesota was 6.9 percent.	In Dec. 2016, the statewide unemployment rate was 3.9 percent. Unemployment has been at or below 4 percent for 30 straight months .
Budget	When Governor Dayton took office, Minnesota was facing a \$6.2 billion budget deficit.	Now, Minnesota has a \$1.4 billion budget surplus and over \$1.5 billion in reserves to protect Minnesota from future economic downturns.

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Minnesota Has To Do Even Better

Despite the progress Minnesota has made to create new jobs and better opportunity, too many Minnesotans are still being left behind – and they do not feel like they are being heard by people in power. Hard-working families, farmers facing declining commodity prices, miners on the Iron Range, and people of color in our communities are still struggling.

That is why Governor Dayton's Opportunity Agenda for a Better Minnesota would make needed investments in job creation, better infrastructure, and business growth statewide. It would cut red tape for businesses and put more money in the pockets of hard-working, middle class Minnesotans. The Governor's proposed investments include:

- Jobs Bill: Investments in Critical Infrastructure
- <u>Better Transportation Systems</u>
- Workforce Training and Worker Protections
- Business Growth and Job Creation
- Equitable Opportunity for All Minnesotans
- <u>Cutting Red Tape to Make Business Easier</u>
- More Money in the Pockets of the Middle Class

More information about these proposed investments in a better economy is included below.

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Jobs Bill: Investments in Critical Infrastructure

With \$3 billion in bonding capacity, \$3.7 billion in project requests from across Minnesota, and a AAA bond rating, now is the time to invest in Minnesota's infrastructure. That is why Governor Mark Dayton has proposed a \$1.5 billion Jobs Bill that would create an estimated 22,900 jobs, and make critical improvements in Minnesota's infrastructure, including local bridges, clean water infrastructure, parks and trails, community assets, and more.

QUICK LINKS

READ MORE about Governor Dayton's Jobs Bill proposal. [Link]

GET THE FACTS about Governor Dayton's Jobs Bill proposal. [Link]

SEE THE LIST of projects included in Governor Dayton's Jobs Bill proposal. [Link]

VIEW THE LIST BY COUNTY, noting which projects are included statewide. [Link]

TAKE A LOOK at this interactive map, showing where projects are located. [Link]

<u>SHARE</u> the news about Governor Dayton's Jobs Bill on Twitter. [<u>Link</u>]

LIKE Governor Dayton's Jobs Bill on Facebook. [Link]

WHAT YOU NEED TO KNOW

\$3 Billion – Thanks to the Dayton Administration's sound fiscal management over the last six years, the State of Minnesota has a AAA bond rating and over \$3 billion in available bonding capacity for 2017-2018.

\$1.5 Billion – The Jobs Bill would invest \$1.5 billion in infrastructure projects statewide. It is well-within the state's bonding capacity, protecting Minnesota's financial standing and making critical investments in our state's future.

\$600 Million – The Governor's Jobs Bill is designed to make state resources go farther, by leveraging an estimated \$600 million in private, local, and federal investment in Minnesota's infrastructure.

240 Projects – The Governor's Jobs Bill includes 240 infrastructure projects across the state. It balances the needs of the entire state, with 35 percent of projects in Greater Minnesota, 30 percent in the Twin Cities Area, and 35 percent having impacts statewide.

22,950 Jobs – The infrastructure investments included in the proposal would help create an estimated 22,950 Minnesota jobs. This estimate is based on a revised 2015 Bureau of Economic Analysis model. The Regional Input-Output Modeling System (RIMS) estimates that approximately 15.3 jobs are created for every \$1 million in construction project spending in Minnesota.

\$3.7 Billion – The Jobs Bill would invest \$1.5 billion in infrastructure projects statewide. But that is only a fraction of the need. Communities across Minnesota requested \$3.7 billion in projects to improve their classrooms, provide better access to clean, affordable water, fix local roads and bridges, and more.

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Better Transportation Systems

Minnesota's roads and bridges are in bad shape, and getting worse. Half of our roads are over 50 years old. Forty percent of our bridges are more than 40 years old. In the next three years, one-in-five roads will pass their useful life. Minnesota is facing an \$18 billion transportation funding gap over the next 20 years. Governor Dayton's budget would help close that gap, with new investments in transportation infrastructure to fuel a growing economy.

QUICK LINKS

GET THE FACTS about Governor Dayton's transportation proposal. [Link]

WHAT YOU NEED TO KNOW

Better Roads and Bridges – The Governor's budget would repair or replace 1,700 miles of roads and 235 bridges. It would also give local leaders the resources and flexibility to repair and replace local roads and bridges in their communities by directing 40 percent of the new revenues to cities, counties, and townships.

