

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 3035

(SENATE AUTHORS: CHAMPION and Mohamed)

Table with 3 columns: DATE, D-PG, OFFICIAL STATUS. Rows include dates from 03/22/2023 to 04/13/2023 and corresponding bill numbers and descriptions.

1.1 A bill for an act
1.2 relating to economic development; establishing a budget for the Department of
1.3 Employment and Economic Development; modifying various economic
1.4 development, Explore Minnesota, and workforce development provisions; requiring
1.5 reports; appropriating money; amending Minnesota Statutes 2022, sections
1.6 116J.5492, subdivisions 8, 10; 116J.55, subdivisions 1, 5, 6; 116J.8748,
1.7 subdivisions 3, 4, 6, by adding a subdivision; 116L.361, subdivision 7; 116L.362,
1.8 subdivision 1; 116L.364, subdivision 3; 116L.56, subdivision 2; 116L.561,
1.9 subdivision 5; 116L.562, subdivision 2; 116U.05; 116U.10; 116U.15; 116U.20;
1.10 116U.30; 116U.35; 469.40, subdivision 11; 469.47, subdivisions 1, 5, 6; Laws
1.11 2021, First Special Session chapter 10, article 2, section 24; proposing coding for
1.12 new law in Minnesota Statutes, chapters 116J; 116L; 116U.

1.13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.14 ARTICLE 1
1.15 APPROPRIATIONS

1.16 Section 1. APPROPRIATIONS.

1.17 (a) The sums shown in the columns marked "Appropriations" are appropriated to the
1.18 agencies and for the purposes specified in this article. The appropriations are from the
1.19 general fund, or another named fund, and are available for the fiscal years indicated for
1.20 each purpose. The figures "2024" and "2025" used in this article mean that the appropriations
1.21 listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025,
1.22 respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The
1.23 biennium" is fiscal years 2024 and 2025.

1.24 (b) If an appropriation in this article is enacted more than once in the 2023 regular or
1.25 special legislative session, the appropriation must be given effect only once.

2.1 **APPROPRIATIONS**
 2.2 **Available for the Year**
 2.3 **Ending June 30**
 2.4 **2024** **2025**

2.5 **Sec. 2. DEPARTMENT OF EMPLOYMENT**
 2.6 **AND ECONOMIC DEVELOPMENT.**

2.7 **Subdivision 1. Total Appropriation** **\$ 927,998,000** **\$ 336,068,000**

2.8 **Appropriations by Fund**

	<u>2024</u>	<u>2025</u>
2.9 <u>General</u>	<u>872,942,000</u>	<u>280,984,000</u>
2.10 <u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
2.11 <u>Workforce</u>		
2.12 <u>Development</u>	<u>54,356,000</u>	<u>54,384,000</u>

2.14 **The amounts that may be spent for each**
 2.15 **purpose are specified in the following**
 2.16 **subdivisions.**

2.17 **Subd. 2. Business and Community Development** **697,699,000** **124,279,000**

2.18 **Appropriations by Fund**

2.19 <u>General</u>	<u>695,649,000</u>	<u>122,299,000</u>
2.20 <u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
2.21 <u>Workforce</u>		
2.22 <u>Development</u>	<u>1,350,000</u>	<u>1,350,000</u>

2.23 **(a) \$2,287,000 each year is for the greater**
 2.24 **Minnesota business development public**
 2.25 **infrastructure grant program under Minnesota**
 2.26 **Statutes, section 116J.431. This appropriation**
 2.27 **is available until June 30, 2027.**

2.28 **(b) \$500,000 each year is for grants to small**
 2.29 **business development centers under Minnesota**
 2.30 **Statutes, section 116J.68. Money made**
 2.31 **available under this paragraph may be used to**
 2.32 **match funds under the federal Small Business**
 2.33 **Development Center (SBDC) program under**
 2.34 **United States Code, title 15, section 648, to**
 2.35 **provide consulting and technical services or**

3.1 to build additional SBDC network capacity to
3.2 serve entrepreneurs and small businesses.

3.3 (c) \$5,500,000 each year is for Launch
3.4 Minnesota. Of this amount: (1) \$1,500,000
3.5 each year is for innovation grants to eligible
3.6 Minnesota entrepreneurs or start-up businesses
3.7 to assist with operating needs; (2) \$500,000
3.8 each year is for administration of Launch
3.9 Minnesota; (3) \$500,000 each year is for
3.10 grantee activities at Launch Minnesota; and
3.11 (4) \$3,000,000 each year is for a grant to
3.12 MNSBIR, Inc., to support moving scientific
3.13 excellence and technological innovation from
3.14 the lab to the market for start-ups and small
3.15 businesses by securing federal research and
3.16 development funding. These are onetime
3.17 appropriations.

3.18 (d) \$35,296,000 the first year is for the
3.19 Minnesota Expanding Opportunity Fund
3.20 Program under Minnesota Statutes, section
3.21 116J.8733. This appropriation is onetime and
3.22 is available until June 30, 2025.

3.23 (e) \$150,000,000 the first year is for the
3.24 Minnesota forward fund under Minnesota
3.25 Statutes, section 116J.8752. Money awarded
3.26 under this program is made retroactive to
3.27 February 1, 2023, for applications and
3.28 projects. Of this amount, up to five percent is
3.29 for administration and monitoring of the
3.30 program. This appropriation is onetime and is
3.31 available until June 30, 2027.

3.32 (f) \$100,000,000 the first year is for the
3.33 purpose of matching \$100,000,000 in existing
3.34 federal funds made available in the
3.35 Consolidated Appropriations Act, Public Law

4.1 117-328, for the purpose of constructing and
4.2 operating a bioindustrial manufacturing pilot
4.3 innovation facility, biorefinery, and
4.4 commercial campus utilizing agricultural
4.5 feedstocks. This is a onetime appropriation
4.6 and is available until June 30, 2027.

4.7 (g) \$250,000,000 the first year is for the
4.8 purpose of matching \$250,000,000 in existing
4.9 federal funds made available in the Chips and
4.10 Science Act, Public Law 117-167, for the
4.11 purpose of: (1) constructing, modernizing, or
4.12 expanding commercial facilities on the front-
4.13 and back-end fabrication of leading-edge,
4.14 current-generation, and mature-node
4.15 semiconductors; and (2) funding
4.16 semiconductor materials and manufacturing
4.17 equipment facilities, and for research and
4.18 development facilities. This is a onetime
4.19 appropriation and is available until June 30,
4.20 2027.

4.21 (h) \$8,925,000 each year is for the small
4.22 business assistance partnerships program
4.23 under Minnesota Statutes, section 116J.682.
4.24 All grant awards shall be for two consecutive
4.25 years. Grants shall be awarded in the first year.
4.26 The department may use up to five percent of
4.27 the appropriation for administrative purposes.
4.28 The base in fiscal year 2026 and beyond is
4.29 \$1,425,000.

4.30 (i) \$2,500,000 each year is transferred from
4.31 the general fund to the community energy
4.32 transition account for grants under Minnesota
4.33 Statutes, section 116J.55. These transfers are
4.34 onetime.

- 5.1 (j) \$350,000 each year is for administration
5.2 of the community energy transition office.
- 5.3 (k) \$1,772,000 each year is for contaminated
5.4 site cleanup and development grants under
5.5 Minnesota Statutes, sections 116J.551 to
5.6 116J.558. This appropriation is available until
5.7 expended.
- 5.8 (l) \$700,000 each year is from the remediation
5.9 fund for contaminated site cleanup and
5.10 development grants under Minnesota Statutes,
5.11 sections 116J.551 to 116J.558. This
5.12 appropriation is available until expended.
- 5.13 (m) \$239,000 each year is for the Center for
5.14 Rural Policy and Development. The base in
5.15 fiscal year 2026 and beyond is \$139,000.
- 5.16 (n) \$25,000 each year is for the administration
5.17 of state aid for the Destination Medical Center
5.18 under Minnesota Statutes, sections 469.40 to
5.19 469.47.
- 5.20 (o) \$875,000 each year is for the host
5.21 community economic development program
5.22 established in Minnesota Statutes, section
5.23 116J.548.
- 5.24 (p) \$6,500,000 each year is appropriated from
5.25 the general fund to the commissioner of
5.26 employment and economic development for
5.27 grants to local communities to increase the
5.28 number of quality child care providers to
5.29 support economic development. Fifty percent
5.30 of grant money must go to communities
5.31 located outside the seven-county metropolitan
5.32 area as defined in Minnesota Statutes, section
5.33 473.121, subdivision 2. The base in fiscal year
5.34 2026 and beyond is \$1,500,000.

6.1 Grant recipients must obtain a 50 percent
6.2 nonstate match to grant money in either cash
6.3 or in-kind contribution, unless the
6.4 commissioner waives the requirement. Grant
6.5 money available under this subdivision must
6.6 be used to implement projects to reduce the
6.7 child care shortage in the state, including but
6.8 not limited to funding for child care business
6.9 start-ups or expansion, training, facility
6.10 modifications, direct subsidies or incentives
6.11 to retain employees, or improvements required
6.12 for licensing, and assistance with licensing
6.13 and other regulatory requirements. In awarding
6.14 grants, the commissioner must give priority
6.15 to communities that have demonstrated a
6.16 shortage of child care providers.

6.17 Within one year of receiving grant money,
6.18 grant recipients must report to the
6.19 commissioner on the outcomes of the grant
6.20 program, including but not limited to the
6.21 number of new providers, the number of
6.22 additional child care provider jobs created, the
6.23 number of additional child care openings, and
6.24 the amount of cash and in-kind local money
6.25 invested. Within one month of all grant
6.26 recipients reporting on program outcomes, the
6.27 commissioner must report the grant recipients'
6.28 outcomes to the chairs and ranking members
6.29 of the legislative committees with jurisdiction
6.30 over early learning and child care and
6.31 economic development.

6.32 (q) \$500,000 each year is for the Office of
6.33 Child Care Community Partnerships. Of this
6.34 amount:

7.1 (1) \$450,000 each year is for administration
7.2 of the Office of Child Care Community
7.3 Partnerships; and

7.4 (2) \$50,000 each year is for the Labor Market
7.5 Information Office to conduct research and
7.6 analysis related to the child care industry.

7.7 (r) \$6,000,000 the first year and \$1,000,000
7.8 the second year is for a grant to the Minnesota
7.9 Initiative Foundations. This appropriation is
7.10 available until June 30, 2027. In fiscal year
7.11 2026 and beyond, the base amount is
7.12 \$1,000,000. The Minnesota Initiative
7.13 Foundations must use grant money under this
7.14 section to:

7.15 (1) facilitate planning processes for rural
7.16 communities resulting in a community solution
7.17 action plan that guides decision making to
7.18 sustain and increase the supply of quality child
7.19 care in the region to support economic
7.20 development;

7.21 (2) engage the private sector to invest local
7.22 resources to support the community solution
7.23 action plan and ensure quality child care is a
7.24 vital component of additional regional
7.25 economic development planning processes;

7.26 (3) provide locally based training and technical
7.27 assistance to rural business owners
7.28 individually or through a learning cohort.
7.29 Access to financial and business development
7.30 assistance must prepare child care businesses
7.31 for quality engagement and improvement by
7.32 stabilizing operations, leveraging funding from
7.33 other sources, and fostering business acumen
7.34 that allows child care businesses to plan for

8.1 and afford the cost of providing quality child
8.2 care; and

8.3 (4) recruit child care programs to participate
8.4 in quality rating and improvement
8.5 measurement programs. The Minnesota
8.6 Initiative Foundations must work with local
8.7 partners to provide low-cost training,
8.8 professional development opportunities, and
8.9 continuing education curricula. The Minnesota
8.10 Initiative Foundations must fund, through local
8.11 partners, an enhanced level of coaching to
8.12 rural child care providers to obtain a quality
8.13 rating through measurement programs.

8.14 (s) \$8,000,000 each year is for the Minnesota
8.15 job creation fund under Minnesota Statutes,
8.16 section 116J.8748. Of this amount, the
8.17 commissioner of employment and economic
8.18 development may use up to three percent for
8.19 administrative expenses. This appropriation
8.20 is available until expended. Notwithstanding
8.21 Minnesota Statutes, section 116J.8748, money
8.22 appropriated for the job creation fund may be
8.23 used for redevelopment under Minnesota
8.24 Statutes, sections 116J.575 and 116J.5761, at
8.25 the discretion of the commissioner.

8.26 (t) \$12,370,000 the first year and \$12,370,000
8.27 the second year are for the Minnesota
8.28 investment fund under Minnesota Statutes,
8.29 section 116J.8731. Of this amount, the
8.30 commissioner of employment and economic
8.31 development may use up to three percent for
8.32 administration and monitoring of the program.
8.33 The base in fiscal year 2026 and beyond is
8.34 \$12,370,000. This appropriation is available
8.35 until expended. Notwithstanding Minnesota

9.1 Statutes, section 116J.8731, money
9.2 appropriated to the commissioner for the
9.3 Minnesota investment fund may be used for
9.4 the redevelopment program under Minnesota
9.5 Statutes, sections 116J.575 and 116J.5761, at
9.6 the discretion of the commissioner. Grants
9.7 under this paragraph are not subject to the
9.8 grant amount limitation under Minnesota
9.9 Statutes, section 116J.8731.

9.10 (u) \$4,246,000 each year is for the
9.11 redevelopment program under Minnesota
9.12 Statutes, sections 116J.575 and 116J.5761.
9.13 The base in fiscal year 2026 and beyond is
9.14 \$2,246,000. This appropriation is available
9.15 until expended.

9.16 (v) \$1,000,000 each year is for the Minnesota
9.17 emerging entrepreneur loan program under
9.18 Minnesota Statutes, section 116M.18. Money
9.19 available under this paragraph is for transfer
9.20 into the emerging entrepreneur program
9.21 special revenue fund account created under
9.22 Minnesota Statutes, chapter 116M, and are
9.23 available until expended. Of this amount, up
9.24 to four percent is for administration and
9.25 monitoring of the program.

9.26 (w) \$325,000 each year is for the Minnesota
9.27 Film and TV Board. The appropriation each
9.28 year is available only upon receipt by the
9.29 board of \$1 in matching contributions of
9.30 money or in-kind contributions from nonstate
9.31 sources for every \$3 provided by this
9.32 appropriation, except that each year up to
9.33 \$50,000 is available on July 1 even if the
9.34 required matching contribution has not been
9.35 received by that date.

- 10.1 (x) \$12,000 each year is for a grant to the
10.2 Upper Minnesota Film Office.
- 10.3 (y) \$500,000 each year is for a grant to the
10.4 Minnesota Film and TV Board for the film
10.5 production jobs program under Minnesota
10.6 Statutes, section 116U.26. This appropriation
10.7 is available until June 30, 2027.
- 10.8 (z) \$4,195,000 each year is for the Minnesota
10.9 job skills partnership program under
10.10 Minnesota Statutes, sections 116L.01 to
10.11 116L.17. If the appropriation for either year
10.12 is insufficient, the appropriation for the other
10.13 year is available. This appropriation is
10.14 available until expended.
- 10.15 (aa) \$1,350,000 each year from the workforce
10.16 development fund is for jobs training grants
10.17 under Minnesota Statutes, section 116L.41.
- 10.18 (bb) \$30,000,000 each year is for the
10.19 PROMISE grant program. This is a onetime
10.20 appropriation and is available until June 30,
10.21 2027. Of this amount:
- 10.22 (1) \$6,500,000 each year is for grants to the
10.23 Minnesota Initiative Foundations to serve
10.24 businesses in greater Minnesota; and
- 10.25 (2) \$23,000,000 each year is for grants to the
10.26 Neighborhood Development Center. Of this
10.27 amount, the following amounts are designated
10.28 for the following areas:
- 10.29 (i) \$10,500,000 each year is for North
10.30 Minneapolis' West Broadway, Camden, or
10.31 other Northside neighborhoods;

- 11.1 (ii) \$6,500,000 each year is for South
11.2 Minneapolis' Lake Street, 38th and Chicago,
11.3 and Riverside corridors; and
- 11.4 (iii) \$6,500,000 each year is for St. Paul's
11.5 University Avenue, Midway, Eastside, or other
11.6 St. Paul neighborhoods.
- 11.7 (cc) \$20,000,000 each year is for the
11.8 PROMISE loan program. This is a onetime
11.9 appropriation and is available until June 30,
11.10 2027. Of this amount:
- 11.11 (1) \$4,000,000 each year is for grants to the
11.12 Minnesota Initiative Foundations to serve
11.13 businesses in greater Minnesota; and
- 11.14 (2) \$16,000,000 each year is for grants to the
11.15 Metropolitan Economic Development
11.16 Association (MEDA). Of this amount, the
11.17 following amounts are designated for the
11.18 following areas:
- 11.19 (i) \$8,000,000 each year is for North
11.20 Minneapolis' West Broadway, Camden, or
11.21 other Northside neighborhoods;
- 11.22 (ii) \$4,000,000 each year is for South
11.23 Minneapolis' Lake Street, 38th and Chicago,
11.24 and Riverside corridors; and
- 11.25 (iii) \$4,000,000 each year is for St. Paul's
11.26 University Avenue, Midway, Eastside, or other
11.27 St. Paul neighborhoods.
- 11.28 (dd) \$250,000 each year is for the publication,
11.29 dissemination, and use of labor market
11.30 information under Minnesota Statutes, section
11.31 116J.401.
- 11.32 (ee) \$500,000 each year is for the airport
11.33 infrastructure renewal grant program under

12.1 Minnesota Statutes, section 116J.439. In
12.2 awarding grants with this appropriation, the
12.3 commissioner must prioritize eligible
12.4 applicants that did not receive a grant pursuant
12.5 to the appropriation in Laws 2019, First
12.6 Special Session chapter 7, article 1, section 2,
12.7 subdivision 2, paragraph (q).

12.8 (ff) \$5,000,000 the first year is for a grant to
12.9 the Bloomington Port Authority to provide
12.10 funding for the Expo 2027 host organization.
12.11 The Bloomington Port Authority must enter
12.12 into an agreement with the host organization
12.13 over the use of money, which may be used for
12.14 activities, including but not limited to
12.15 finalizing the community dossier and staffing
12.16 the host organization and for infrastructure
12.17 design and planning, financial modeling,
12.18 development planning and coordination of
12.19 both real estate and public private partnerships,
12.20 and reimbursement of costs the Bloomington
12.21 Port Authority incurred. The host organization
12.22 and Bloomington Port Authority may be
12.23 reimbursed for expenses 90 days prior to
12.24 encumbrance. This appropriation is contingent
12.25 on approval of the project by the Bureau
12.26 International des Expositions. Any
12.27 unencumbered balance remaining at the end
12.28 of the first year does not cancel but is available
12.29 for the second year.