Transit for Growing Economies – Greater Minnesota seniors, commuters, and students are expected to take an additional 4.3 million transit trips every year by 2040. The plan would add 500,000 additional hours of service annually in Greater Minnesota – meeting 90 percent of the need. In addition, the Twin Cities are expected to add 800,000 residents and 550,000 new jobs by 2040. Governor Dayton's budget would invest in additional bus rapid transit and light rail transit lines, connecting hardworking Minnesotans to work, school, and home.

Rail Safety – Every day, trains carrying oil and other hazardous materials pass through Minnesota. These trains present real risks to public safety and our natural resources. The Governor's budget would invest in rail safety to protect those living near railway lines and alleviate traffic for businesses that are backed up by train delays. The plan would fund 75 priority railway infrastructure improvements necessary to improve safety and support economic growth.

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Workforce Training and Worker Protections

Minnesota's greatest strength is our highly-skilled, hard-working people. Businesses consistently credit the state's well-educated, highly-productive workforce as one of the primary reasons they locate and expand in Minnesota. And it is why CNBC has ranked Minnesota <u>one of the best states in the nation for business</u>. Governor Dayton's budget would

make investments to prepare Minnesota's workforce for the jobs of the future, and keep our state competitive as we work to attract and retain new businesses and jobs.

QUICK LINKS

READ MORE about the Governor's proposed investments in college and career readiness (pg. 2). [Link]

WHAT YOU NEED TO KNOW

Making Higher Education More Affordable for Minnesota Students – Accessing the opportunities of our economy increasingly requires college or career training. But paying for school can be tough, especially with many incomes still not rising for Minnesota families. That is why Governor Dayton has proposed \$62 million for the State Grant Program. This investment would increase grants for 82,400 students and allow an additional 6,400 students to get grants. His budget also includes additional support for Minnesota State and University of Minnesota schools, to ensure their continued excellence in serving Minnesota students.

Connecting Hardworking Minnesotans with Careers – The economy is changing around the world, and it is changing career opportunities available here in Minnesota. To connect hardworking Minnesotans with these new opportunities, the Governor's budget would invest \$125 million to support career readiness at Minnesota State campuses around the state. These investments will make sure more Minnesotans, no matter where they live, can get the career readiness they need to access the opportunities available in our economy.

Stable Lives, Successful Learners – To do homework, get a good night's sleep, and be ready to succeed in the classroom, every college student needs a safe, stable home. But more college students experience homelessness than many Minnesotans realize, with hundreds of Minnesota students experiencing housing instability each year. That is why the Governor's Opportunity Agenda would invest \$250,000 to ensure more Minnesota college student have a safe and stable place to live.

Minnesota State and the University of Minnesota – The Governor's budget invests \$125 million in Minnesota State operations, and \$96.8 million in the University of Minnesota, to support world-class higher educations for Minnesotans, and to support a world-class workforce for our state's economy.

Maintaining World-Class Higher Education Facilities – To ensure Minnesotans have access to high-quality education facilities, Governor Dayton's Jobs Bill would invest \$135 million in basic infrastructure maintenance at the Minnesota State and University of Minnesota campuses statewide. The type of projects that would be funded include roof repairs, heating and cooling system repair and replacement, and electrical equipment repairs.

Health Education and Research – To strengthen the University of Minnesota Medical School and Health Sciences, Governor Dayton and Lt. Governor Smith's Jobs Bill would invest \$67 million in a health science education facility at the school. The renovated facility will include additional classrooms, new simulation centers, small group rooms, and an advanced technology-rich biomedical library to better prepare students for careers as doctors and other health professions.

Wage Theft Enforcement – Wage theft occurs when employers do not pay employees what is owed to them for work already performed. Wage theft costs hardworking Minnesotans and their families millions of dollars they already have earned. The Department of Labor and Industry (DLI) estimates 39,000 Minnesota workers suffer from wage theft each year, costing workers \$11.9 million in wages. Governor Dayton's budget would invest \$1 million to expand DLI's investigations and prevent wage theft.

Training for High Wage, High Demand Jobs – The Minnesota PIPELINE project connects Minnesotans with training for jobs in high demand industries, including advanced manufacturing, agriculture, health care services, and information technology. The Governor's budget includes \$600,000 investment to expand the PIPELINE project and allow more Minnesotans to participate.