12.30 (gg) \$5,000,000 the first year is for grants to
12.31 the Neighborhood Development Center. This
12.32 is a onetime appropriation. Any unencumbered
12.33 balance remaining at the end of the first year
12.34 does not cancel but is available for the second
12.35 year. Of the amount appropriated each year,

- 13.1 \$4,200,000 is for small business programs
13.2 including training, lending, business services,
13.3 and real estate programming; and \$800,000 is
13.4 for technical assistance activities for partners
13.5 located outside the seven-county metropolitan
13.6 area, as defined in Minnesota Statutes, section
13.7 473.121, subdivision 2.
- 13.8 (hh) \$2,650,000 the first year is for deposit in
13.9 the emerging developer fund account in the
13.10 special revenue fund. Of this amount, up to
13.11 five percent is for administration and
13.12 monitoring of the emerging developer fund
13.13 program under Minnesota Statutes, section
13.14 116J.9926. This is a onetime appropriation.
- 13.15 (ii) \$5,000,000 the first year is for the
13.16 Canadian border counties economic relief
13.17 program under article 5. Of this amount, up
13.18 to \$2,100,000 is for a grant to the Lake of the
13.19 Woods County for the forgivable loan program
13.20 for remote recreational businesses. This is a
13.21 onetime appropriation and is available until
13.22 June 30, 2026.
- 13.23 (jj) \$1,250,000 the first year and \$250,000 the
13.24 second year are for a grant to African
13.25 Economic Development Solutions. This is a
13.26 onetime appropriation and is available until
13.27 June 30, 2026. Of this amount:
- 13.28 (1) \$1,000,000 is for a loan fund that must
13.29 address pervasive economic inequities by
13.30 supporting business ventures of entrepreneurs
13.31 in the African immigrant community; and
- 13.32 (2) \$250,000 each year is for workforce
13.33 development and technical assistance,
13.34 including but not limited to business

- 14.1 development, entrepreneur training, business
14.2 technical assistance, loan packing, and
14.3 community development services.
- 14.4 (kk) \$500,000 each year is for a grant to the
14.5 Latino Economic Development Center. Grant
14.6 proceeds may be used to:
- 14.7 (1) assist, support, finance, and launch
14.8 micro-entrepreneurs by delivering training,
14.9 workshops, and one-on-one consultations to
14.10 businesses;
- 14.11 (2) offer workshops on a variety of topics
14.12 throughout the year, including finance,
14.13 customer service, food-handler training, and
14.14 food-safety certification; and
- 14.15 (3) provide lending to business start-ups.
- 14.16 (ll) \$627,000 the first year is for a grant to
14.17 Community and Economic Development
14.18 Associates (CEDA) to provide funding for
14.19 economic development technical assistance
14.20 and economic development project grants to
14.21 small communities across rural Minnesota and
14.22 for CEDA to design, implement, market, and
14.23 administer specific types of basic community
14.24 and economic development programs tailored
14.25 to individual community needs. Technical
14.26 assistance grants shall be based on need and
14.27 given to communities that are otherwise
14.28 unable to afford these services. Of the amount
14.29 appropriated, up to \$270,000 may be used for
14.30 economic development project implementation
14.31 in conjunction with the technical assistance
14.32 received. This is a onetime appropriation. Any
14.33 unencumbered balance remaining at the end

15.1 of the first year does not cancel but is available
15.2 the second year.

15.3 (mm) \$1,500,000 each year is for a grant to
15.4 WomenVenture to support business expansion
15.5 for women food entrepreneurs throughout
15.6 Minnesota's food supply chain to help stabilize
15.7 and strengthen their business operations, create
15.8 distribution networks, offer technical
15.9 assistance and support to beginning women
15.10 food entrepreneurs, develop business plans,
15.11 develop a workforce, research expansion
15.12 strategies, and for other related activities.

15.13 Eligible uses of money include but are not
15.14 limited to:

15.15 (1) leasehold improvements;
15.16 (2) additions, alterations, remodeling, or
15.17 renovations to rented space;
15.18 (3) inventory or supplies;
15.19 (4) machinery or equipment purchases;
15.20 (5) working capital; and
15.21 (6) debt refinancing.

15.22 Money distributed to entrepreneurs may be
15.23 loans, forgivable loans, and grants. Of this
15.24 amount, up to five percent may be used for
15.25 the WomenVenture's technical assistance and
15.26 administrative costs. This appropriation is
15.27 onetime and available until June 30, 2026. By
15.28 December 15, 2026, WomenVenture must
15.29 submit a report to the chairs and ranking
15.30 members of the legislative committees with
15.31 jurisdiction over agriculture and employment
15.32 and economic development. The report must
15.33 include a summary of the uses of the

16.1 appropriation, including the amount of the
16.2 appropriation used for administration. The
16.3 report must also provide a breakdown of the
16.4 amount of funding used for loans, forgivable
16.5 loans, and grants; information about the terms
16.6 of the loans issued; a discussion of how money
16.7 from repaid loans will be used; the number of
16.8 entrepreneurs assisted; and a breakdown of
16.9 how many entrepreneurs received assistance
16.10 in each county.

16.11 (nn) \$6,000,000 the first year is for grants to
16.12 initiative foundations to capitalize their
16.13 revolving loan funds, which address unmet
16.14 financing needs of for-profit business startups,
16.15 expansions, and ownership transitions;
16.16 nonprofit organizations; and developers of
16.17 housing to support the construction,
16.18 rehabilitation, and conversion of housing units.

16.19 Of the amount appropriated, \$1,000,000 is for
16.20 a grant to the Southwest Initiative Foundation;
16.21 \$1,000,000 is for a grant to the West Central
16.22 Initiative Foundation; \$1,000,000 is for a grant
16.23 to the Southern Minnesota Initiative
16.24 Foundation; \$1,000,000 is for a grant to the
16.25 Northwest Minnesota Foundation; \$1,000,000
16.26 is for a grant to the Initiative Foundation; and
16.27 \$1,000,000 is for a grant to the Northland
16.28 Foundation. This is a onetime appropriation.

16.29 (oo) \$1,000,000 the first year is for a grant to
16.30 Enterprise Minnesota, Inc., to reach and
16.31 deliver talent, leadership, employee retention,
16.32 continuous improvement, strategy, quality
16.33 management systems, revenue growth, and
16.34 manufacturing peer-to-peer advisory services
16.35 to small manufacturing companies employing

- 17.1 35 or fewer full-time equivalent employees.
- 17.2 No later than February 1, 2025, and February
- 17.3 1, 2026, Enterprise Minnesota, Inc., must
- 17.4 provide a report to the chairs and ranking
- 17.5 minority members of the legislative
- 17.6 committees with jurisdiction over economic
- 17.7 development that includes:
- 17.8 (1) the grants awarded during the past 12
- 17.9 months;
- 17.10 (2) the estimated financial impact of the grants
- 17.11 awarded to each company receiving services
- 17.12 under the program;
- 17.13 (3) the actual financial impact of grants
- 17.14 awarded during the past 24 months; and
- 17.15 (4) the total amount of federal funds leveraged
- 17.16 from the Manufacturing Extension Partnership
- 17.17 at the United States Department of Commerce.
- 17.18 (pp) \$375,000 each year is for a grant to
- 17.19 PFund Foundation to provide grants to
- 17.20 LGBTQ+-owned small businesses and
- 17.21 entrepreneurs. Money distributed to
- 17.22 entrepreneurs and small businesses must be
- 17.23 in the form of grants. Of this amount, up to
- 17.24 five percent may be used for PFund
- 17.25 Foundation's technical assistance and
- 17.26 administrative costs. This appropriation is
- 17.27 onetime and is available until June 30, 2026.
- 17.28 To the extent practicable, money must be
- 17.29 distributed by PFund Foundation as follows:
- 17.30 (1) 33.3 percent to businesses owned by
- 17.31 members of racial minority communities; and
- 17.32 (2) 33.3 percent to businesses outside of the
- 17.33 seven-county metropolitan area as defined in

18.1 Minnesota Statutes, section 473.121,
18.2 subdivision 2.

18.3 (qq) \$125,000 each year is for a grant to
18.4 Quorum to provide business support, training,
18.5 development, technical assistance, and related
18.6 activities for LGBTQ+-owned small
18.7 businesses that are recipients of a PFund
18.8 Foundation grant. Of this amount, up to five
18.9 percent may be used for Quorum's technical
18.10 assistance and administrative costs. This
18.11 appropriation is onetime and is available until
18.12 June 30, 2026.

18.13 (rr) \$5,000,000 the first year is for a grant to
18.14 the Metropolitan Economic Development
18.15 Association (MEDA) for statewide business
18.16 development and assistance services to
18.17 minority-owned businesses. This is a onetime
18.18 appropriation. Any unencumbered balance
18.19 remaining at the end of the first year does not
18.20 cancel but is available the second year. Of this
18.21 amount:

18.22 (1) \$3,000,000 is for a revolving loan fund to
18.23 provide additional minority-owned businesses
18.24 with access to capital; and

18.25 (2) \$2,000,000 is for operating support
18.26 activities related to business development and
18.27 assistance services for minority business
18.28 enterprises.

18.29 By February 1, 2025, MEDA shall report to
18.30 the commissioner and the chairs and ranking
18.31 minority members of the legislative
18.32 committees with jurisdiction over economic
18.33 development policy and finance on the loans
18.34 and operating support activities, including

19.1 outcomes and expenditures, supported by the
 19.2 appropriation under this paragraph.

19.3 (ss) \$2,500,000 each year is for a grant to a
 19.4 Minnesota-based automotive component
 19.5 manufacturer and distributor specializing in
 19.6 electric vehicles and sensor technology that
 19.7 manufactures all of their parts onshore to
 19.8 expand their manufacturing. This is a onetime
 19.9 appropriation.

19.10 (tt) \$1,846,500 the first year is for a grant to
 19.11 the Minneapolis Downtown Council for
 19.12 infrastructure and associated costs for the
 19.13 Taste of Minnesota event, including but not
 19.14 limited to buildout, permits, garbage services,
 19.15 staffing, security, equipment rentals, signage,
 19.16 and insurance. This is a onetime appropriation.