Apprenticeships – Apprenticeship programs combine job-related technical instruction with structured on-the-job learning experience to prepare Minnesotans for high-demand jobs and careers. Minnesota's LEAP initiative delivers grants to workforce training organizations that work with women, people of color, and members of other communities not traditionally involved in skilled trades. The Governor's budget includes \$100,000 to expand the grant initiative and help connect more Minnesotans of color with good-paying jobs in skilled trades.

Jobs and Opportunity for Minnesotans with Disabilities – The unemployment rate for Minnesotans with disabilities is more than double that of the general population. The Governor's budget includes \$7 million for Minnesota's Vocational Rehabilitation program to ensure Minnesotans with disabilities receive employment training and counseling to ensure they are able to find and keep a job and live as independently as desired. The Governor's budget would also make changes to help people with disabilities live in their communities.

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Business Growth and Job Creation

Minnesota's economy is strong and growing, with more than 255,400 jobs added over the last six years and one of the best, most productive workforces in the world. Minnesota businesses <u>are optimistic</u> about Minnesota's economic future. Nonetheless, many Minnesotans are still hurting, and still looking for better-paying jobs and opportunity in the new economy. That is why the Governor's budget would invest in proven strategies to support business growth, expand hiring, and help entrepreneurs in every corner of the state. And the Governor's budget would invest in critical economic infrastructure to support stronger local economies and level the playing field for businesses in Greater Minnesota communities.

QUICK LINKS

<u>READ MORE</u> about the Governor's proposed investments in business growth and job creation. [Link]

WHAT YOU NEED TO KNOW

Minnesota Investment Fund and Job Creation Fund – Since 2013, the Minnesota Investment Fund and Job Creation Fund have leveraged \$77 million in state funding to generate \$3.1 billion in private investment, a 40-to-1 return on investment, while creating over 10,000 good jobs. About 50 percent of the projects have been in Greater Minnesota communities. In 2016, Republicans slashed funding for the Minnesota Investment Fund by 27 percent and the Job Creation Fund by 52 percent. Governor Dayton's budget would invest \$20 million to restore funding for these programs for the next two years.

Angel Investor Tax Credit – Minnesota's Angel Investor Tax Credit provides a 25 percent credit to investors or investment funds that put money into new technology start-up companies. The initiative has helped over 345 Minnesota businesses in growing industries, like software, biotechnology, and medical devices, secure needed startup capital. Between 2010 and 2015, a \$76 million state investment leveraged more than \$318 million in private sector investment. The Governor's budget includes \$10 million for 2018 to continue the program and create new economic opportunity across Minnesota.

Broadband Infrastructure Grants – About 22 percent of Minnesotans in rural areas lack access to affordable, reliable broadband internet. Since 2014, Governor Dayton has invested \$66 million in broadband infrastructure grants, connecting 25,949 households, 3,176 businesses, and 244 community institutions to broadband. The Governor's budget includes \$60 million to further expand broadband access for Greater Minnesota households and businesses.

Promoting Minnesota Tourism – Minnesota is home to a \$14.4 billion tourism industry that supports over 260,000 jobs across the state. The Governor's budget

includes \$2 million to expand Explore Minnesota Tourism's marketing and promotion efforts across the United States and in foreign markets. In 2016, the agency's marketing campaigns paid off for Minnesota, generating 3.5 million trips and \$388 million in traveler spending.

Driving Minnesota's Innovation Economy – The Minnesota Discovery, Research, and Innovation Economy (MnDRIVE) program at the University of Minnesota supports research with the potential to create new jobs and new economic opportunities across the state. Governor Dayton has proposed an \$8 million for the next two years to support research focused on cancer treatment – an area expected to create jobs and opportunity in the future.

Investing in Communities – Governor Dayton's budget includes \$30 million in Local Government Aid (LGA) and County Program Aid (CPA) to help local governments provide high-quality, essential services for their residents, and reduce the need for property tax increases to pay for those services.

Improving Water Infrastructure – The Dayton Jobs Bill includes \$80 million for the Water Infrastructure Funding Program to increase aid to communities that are rehabilitating aging wastewater and drinking water infrastructure systems. This will make improvements to make water clean and affordable for Minnesotans, and support additional business growth and expansion in Greater Minnesota communities.

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Equitable Opportunity for All Minnesotans

Governor Dayton is committed to building an economy that works for all Minnesotans. That is why the Dayton Administration is proposing high-impact strategies to grow opportunity and create jobs with family-sustaining wages for hard-working Minnesotans in every corner of the state. Governor Dayton's Opportunity Agenda includes strategic investments to prepare all Minnesotans for jobs in growing industries, and expand economic opportunities for Minnesotans who have historically been left behind.