19.17 **Subd. 3. Employment and Training Programs** 120,465,000 111,927,000

	<u>Appropriations by Fund</u>	
	<u>2024</u>	<u>2025</u>
19.19		
19.20	<u>105,370,000</u>	<u>96,832,000</u>
19.21		
19.22	<u>15,095,000</u>	<u>15,095,000</u>

19.23 (a) \$500,000 each year is for rural career
 19.24 counseling coordinators in the workforce
 19.25 service areas and for the purposes specified
 19.26 under Minnesota Statutes, section 116L.667.

19.27 (b) \$5,000,000 each year is for competitive
 19.28 grants to organizations providing services to
 19.29 Minnesota's older workers. Grant awards must
 19.30 be used to support older individuals to re-enter
 19.31 the labor force through workforce recruitment
 19.32 and development, outreach, paid essential
 19.33 training and upskilling, on-the-job training
 19.34 through community service assignments, and
 19.35 assistance for smaller organizations to increase

20.1 capacity. Of this amount, up to five percent is
20.2 for administration and monitoring of the
20.3 program. These are onetime appropriations.

20.4 (c) \$24,654,000 the first year and \$25,154,000
20.5 the second year are for the targeted population
20.6 workforce grants under Minnesota Statutes,
20.7 section 116L.43. The department may use up
20.8 to five percent of this appropriation for
20.9 administration, monitoring, and oversight of
20.10 the program. Of this amount:

20.11 (1) \$17,000,000 is for job and entrepreneurial
20.12 skills training grants under Minnesota Statutes,
20.13 section 116L.43, subdivision 2;

20.14 (2) \$1,500,000 is for diversity and inclusion
20.15 training for small and midsize employers
20.16 under Minnesota Statutes, section 116L.43,
20.17 subdivision 3; and

20.18 (3) \$5,500,000 is for capacity building grants
20.19 under Minnesota Statutes, section 116L.43,
20.20 subdivision 4.

20.21 The base funding for this program is
20.22 \$1,184,000 beginning in fiscal year 2026.

20.23 (d) \$750,000 each year is for the women and
20.24 high-wage, high-demand, nontraditional jobs
20.25 grant program under Minnesota Statutes,
20.26 section 116L.99. Of this amount, up to five
20.27 percent is for administration and monitoring
20.28 of the program.

20.29 (e) \$15,000,000 each year is for the Drive for
20.30 Five Initiative to conduct outreach and provide
20.31 job skills training, career counseling, case
20.32 management, and supportive services for
20.33 careers in (1) technology, (2) labor, (3) the
20.34 caring professions, (4) manufacturing, and (5)

21.1 educational and professional services. These
21.2 are onetime appropriations.

21.3 (f) Of the amounts appropriated in paragraph
21.4 (e), the commissioner must make \$10,000,000
21.5 each year available through a competitive
21.6 request for proposal process. The grant awards
21.7 must be used to provide education and training
21.8 in the five industries identified in paragraph
21.9 (e). Education and training may include:

21.10 (1) student tutoring and testing support
21.11 services;

21.12 (2) training and employment placement in high
21.13 wage and high growth employment;

21.14 (3) assistance in obtaining industry-specific
21.15 certifications;

21.16 (4) remedial training leading to enrollment;

21.17 (5) real-time work experience in information;

21.18 (6) career and educational counseling;

21.19 (7) work experience and internships; and

21.20 (8) supportive services.

21.21 (g) Of the amount appropriated in paragraph
21.22 (e), \$3,250,000 each year must be awarded
21.23 through competitive grants made to trade
21.24 associations or chambers of commerce for job
21.25 placement services. Grant awards must be used
21.26 to encourage workforce training efforts to
21.27 ensure that efforts are aligned with employer
21.28 demands and that graduates are connected with
21.29 employers that are currently hiring. Trade
21.30 associations or chambers must partner with
21.31 employers with current or anticipated
21.32 employment opportunities and nonprofit
21.33 workforce training partners participating in

22.1 this program. The trade associations or
22.2 chambers must work closely with the industry
22.3 sector training providers in the five industries
22.4 identified in paragraph (e). Grant awards may
22.5 be used for:

22.6 (1) employer engagement strategies to align
22.7 employment opportunities for individuals
22.8 exiting workforce development training
22.9 programs. These strategies may include
22.10 business recruitment, job opening
22.11 development, employee recruitment, and job
22.12 matching. Trade associations must utilize the
22.13 state's labor exchange system;

22.14 (2) diversity, inclusion, and retention training
22.15 of their members to increase the business'
22.16 understanding of welcoming and retaining a
22.17 diverse workforce; and

22.18 (3) industry-specific training.

22.19 (h) Of the amount appropriated in paragraph
22.20 (e), \$1,750,000 each year is to hire, train, and
22.21 deploy business services representatives in
22.22 local workforce development areas throughout
22.23 the state. Business services representatives
22.24 must work with an assigned local workforce
22.25 development area to address the hiring needs
22.26 of Minnesota's businesses by connecting job
22.27 seekers and program participants in the
22.28 CareerForce system. Business services
22.29 representatives serve in the classified service
22.30 of the state and operate as part of the agency's
22.31 Employment and Training Office. The
22.32 commissioner shall develop and implement
22.33 training materials and reporting and evaluation
22.34 procedures for the activities of the business

23.1 services representatives. The business services
23.2 representative must:

23.3 (1) serve as the primary contact for businesses
23.4 in that area;

23.5 (2) actively engage employers by assisting
23.6 with matching employers to job seekers by
23.7 referring candidates, convening job fairs, and
23.8 assisting with job announcements; and

23.9 (3) work with the local area board and its
23.10 partners to identify candidates for openings in
23.11 small and midsize companies in the local area.

23.12 (i) \$2,546,000 each year from the general fund
23.13 and \$4,604,000 each year from the workforce
23.14 development fund are for the pathways to
23.15 prosperity competitive grant program. Of this
23.16 amount, up to five percent is for administration
23.17 and monitoring of the program.

23.18 (j) \$500,000 each year is from the workforce
23.19 development fund for current Minnesota
23.20 affiliates of OIC of America, Inc. This
23.21 appropriation shall be divided equally among
23.22 the eligible centers.

23.23 (k) \$1,000,000 each year is for competitive
23.24 grants to organizations providing services to
23.25 relieve economic disparities in the Southeast
23.26 Asian community through workforce
23.27 recruitment, development, job creation,
23.28 assistance of smaller organizations to increase
23.29 capacity, and outreach. Of this amount, up to
23.30 five percent is for administration and
23.31 monitoring of the program.

23.32 (l) \$1,000,000 each year is for a competitive
23.33 grant program to provide grants to
23.34 organizations that provide support services for

24.1 individuals, such as job training, employment
24.2 preparation, internships, job assistance to
24.3 parents, financial literacy, academic and
24.4 behavioral interventions for low-performing
24.5 students, and youth intervention. Grants made
24.6 under this section must focus on low-income
24.7 communities, young adults from families with
24.8 a history of intergenerational poverty, and
24.9 communities of color. Of this amount, up to
24.10 five percent is for administration and
24.11 monitoring of the program.

24.12 (m) \$5,230,000 each year from the general
24.13 fund and \$3,348,000 each year from the
24.14 workforce development fund are for the
24.15 youth-at-work competitive grant program
24.16 under Minnesota Statutes, section 116L.562.
24.17 Of this amount, up to five percent is for
24.18 administration and monitoring of the youth
24.19 workforce development competitive grant
24.20 program. All grant awards shall be for two
24.21 consecutive years. Grants shall be awarded in
24.22 the first year. The base funding for this
24.23 program is \$750,000 each year from the
24.24 general fund and \$3,348,000 each year from
24.25 the workforce development fund beginning in
24.26 fiscal year 2026.

24.27 (n) \$2,093,000 each year is from the
24.28 workforce development fund for the
24.29 Minnesota Youthbuild program under
24.30 Minnesota Statutes, sections 116L.361 to
24.31 116L.366. The base funding for this program
24.32 is \$1,000,000 per year from the workforce
24.33 development fund beginning in fiscal year
24.34 2026.

25.1 (o) \$4,511,000 each year from the general fund
25.2 and \$4,050,000 each year from the workforce
25.3 development fund are for the Minnesota youth
25.4 program under Minnesota Statutes, sections
25.5 116L.56 and 116L.561. Beginning in fiscal
25.6 year 2026, the base funding for this program
25.7 is \$0 from the general fund and \$4,050,000
25.8 from the workforce development fund.

25.9 (p) \$750,000 each year is for the Office of
25.10 New Americans under Minnesota Statutes,
25.11 section 116J.4231.

25.12 (q) \$1,000,000 each year is for a grant to the
25.13 Minnesota Technology Association to support
25.14 the SciTech internship program, a program
25.15 that supports science, technology, engineering,
25.16 and math (STEM) internship opportunities for
25.17 two- and four-year college students and
25.18 graduate students in their fields of study. The
25.19 internship opportunities must match students
25.20 with paid internships within STEM disciplines
25.21 at small, for-profit companies located in
25.22 Minnesota having fewer than 250 employees
25.23 worldwide. At least 325 students must be
25.24 matched each year. No more than 15 percent
25.25 of the hires may be graduate students. Selected
25.26 hiring companies shall receive from the grant
25.27 50 percent of the wages paid to the intern,
25.28 capped at \$3,000 per intern. The program must
25.29 work toward increasing the participation
25.30 among women or other underserved
25.31 populations. This is a onetime appropriation.

25.32 (r) \$750,000 each year is for grants to the
25.33 Minneapolis Park and Recreation Board's Teen
25.34 Teamworks youth employment and training
25.35 programs. This appropriation is onetime,

26.1 available in either year of the biennium, and
26.2 available until June 30, 2027.

26.3 (s) \$900,000 the first year and \$900,000 the
26.4 second year are for a grant to Avivo to provide
26.5 low-income individuals with career education
26.6 and job skills training that is fully integrated
26.7 with chemical and mental health services. Of
26.8 this amount, up to \$250,000 each year is for
26.9 a grant to Avivo to provide resources and
26.10 support services to survivors of sex trafficking
26.11 and domestic abuse in the greater St. Cloud
26.12 area as they search for employment. Program
26.13 resources include but are not limited to costs
26.14 for day care, transportation, housing, legal
26.15 advice, procuring documents required for
26.16 employment, interview clothing, technology,
26.17 and Internet access. The program shall also
26.18 include public outreach and corporate training
26.19 components to communicate to the public and
26.20 potential employers about the specific
26.21 struggles faced by survivors as they re-enter
26.22 the workforce. These are onetime
26.23 appropriations.

26.24 (t) \$1,000,000 each year is for the getting to
26.25 work grant program under Minnesota Statutes,
26.26 section 116J.545. Of this amount, up to five
26.27 percent is for administration and monitoring
26.28 of the program. These are onetime
26.29 appropriations.

26.30 (u) \$375,000 each year is for a grant to the
26.31 nonprofit 30,000 Feet to fund youth
26.32 apprenticeship jobs, wraparound services,
26.33 after-school programming, and summer
26.34 learning loss prevention efforts targeted at

27.1 African American youth. This is a onetime
27.2 appropriation.

27.3 (v) \$463,000 the first year is for a grant to the
27.4 Boys and Girls Club of Central Minnesota.
27.5 This is a onetime appropriation. Of this
27.6 amount:

27.7 (1) \$313,000 is to fund one year of free
27.8 full-service programming for a new program
27.9 in Waite Park that will employ part-time youth
27.10 development staff and provide community
27.11 volunteer opportunities for people of all ages.
27.12 Career exploration and life skills programming
27.13 will be a significant dimension of
27.14 programming at this new site; and

27.15 (2) \$150,000 is for planning and design for a
27.16 new multiuse facility for the Boys and Girls
27.17 Club of Waite Park and other community
27.18 partners, including the Waite Park Police
27.19 Department and the Whitney Senior Center.

27.20 (w) \$1,000,000 each year is for a grant to the
27.21 Minnesota Alliance of Boys and Girls Clubs
27.22 to administer a statewide project of youth job
27.23 skills and career development. This project,
27.24 which may have career guidance components
27.25 including health and life skills, must be
27.26 designed to encourage, train, and assist youth
27.27 in early access to education and job-seeking
27.28 skills, work-based learning experience,
27.29 including career pathways in STEM learning,
27.30 career exploration and matching, and first job
27.31 placement through local community
27.32 partnerships and on-site job opportunities. This
27.33 grant requires a 25 percent match from
27.34 nonstate resources. This is a onetime
27.35 appropriation.

- 28.1 (x) \$1,050,000 the first year is for a grant to
28.2 the Owatonna Area Chamber of Commerce
28.3 Foundation for the Learn and Earn Initiative
28.4 to help the Owatonna and Steele County
28.5 region grow and retain a talented workforce.
28.6 This is a onetime appropriation and is
28.7 available until June 30, 2025. Of this amount:
- 28.8 (1) \$950,000 is to develop an advanced
28.9 manufacturing career pathway program for
28.10 youth and adult learners with shared learning
28.11 spaces, state-of-the-art equipment, and
28.12 instructional support to grow and retain talent
28.13 in Owatonna; and
- 28.14 (2) \$100,000 is to create the Owatonna
28.15 Opportunity scholarship model for the Learn
28.16 and Earn Initiative for students and employers.
- 28.17 (y) \$250,000 each year is for a grant to the
28.18 White Bear Center for the Arts for establishing
28.19 a paid internship program for high school
28.20 students to learn professional development
28.21 skills through an arts perspective. This is a
28.22 onetime appropriation.
- 28.23 (z) \$946,000 each year is for the Minnesota
28.24 Family Resiliency Partnership under
28.25 Minnesota Statutes, section 116L.96. The
28.26 commissioner, through the adult career
28.27 pathways program, shall distribute the money
28.28 to existing nonprofit and state displaced
28.29 homemaker programs. The base is \$446,000
28.30 beginning in fiscal year 2026.
- 28.31 (aa) \$1,500,000 each year is for a grant to the
28.32 Center for Economic Inclusion for strategic,
28.33 data-informed investments in job creation
28.34 strategies that respond to the needs of

29.1 underserved populations statewide. This may
29.2 include pay-for-performance contracts with
29.3 nonprofit organizations to provide outreach,
29.4 training, and support services for dislocated
29.5 and chronically underemployed people, and
29.6 forgivable loans, revenue-based financing, and
29.7 equity investments for entrepreneurs with
29.8 barriers to growth. Of this amount, up to five
29.9 percent may be used for the center's technical
29.10 assistance and administrative costs. These are
29.11 onetime appropriations.

29.12 (bb) \$600,000 each year is for a grant to East
29.13 Side Neighborhood Services. These are
29.14 onetime appropriations. Of this amount:

29.15 (1) \$300,000 each year is for the senior
29.16 community service employment program,
29.17 which provides work readiness training to
29.18 low-income adults 55 and older, to provide
29.19 ongoing support and mentoring needs to the
29.20 program participants and to support the
29.21 transition period from subsidized wages to
29.22 unsubsidized wages; and

29.23 (2) \$300,000 each year is for the nursing
29.24 assistant plus program to serve the increased
29.25 need for growth of medical talent pipelines
29.26 through expansion of the existing program and
29.27 development of in-house training.

29.28 These amounts may also be used to enhance
29.29 the organization's youth employment
29.30 programming for youth and young adults, ages
29.31 14 to 24, to introduce them to work culture,
29.32 develop essential work readiness skills, and
29.33 make career plans through paid internship
29.34 experiences and work readiness training.

- 30.1 (cc) \$1,500,000 each year is for a grant to
30.2 Ujamaa Place to assist primarily African
30.3 American men with job training, employment
30.4 preparation, internships, education, vocational
30.5 housing, and organizational capacity building.
30.6 This is a onetime appropriation.
- 30.7 (dd) \$500,000 each year is for a grant to
30.8 Comunidades Organizando el Poder y la
30.9 Acción Latina (COPAL) for worker center
30.10 programming that supports primarily
30.11 low-income, migrant, and Latinx workers with
30.12 career planning, workforce training and
30.13 education, workers' rights advocacy, health
30.14 resources and navigation, and wealth creation
30.15 resources. This is a onetime appropriation.
- 30.16 (ee) \$3,000,000 each year is for a grant to
30.17 Propel Nonprofits to provide capacity-building
30.18 grants and related technical assistance to small,
30.19 culturally specific organizations that primarily
30.20 serve historically underserved cultural
30.21 communities. Propel Nonprofits may only
30.22 award grants to nonprofit organizations that
30.23 have an annual organizational budget of less
30.24 than \$1,000,000. These grants may be used
30.25 for:
- 30.26 (1) organizational infrastructure
30.27 improvements, including developing database
30.28 management systems and financial systems,
30.29 or other administrative needs that increase the
30.30 organization's ability to access new funding
30.31 sources;
- 30.32 (2) organizational workforce development,
30.33 including hiring culturally competent staff,
30.34 training and skills development, and other
30.35 methods of increasing staff capacity; or

31.1 (3) creating or expanding partnerships with
31.2 existing organizations that have specialized
31.3 expertise in order to increase capacity of the
31.4 grantee organization to improve services to
31.5 the community.

31.6 Of this amount, up to five percent may be used
31.7 by Propel Nonprofits for administrative costs.
31.8 This is a onetime appropriation.

31.9 (ff) \$1,000,000 each year is for a grant to
31.10 Goodwill Easter Seals Minnesota and its
31.11 partners. The grant must be used to continue
31.12 the FATHER Project in Rochester, St. Cloud,
31.13 St. Paul, Minneapolis, and the surrounding
31.14 areas to assist fathers in overcoming barriers
31.15 that prevent fathers from supporting their
31.16 children economically and emotionally,
31.17 including with community re-entry following
31.18 confinement. This is a onetime appropriation.

31.19 (gg) \$250,000 the first year is for a grant to
31.20 the ProStart and Hospitality Tourism
31.21 Management Program for a well-established,
31.22 proven, and successful education program that
31.23 helps young people advance careers in the
31.24 hospitality industry and addresses critical
31.25 long-term workforce shortages in that industry.

31.26 (hh) \$1,400,000 the first year and \$450,000
31.27 the second year are for grants to Minnesota
31.28 Diversified Industries to provide inclusive
31.29 employment opportunities and services for
31.30 people with disabilities. This is a onetime
31.31 appropriation.

31.32 (ii) \$1,000,000 the first year is for a grant to
31.33 Minnesota Diversified Industries to assist
31.34 individuals with disabilities through the

32.1 unified work model by offering virtual and
32.2 in-person career skills classes augmented with
32.3 virtual reality tools. Minnesota Diversified
32.4 Industries shall submit a report on the number
32.5 and demographics of individuals served, hours
32.6 of career skills programming delivered,
32.7 outreach to employers, and recommendations
32.8 for future career skills delivery methods to the
32.9 chairs and ranking minority members of the
32.10 legislative committees with jurisdiction over
32.11 labor and workforce development policy and
32.12 finance by January 15, 2026. This is a onetime
32.13 appropriation and is available until June 30,
32.14 2025.

32.15 (jj) \$1,175,000 each year is for a grant to
32.16 Summit Academy OIC to expand employment
32.17 placement, GED preparation and
32.18 administration, and STEM programming in
32.19 the Twin Cities, Saint Cloud, and Bemidji.
32.20 This is a onetime appropriation.