QUICK LINKS

<u>READ MORE</u> about the Governor's proposed investments to expand opportunity for all Minnesotans. [Link]

WHAT YOU NEED TO KNOW

Expanding Access to Apprenticeships in 21st Century Fields – Apprenticeship programs combine job related technical instruction with structured on-the-job learning experience to prepare Minnesotans for high-demand jobs and careers. Minnesota's LEAP initiative delivers grants to workforce training organizations that work with women, people of color, and members of other communities not traditionally involved in skilled trades. The Opportunity Agenda includes a \$100,000 investment to expand the grant initiative and help connect more Minnesotans of color with good-paying jobs in the skilled trades.

Opening the Door to the American Dream – Americans have historically accumulated wealth and saved money for the future through homeownership. Currently, 77 percent of white households own their homes, while only 39 percent of households of color own their homes in Minnesota. This disparity is often aggravated by the unique barriers to homeownership facing Minnesotans of color. Governor Dayton's Opportunity Agenda would invest \$2 million to level the playing field for eligible first-time homebuyers with financial counseling and assistance with down payments and closing costs.

Protecting Equal Opportunity Across Minnesota – To improve enforcement of state human rights law and make it easier for Minnesotans to file human rights complaints, Governor Dayton has proposed a \$2.3 million investment to open regional Department of Human Rights' offices in Duluth, Rochester, and Worthington. These offices ensure that individuals across Minnesota are afforded the protections and opportunities they deserve under state law.

Supporting Opportunity for Minnesotans with Disabilities – The unemployment rate for Minnesotans with disabilities is more than double that of the general population. Minnesotans with disabilities who do find employment are far more likely to receive poverty-level wages. Governor Dayton has proposed a \$7 million investment in Minnesota's Vocational Rehabilitation program to ensure that Minnesotans with the most significant disabilities receive employment training and counseling, to ensure they are able to find and keep a job and live as independently as desired. The Opportunity Agenda also would make changes to help people with disabilities to live in their communities.

Training for High Wage, High Demand Jobs – The Minnesota PIPELINE project connects Minnesotans with training for jobs in high demand industries including advanced manufacturing, agriculture, health care services, and information technology. More than 300 Minnesotans already have completed a PIPELINE training program, allowing them to access good jobs without incurring the significant student debt associated with other forms of higher education. Governor Dayton has proposed a \$600,000 investment to expand the PIPELINE project and allow more Minnesotans to participate.

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Cutting Red Tape to Make Business Easier

Minnesotans deserve a state government that works at the speed of business to deliver the services people expect. Governor Dayton has worked for years to make government work better, by clearing out and cleaning up outdated laws that make government more complicated, cutting down on the red tape and paperwork that gets in the way of everyday life, and ensuring state government is responsive to the people it serves. This year, Governor Dayton's Opportunity Agenda will continue to improve customer service, and cut red tape that gets in the way for businesses across Minnesota.

QUICK LINKS

READ MORE about the Governor's efforts to cut red tape and make business easier (page 8). [Link]

WHAT YOU NEED TO KNOW

Business Friendly Data Services – Governor Dayton's budget would invest \$800,000 to increase the number of Pollution Control Agency reports and permitting applications available online. By putting these reports online in an easily accessible format, businesses can get information quicker and more easily, without wasting time or money.

More Efficient Wetland Permitting – The federal government regulates the discharge of dredged or fill material into Minnesota's waters, including wetlands. This federal regulation creates a complex regulatory web for businesses, which must comply with both state and federal law. The Governor's budget includes \$500,000 to streamline permitting requirements and assume regulatory authority from the federal government. This would help create a single online portal for applicants to apply for projects impacting wetlands and waters.

Upgrading 30-Year-Old IT Systems – Imagine using the first-ever Macintosh computer, released over 30 years ago, to send email, find a job, or do your daily work. It sounds crazy, but a lot of the state's IT infrastructure is that old, and is tasked with processing customer service requests for Minnesotans, hosting information online in an accessible, accountable way, and supporting the work of state government. The Governor's budget would invest \$51 million to begin IT improvements for a modern digital infrastructure to ensure Minnesota state government works at the speed of business.

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More Money in the Pockets of the Middle Class

Minnesotans work hard, pay their taxes, and play by the rules. To put more money in the pockets of hard-working Minnesotans, Governor Dayton's Opportunity Agenda would: cut taxes for 450,000 middle-class people; cut health insurance premiums for 125,000 Minnesotans; and provide more affordable health insurance options to save Minnesotans money. These measures would help middle-class families whose budgets are stretched, and put more money into our local economies to support additional economic growth.