32.21 (kk) \$500,000 each year is a grant to
32.22 Minnesota Independence Community College
32.23 to provide employment preparation, job
32.24 placement, job retention, and service
32.25 coordination services to adults with autism
32.26 and learning differences. This is a onetime
32.27 appropriation.

32.28 (ll) \$350,000 the first year and \$25,000 the
32.29 second year are for a grant to the University
32.30 of Minnesota Tourism Center for the creation
32.31 and operation of an online hospitality training
32.32 program in partnership with Explore
32.33 Minnesota Tourism. This training program
32.34 must be made available at no cost to
32.35 Minnesota residents in an effort to address

33.1 critical workforce shortages in the hospitality
33.2 and tourism industries and assist in career
33.3 development. The base in fiscal year 2026 and
33.4 beyond is \$25,000 for ongoing system
33.5 maintenance, management, and content
33.6 updates.

33.7 (mm) \$3,000,000 the first year is for
33.8 competitive grants to support competitive
33.9 robotics teams and prepare youth for careers
33.10 in STEM fields. Of this amount, \$2,000,000
33.11 is for creating internships for high school
33.12 students to work at private companies in
33.13 STEM fields, including the payment of student
33.14 stipends.

33.15 (nn) \$1,500,000 the first year is for a grant to
33.16 the nonprofit Sanneh Foundation to fund
33.17 out-of-school summer programs focused on
33.18 mentoring and behavioral, social, and
33.19 emotional learning interventions and
33.20 enrichment activities directed toward
33.21 low-income students of color. This
33.22 appropriation is onetime and available until
33.23 June 30, 2026.

33.24 (oo) \$1,000,000 each year is for a grant to the
33.25 Hmong American Partnership to expand job
33.26 training and placement programs primarily
33.27 servicing the Southeast Asian community. These
33.28 are onetime appropriations.

33.29 (pp) \$1,000,000 each year is for a grant to
33.30 Comunidades Latinas Unidas En Servicio
33.31 (CLUES) to address employment, economic,
33.32 and technology access disparities for
33.33 low-income unemployed or underemployed
33.34 individuals. Grant money must support
33.35 short-term certifications and transferable skills

34.1 in high-demand fields, workforce readiness,
34.2 customized financial capability, and
34.3 employment supports. At least 50 percent of
34.4 this amount must be used for programming
34.5 targeted at greater Minnesota. This is a
34.6 onetime appropriation.

34.7 (qq) \$300,000 each year is for a grant to All
34.8 Square. The grant must be used to support the
34.9 operations of All Square's Fellowship and
34.10 Prison to Law Pipeline programs which
34.11 operate in Minneapolis, St. Paul, and
34.12 surrounding correctional facilities to assist
34.13 incarcerated and formerly incarcerated
34.14 Minnesotans in overcoming employment
34.15 barriers that prevent economic and emotional
34.16 freedom. This is a onetime appropriation.

34.17 (rr) \$1,000,000 each year is for a grant to the
34.18 Redemption Project to provide employment
34.19 services to adults leaving incarceration,
34.20 including recruiting, educating, training, and
34.21 retaining employment mentors and partners.
34.22 This is a onetime appropriation.

34.23 (ss) \$3,000,000 each year is for a grant to
34.24 Community Action Partnership of Hennepin
34.25 County. These are onetime appropriations. Of
34.26 this amount:

34.27 (1) \$1,500,000 each year is for grants to 21
34.28 Days of Peace for social equity building and
34.29 community engagement activities; and

34.30 (2) \$1,500,000 each year is for grants to A
34.31 Mother's Love for community outreach,
34.32 empowerment training, and employment and
34.33 career exploration services.

35.1 (tt) \$750,000 each year is for a grant to Mind
35.2 the G.A.P.P. (Gaining Assistance to Prosperity
35.3 Program) to improve the quality of life of
35.4 unemployed and underemployed individuals
35.5 by improving their employment outcomes and
35.6 developing individual earnings potential. This
35.7 is a onetime appropriation and money is
35.8 available either year of the biennium.

35.9 (uu) \$550,000 each year is for a grant to the
35.10 International Institute of Minnesota. Grant
35.11 money must be used for workforce training
35.12 for New Americans in industries in need of a
35.13 trained workforce. These are onetime
35.14 appropriations.

35.15 (vv) \$400,000 each year is to Hire to expand
35.16 their career pathway job training and
35.17 placement program that connects lower-skilled
35.18 job seekers to entry-level and gateway jobs in
35.19 high-growth sectors. These are onetime
35.20 appropriations.

35.21 (ww) \$500,000 each year is for a grant to the
35.22 American Indian Opportunities and
35.23 Industrialization Center for workforce
35.24 development programming, including reducing
35.25 academic disparities for American Indian
35.26 students and adults. This is a onetime
35.27 appropriation.

35.28 (xx) \$275,000 each year is to Southeast
35.29 Minnesota Workforce Development Area
35.30 #8/Workforce Development, Inc. to provide
35.31 career planning, career pathway training and
35.32 education, wraparound support services, and
35.33 job skills advancement in high-demand careers
35.34 to individuals with barriers to employment in
35.35 Steele County, helping families build secure

36.1 pathways out of poverty while also addressing
36.2 worker shortages in the Owatonna and Steele
36.3 County area. Funding must also support
36.4 Employer Outreach Services to include
36.5 providing solutions to workforce challenges
36.6 and direct connections to workforce
36.7 programming. Grants may be used for
36.8 program expenses, including but not limited
36.9 to hiring instructors and navigators; space
36.10 rental; and supportive services to help
36.11 participants attend classes, including assistance
36.12 with course fees, child care, transportation,
36.13 and safe and stable housing. In addition, up to
36.14 five percent of grant money may be used for
36.15 Workforce Development, Inc.'s administrative
36.16 costs. This is a onetime appropriation and is
36.17 available until June 30, 2027.

36.18 (yy) \$500,000 each year is for a grant to the
36.19 Black Women's Wealth Alliance to provide
36.20 economically eligible individuals with job
36.21 skills training, career counseling, and job
36.22 placement assistance. This is a onetime
36.23 appropriation.

36.24 (zz) \$250,000 each year is for a grant to
36.25 Abijahs on the Backside to provide equine
36.26 experiential mental health therapy to first
36.27 responders suffering from job-related trauma
36.28 and post-traumatic stress disorder. For
36.29 purposes of this paragraph, a "first responder"
36.30 is a peace officer as defined in Minnesota
36.31 Statutes, section 626.84, subdivision 1,
36.32 paragraph (c); a full-time firefighter as defined
36.33 in Minnesota Statutes, section 299N.03,
36.34 subdivision 5; or a volunteer firefighter as

37.1 defined in Minnesota Statutes, section
37.2 299N.03, subdivision 7.

37.3 Abijahs on the Backside must report to the
37.4 commissioner of employment and economic
37.5 development and the chairs and ranking
37.6 minority members of the legislative
37.7 committees with jurisdiction over employment
37.8 and economic development policy and finance
37.9 on the equine experiential mental health
37.10 therapy provided to first responders under this
37.11 paragraph. The report must include an
37.12 overview of the program's budget, a detailed
37.13 explanation of program expenditures, the
37.14 number of first responders served by the
37.15 program, and a list and explanation of the
37.16 services provided to and benefits received by
37.17 program participants. An initial report is due
37.18 by January 15, 2024, and a final report is due
37.19 by January 15, 2026. This is a onetime
37.20 appropriation.

37.21 (aaa) \$200,000 each year is for a grant to
37.22 Project Restore Minnesota for the Social
37.23 Kitchen project, a pathway program for careers
37.24 in the culinary arts. This is a onetime
37.25 appropriation and is available until June 30,
37.26 2027.

37.27 (bbb) \$100,000 each year is for grants to the
37.28 Minnesota Grocers Association Foundation
37.29 for Carts to Careers, a statewide initiative to
37.30 promote careers, conduct outreach, provide
37.31 job skills training, and award scholarships for
37.32 students pursuing careers in the food industry.
37.33 This is a onetime appropriation.

37.34 (ccc) \$1,200,000 each year is for a grant to
37.35 Twin Cities R!SE. Of this amount, \$700,000

38.1 each year is for performance grants under
38.2 Minnesota Statutes, section 116J.8747, to
38.3 Twin Cities R!SE to provide training to
38.4 individuals facing barriers to employment;
38.5 and \$500,000 each year is to increase the
38.6 capacity of the Empowerment Institute through
38.7 employer partnerships across Minnesota and
38.8 expansion of the youth personal empowerment
38.9 curriculum. This appropriation is onetime and
38.10 available until June 30, 2026.

38.11 (ddd) \$750,000 each year is for a grant to
38.12 Bridges to Healthcare to provide career
38.13 education, wraparound support services, and
38.14 job skills training in high-demand health care
38.15 fields to low-income parents, nonnative
38.16 speakers of English, and other hard-to-train
38.17 individuals, helping families build secure
38.18 pathways out of poverty while also addressing
38.19 worker shortages in one of Minnesota's most
38.20 innovative industries. Grants may be used for
38.21 program expenses, including but not limited
38.22 to hiring instructors and navigators; space
38.23 rental; and supportive services to help
38.24 participants attend classes, including assistance
38.25 with course fees, child care, transportation,
38.26 and safe and stable housing. In addition, up to
38.27 five percent of grant money may be used for
38.28 Bridges to Healthcare's administrative costs.
38.29 This is a onetime appropriation.

38.30 (eee) \$500,000 each year is for a grant to Big
38.31 Brothers Big Sisters of the Greater Twin Cities
38.32 to provide disadvantaged youth ages 12 to 21
38.33 with job-seeking skills, connections to job
38.34 training and education opportunities, and
38.35 mentorship while exploring careers. The grant

39.1 shall serve youth in the Big Brothers Big
39.2 Sisters chapters in the Twin Cities, central
39.3 Minnesota, and southern Minnesota. This is a
39.4 onetime appropriation.

39.5 (fff) \$1,500,000 each year is for a grant to
39.6 Youthprise to provide economic development
39.7 services designed to enhance long-term
39.8 economic self-sufficiency in communities with
39.9 concentrated African populations statewide.
39.10 Of these amounts, 50 percent is for subgrants
39.11 to Ka Joog and 50 percent is for competitive
39.12 subgrants to community organizations. These
39.13 are onetime appropriations.

39.14 (ggg) \$350,000 each year is for a grant to the
39.15 YWCA Minneapolis to provide training to
39.16 eligible individuals, including job skills
39.17 training, career counseling, and job placement
39.18 assistance necessary to secure a child
39.19 development associate credential and to have
39.20 a career path in early education. These are
39.21 onetime appropriations.

39.22 (hhh) \$500,000 each year is for a grant to
39.23 Emerge Community Development to support
39.24 and reinforce critical workforce at the Emerge
39.25 Career and Technical Center, Cedar Riverside
39.26 Opportunity Center, and Emerge Second
39.27 Chance programs in the city of Minneapolis.
39.28 This is a onetime appropriation.

39.29 (iii) \$425,000 each year is for a grant to Better
39.30 Futures Minnesota to provide job skills
39.31 training to individuals who have been released
39.32 from incarceration for a felony-level offense
39.33 and are no more than 12 months from the date
39.34 of release. This is a onetime appropriation.

40.1 Better Futures Minnesota shall annually report
40.2 to the commissioner on how the money was
40.3 spent and what results were achieved. The
40.4 report must include, at a minimum,
40.5 information and data about the number of
40.6 participants; participant homelessness,
40.7 employment, recidivism, and child support
40.8 compliance; and job skills training provided
40.9 to program participants.

40.10 (jjj) \$500,000 each year is for a grant to
40.11 Pillsbury United Communities to provide job
40.12 training and workforce development services
40.13 for underserved communities. This is a
40.14 onetime appropriation.

40.15 (kkk) \$500,000 each year is for a grant to
40.16 Project for Pride in Living for job training and
40.17 workforce development services for
40.18 underserved communities. This is a onetime
40.19 appropriation.

40.20 (lll) \$300,000 each year is for a grant to
40.21 YMCA of the North to provide career
40.22 exploration, job training, and workforce
40.23 development services for underserved youth
40.24 and young adults. This is a onetime
40.25 appropriation.

40.26 (mmm) \$500,000 each year is for a grant to
40.27 Al Maa'uun for a strategic intervention
40.28 program designed to target and connect
40.29 program participants to meaningful,
40.30 sustainable living wage employment. This is
40.31 a onetime appropriation.

40.32 (nnn) \$500,000 each year is for a grant to
40.33 CAIRO to provide workforce development
40.34 services in health care, technology, and

- 41.1 transportation (CDL) industries. This is a
41.2 onetime appropriation.
- 41.3 (ooo) \$500,000 each year is for competitive
41.4 grants to organizations providing services to
41.5 relieve economic disparities in the African
41.6 immigrant community through workforce
41.7 recruitment, development, job creation,
41.8 assistance of smaller organizations to increase
41.9 capacity, and outreach. Of this amount, up to
41.10 five percent is for administration and
41.11 monitoring of the program. This is a onetime
41.12 appropriation.
- 41.13 (ppp) \$270,000 each year is for a grant to
41.14 Stairstep to help community members
41.15 understand possibilities for improving
41.16 employment opportunities. This is a onetime
41.17 appropriation.
- 41.18 (qqq) \$400,000 each year is for a grant to
41.19 Building Strong Communities, Inc, for a
41.20 statewide apprenticeship readiness program
41.21 to prepare women, BIPOC community
41.22 members, and veterans to enter the building
41.23 and construction trades. These are onetime
41.24 appropriations.
- 41.25 (rrr) \$150,000 each year is for prevailing wage
41.26 staff under Minnesota Statutes, section
41.27 116J.871, subdivision 2.
- 41.28 (sss) \$250,000 each year is for the purpose of
41.29 awarding a grant to Minnesota Community of
41.30 African People with Disabilities (MNCAPD),
41.31 Roots Connect, and Fortune Relief and Youth
41.32 Empowerment Organization (FRAYEO). This
41.33 is a onetime appropriation. MNCAPD, Roots
41.34 Connect, and FRAYEO must use grant

42.1 proceeds to provide funding for workforce
 42.2 development activities for at-risk youth from
 42.3 low-income families and unengaged young
 42.4 adults experiencing disabilities, including:
 42.5 (1) job readiness training for at-risk youth,
 42.6 including resume building, interview skills,
 42.7 and job search strategies;
 42.8 (2) on-the-job training opportunities with local
 42.9 businesses;
 42.10 (3) support services such as transportation
 42.11 assistance and child care to help youth attend
 42.12 job training programs; and
 42.13 (4) mentorship and networking opportunities
 42.14 to connect youth with professionals in the
 42.15 youth's desired fields.

42.16 (ttt) \$500,000 the first year is to the Legislative
 42.17 Coordinating Commission for the Take Force
 42.18 on Youth Interventions. This is a onetime
 42.19 appropriation.

42.20 <u>Subd. 4. General Support Services</u>	<u>18,031,000</u>	<u>8,059,000</u>
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42.21 <u>Appropriations by Fund</u>		
	<u>2024</u>	<u>2025</u>
42.22 <u>General Fund</u>	<u>17,950,000</u>	<u>7,950,000</u>
42.23 <u>Workforce</u>		
42.24 <u>Development</u>	<u>81,000</u>	<u>109,000</u>

42.26 (a) \$1,269,000 each year is for transfer to the
 42.27 Minnesota Housing Finance Agency for
 42.28 operating the Olmstead Compliance Office.

42.29 (b) \$10,000,000 the first year is for the
 42.30 workforce digital transformation projects. This
 42.31 appropriation is onetime and is available until
 42.32 June 30, 2027.

42.33 <u>Subd. 5. Minnesota Trade Office</u>	<u>2,242,000</u>	<u>2,242,000</u>
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43.1 (a) \$300,000 each year is for the STEP grants
 43.2 in Minnesota Statutes, section 116J.979. The
 43.3 base for this purpose in fiscal year 2024 and
 43.4 beyond is \$300,000.

43.5 (b) \$180,000 each year is for the Invest
 43.6 Minnesota marketing initiative in Minnesota
 43.7 Statutes, section 116J.9781.

43.8 (c) \$270,000 each year is for the Minnesota
 43.9 Trade Offices under Minnesota Statutes,
 43.10 section 116J.978.

43.11 Subd. 6. Vocational Rehabilitation 49,136,000 49,136,000

	<u>Appropriations by Fund</u>	
	<u>2024</u>	<u>2025</u>
43.12		
43.13		
43.14	<u>41,306,000</u>	<u>41,306,000</u>
43.15		
43.16	<u>7,830,000</u>	<u>7,830,000</u>

43.17 (a) \$14,300,000 each year is for the state's
 43.18 vocational rehabilitation program under
 43.19 Minnesota Statutes, chapter 268A.

43.20 (b) \$11,495,000 each year from the general
 43.21 fund and \$6,830,000 each year from the
 43.22 workforce development fund are for extended
 43.23 employment services for persons with severe
 43.24 disabilities under Minnesota Statutes, section
 43.25 268A.15. Of the amounts appropriated from
 43.26 the general fund, \$4,500,000 each year is for
 43.27 maintaining prior rate increases to providers
 43.28 of extended employment services for persons
 43.29 with severe disabilities under Minnesota
 43.30 Statutes, section 268A.15.

43.31 (c) \$6,500,000 each year is for grants to
 43.32 programs that provide employment support
 43.33 services to persons with mental illness under

44.1 Minnesota Statutes, sections 268A.13 and
44.2 268A.14.

44.3 (d) \$9,011,000 each year is for grants to
44.4 centers for independent living under
44.5 Minnesota Statutes, section 268A.11.

44.6 (e) \$1,000,000 each year is from the workforce
44.7 development fund for grants under Minnesota
44.8 Statutes, section 268A.16, for employment
44.9 services for persons, including transition-age
44.10 youth, who are deaf, deafblind, or
44.11 hard-of-hearing. If the amount in the first year
44.12 is insufficient, the amount in the second year
44.13 is available in the first year.

44.14 **Subd. 7. Services for the Blind** 10,425,000 10,425,000

44.15 (a) \$500,000 each year is for senior citizens
44.16 who are becoming blind. At least one-half of
44.17 the money for this purpose must be used to
44.18 provide training services for seniors who are
44.19 becoming blind. Training services must
44.20 provide independent living skills to seniors
44.21 who are becoming blind to allow them to
44.22 continue to live independently in their homes.

44.23 (b) \$2,000,000 each year is for the employer
44.24 reasonable accommodation fund. This is a
44.25 onetime appropriation.

44.26 **Sec. 3. EXPLORE MINNESOTA** \$ 30,657,000 \$ 15,269,000

44.27 (a) \$500,000 the first year and \$500,000 the
44.28 second year must be matched from nonstate
44.29 sources to develop maximum private sector
44.30 involvement in tourism. Each \$1 of state
44.31 incentive must be matched with \$6 of private
44.32 sector money. "Matched" means revenue to
44.33 the state or documented cash expenditures
44.34 directly expended to support Explore

45.1 Minnesota Tourism under Minnesota Statutes,
 45.2 section 116U.05. The incentive in fiscal year
 45.3 2024 is based on fiscal year 2023 private
 45.4 sector contributions. The incentive in fiscal
 45.5 year 2025 is based on fiscal year 2024 private
 45.6 sector contributions. This incentive is ongoing.