QUICK LINKS

<u>READ MORE</u> about the Governor's proposed tax cuts for 450,000 hard-working Minnesotans. [Link]

<u>READ MORE</u> about the bipartisan bill Governor Dayton signed to cut health insurance premiums 25 percent for 125,000 Minnesotans. [Link]

<u>READ MORE</u> about the Governor's MinnesotaCare Buy-In proposal to provide Minnesotans a more affordable choice for health coverage. [Link]

READ MORE about the bipartisan tax bill Governor Dayton signed into law that lowered taxes for 200,000 Minnesotans. [Link]

WHAT YOU NEED TO KNOW

Tax Cuts for the Middle Class – Governor Dayton's Opportunity Agenda would provide \$300 million in tax cuts for 450,000 middle-class Minnesotans and families. Tax cuts would include:

Working Family Tax Credit – Governor Dayton's budget would invest \$94 million to expand the Working Family Tax Credit to 107,000 new households. Over 260,000 families that currently qualify for the tax credit would see an increase. The average family would save an additional \$124 per year.

Child Care Tax Credit for Families with Young Children – Governor Dayton has proposed a \$61 million Child Care Tax Credit, helping 95,000 Minnesota families afford quality child care, providing \$60 million in tax cuts. Another 75,000 families, who were already eligible, would save an additional \$379 per year. **Cutting Property Taxes for Farmers** – Farm property taxes have increased 114 percent over the last decade. This problem has been compounded by low commodity prices and rising agricultural land values. To help relieve property tax burdens for Minnesota farmers, Governor Dayton's budget would invest \$34 million to cut farm property taxes for school district debt levies by 40 percent.

Water Quality Buffer Aid Payments for Farmers – To help alleviate the cost of compliance with state water quality requirements, Governor Dayton has proposed in his budget a program to provide eligible landowners \$40 per acre each year for each tillable acre converted to a water quality buffer strip. Payments would be made for five years beginning in taxes payable 2019.

Federal Tax Conformity for the Middle Class – Early this session, Governor Dayton signed a bipartisan bill, investing \$21 million in federal tax conformity. By aligning the state's tax code with federal changes made by President Obama and Congress, over 200,000 middle class Minnesotans will benefit from new tax cuts for teachers, students, homeowners who refinance their mortgages, and more.

Simplifying Taxes for Businesses – Governor Dayton's budget simplifies paperwork for the Research and Development Tax Credit, making it easier for Minnesota businesses to use. This credit covers businesses for a portion of their investments in innovative research, giving a boost to Minnesota's cutting-edge economy.

Cutting Taxes for Charities – The Governor's budget would exempt charities from paying sales tax in Minnesota. This proposal would help an estimated 1,700 charities increase their impacts for the Minnesotans they serve.

Health Insurance Reform – Since 2014, over 250,000 Minnesotans have gained access to health insurance. Now, 96 percent of Minnesotans covered. But steep premium increases and high deductibles have placed a big financial burden on far too many Minnesotans. Governor Dayton's budget would provide hardworking Minnesotans more affordable health care choices, encourage competition, and hold insurance companies accountable.

Health Premium Relief – Governor Dayton has signed into law a bill providing premium relief for 125,000 Minnesotans who are

facing steep cost increases, but do not currently qualify for tax credits to purchase health insurance. This measure lowered premium costs for eligible Minnesotans by 25 percent.

Giving Minnesotans a Choice to Buy-Into More Affordable Health Coverage – In 1992, Republican Governor Arne Carlson and a bipartisan coalition of legislators created MinnesotaCare - a health insurance plan that some eligible Minnesotans could choose to purchase for themselves and their families. Today, over 100,000 eligible Minnesotans have chosen MinnesotaCare for the high-quality health coverage they need, at prices they can better afford. Twenty-five years later, Governor Dayton is seeking to build on the bipartisan successes of MinnesotaCare. To lower prices for more Minnesotans, the Governor wants to give everyone who buys their insurance on the individual health insurance market the choice to buy-into MinnesotaCare. Minnesotans who choose "MinnesotaCare Buy-In" would pay their own way – meaning the cost of their premiums would pay for their coverage, without any additional ongoing costs to Minnesota taxpayers.

Increasing Transparency in the Health Insurance Market – The Governor's budget would ask the Office of the Legislative Auditor to conduct a comprehensive audit of health insurers in Minnesota. The audit would review insurers' administrative expenses, reserves, and payment rates to health care providers to ensure the highest level of transparency and accountability for any rate increases.

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