45.7 (b) \$12,000,000 the first year is for the
 45.8 development of Explore Minnesota for
 45.9 Business under Minnesota Statutes, section
 45.10 116U.07, to market the overall livability and
 45.11 economic opportunities of Minnesota. This is
 45.12 a onetime appropriation.

45.13 (c) \$2,254,000 is added to the base beginning
 45.14 in fiscal year 2026 to build additional
 45.15 administrative capacity to provide support in
 45.16 the areas of brand strategy, communications,
 45.17 and industry relations.

45.18 (d) \$250,000 in fiscal year 2024 is
 45.19 appropriated from the general fund to Explore
 45.20 Minnesota Tourism for a grant to the Grand
 45.21 Portage Band to focus tourism to Grand
 45.22 Portage. This is a onetime appropriation.

45.23 (e) Money for marketing grants is available
 45.24 either year of the biennium. Unexpended grant
 45.25 money from the first year is available in the
 45.26 second year.

ARTICLE 2

EXPLORE MINNESOTA

45.29 Section 1. Minnesota Statutes 2022, section 116U.05, is amended to read:

116U.05 EXPLORE MINNESOTA TOURISM.

45.31 Explore Minnesota Tourism is ~~created~~ as an office in the executive branch with a director
 45.32 appointed by the governor. The director is under the supervision of the commissioner of
 45.33 employment and economic development and oversees Explore Minnesota Tourism and

46.1 Explore Minnesota for Business divisions. The director serves in the unclassified service
 46.2 and must be qualified by experience and training in ~~travel and tourism~~ related fields.

46.3 Sec. 2. **[116U.06] EXPLORE MINNESOTA TOURISM.**

46.4 Explore Minnesota Tourism is a division of Explore Minnesota and exists to support
 46.5 Minnesota's economy through promotion and facilitation of travel to and within the state
 46.6 of Minnesota.

46.7 Sec. 3. **[116U.07] EXPLORE MINNESOTA FOR BUSINESS.**

46.8 Explore Minnesota for Business is a division of Explore Minnesota. Its mission is to
 46.9 promote overall livability and workforce and economic opportunity in Minnesota. Explore
 46.10 Minnesota for Business works in conjunction with the department of employment and
 46.11 economic development to establish and meet statewide goals in these areas.

46.12 Sec. 4. Minnesota Statutes 2022, section 116U.10, is amended to read:

46.13 **116U.10 DEFINITIONS.**

46.14 Subdivision 1. **Scope.** ~~As used in~~ For the purposes of this chapter, the terms ~~defined in~~
 46.15 this section have the meanings given them.

46.16 Subd. 2. **Director.** "Director" means the executive director of Explore Minnesota
 46.17 ~~Tourism.~~

46.18 Subd. 3. **Office.** "Office" means Explore Minnesota ~~Tourism.~~

46.19 Sec. 5. Minnesota Statutes 2022, section 116U.15, is amended to read:

46.20 **116U.15 MISSION.**

46.21 (a) The mission of Explore Minnesota ~~Tourism~~ is to promote and facilitate increased
 46.22 travel to and within the state of Minnesota, promote overall livability, and promote workforce
 46.23 and economic opportunity in Minnesota. To further the mission of Explore Minnesota, the
 46.24 office is advised by councils focused on tourism and talent attraction and business marketing.
 46.25 Its goals are to:

46.26 (1) expand public and private partnerships through increased interagency efforts and
 46.27 increased tourism and business industry participation;

46.28 (2) increase productivity through enhanced flexibility and options; and

47.1 (3) use innovative fiscal and human resource practices to manage the state's resources
47.2 and operate the office as efficiently as possible.

47.3 (b) The director shall report to the legislature on the performance of the office's operations
47.4 and the accomplishment of its goals in the office's biennial budget according to section
47.5 16A.10, subdivision 1.

47.6 Sec. 6. Minnesota Statutes 2022, section 116U.20, is amended to read:

47.7 **116U.20 ORGANIZATION.**

47.8 The director shall:

47.9 (1) employ assistants and other officers, employees, and agents that the director considers
47.10 necessary to discharge the functions of the office; ~~and~~

47.11 (2) define the duties of the officers, employees, and agents, and delegate to them any of
47.12 the director's powers, duties, and responsibilities, subject to the director's control and under
47.13 conditions prescribed by the director;

47.14 (3) oversee the overall strategy and budgets of the Tourism and Business divisions; and

47.15 (4) chair or cochair and oversee the Tourism and Business councils.

47.16 Sec. 7. **[116U.24] EXPLORE MINNESOTA COUNCILS.**

47.17 (a) The director shall be advised by the Explore Minnesota Tourism Council and Explore
47.18 Minnesota for Business Council, each consisting of voting members appointed by the
47.19 governor for four-year terms. The director of Explore Minnesota serves as the chair or
47.20 cochair of each council. The director may assign employees of the office to participate in
47.21 oversight of council operations.

47.22 (b) Each council shall act to serve the broader interests of the council's divisions by
47.23 promoting activities and programs of the office that support, maintain, and expand the state's
47.24 domestic and international travel and trade markets, thereby generating increased visitor
47.25 expenditures, revenue, and employment.

47.26 (c) Filling of membership vacancies is as provided in section 15.059. The terms of
47.27 one-half of the members shall be coterminous with the governor, and the terms of the
47.28 remaining one-half of the members shall end on the first Monday in January one year after
47.29 the terms of the other members. Members may serve until their successors are appointed
47.30 and qualify. Members are not compensated. A member may be reappointed.

48.1 (d) The council shall meet at least four times per year and at other times determined by
48.2 each council.

48.3 (e) If compliance with section 13D.02 is impractical, the Explore Minnesota councils
48.4 may conduct a meeting of their members by telephone or other electronic means so long as
48.5 the following conditions are met:

48.6 (1) all members of each council participating in the meeting, wherever their physical
48.7 location, can hear one another and can hear all discussion and testimony;

48.8 (2) members of the public present at the regular meeting location of the council can hear
48.9 clearly all discussion and testimony and all votes of members of each council and, if needed,
48.10 receive those services required by sections 15.44 and 15.441;

48.11 (3) at least one member of each council is physically present at the regular meeting
48.12 location; and

48.13 (4) all votes are conducted by roll call, so each member's vote on each issue can be
48.14 identified and recorded.

48.15 (f) Each member of each council participating in a meeting by telephone or other
48.16 electronic means is considered present at the meeting for purposes of determining a quorum
48.17 and participating in all proceedings.

48.18 (g) If telephone or other electronic means is used to conduct a meeting, each council, to
48.19 the extent practicable, shall allow a person to monitor the meeting electronically from a
48.20 remote location. Each council may require the person making such a connection to pay for
48.21 documented marginal costs that each council incurs as a result of the additional connection.

48.22 (h) If telephone or other electronic means is used to conduct a regular, special, or
48.23 emergency meeting, the council shall provide notice of the regular meeting location, of the
48.24 fact that some members may participate by telephone or other electronic means, and whether
48.25 a cost will be incurred under paragraph (f). The timing and method of providing notice is
48.26 governed by section 13D.04.

48.27 **Sec. 8. [116U.242] EXPLORE MINNESOTA FOR BUSINESS COUNCIL.**

48.28 (a) The director shall be advised by the Explore Minnesota for Business Council
48.29 consisting of up to 14 voting members appointed by the governor for four-year terms,
48.30 including:

48.31 (1) the director of Explore Minnesota and the commissioner of employment and economic
48.32 development, who serve as cochairs;

49.1 (2) three representatives in marketing, human resources, or executive leadership from
 49.2 Minnesota-based companies with more than 100 employees representing Minnesota's key
 49.3 industries, including health care, technology, food and agriculture, manufacturing, retail,
 49.4 energy, and support services;

49.5 (3) two representatives from statewide or regional marketing or business association
 49.6 leadership, the Iron Range, and nonprofits focused on economic development or human
 49.7 resource management;

49.8 (4) one representative from a Minnesota college or university staff, faculty, leadership,
 49.9 student leadership, or alumni association;

49.10 (5) one member representing Minnesota's start-up and entrepreneurial industry who has
 49.11 started at least one Minnesota-based business in the last five years and has at least 20
 49.12 employees;

49.13 (6) two representatives from the Minnesota Indian Affairs Council and Minnesota Tribal
 49.14 leadership, including casino management;

49.15 (7) two representatives from Minnesota's Ethnic Chambers of Commerce Leadership
 49.16 and the Minnesota Chamber of Commerce; and

49.17 (8) one at-large representative in the field of general marketing, talent attraction, or
 49.18 economic development.

49.19 (b) The council shall act to serve the broader interest of promoting overall livability and
 49.20 workforce and economic opportunity in Minnesota. Members shall advise Explore Minnesota
 49.21 for Business' marketing efforts by emphasizing and prioritizing diversity, equity, inclusion,
 49.22 and accessibility and providing professional marketing insights.

49.23 Sec. 9. Minnesota Statutes 2022, section 116U.30, is amended to read:

49.24 **116U.30 DUTIES OF DIRECTOR.**

49.25 (a) The director shall:

49.26 (1) publish, disseminate, and distribute informational and promotional materials;

49.27 (2) promote and encourage the coordination of Minnesota travel, tourism, overall
 49.28 livability, and workforce and economic opportunity promotion efforts with other state
 49.29 agencies and develop multiagency marketing strategies when appropriate;

49.30 (3) promote and encourage the expansion and development of international tourism,
 49.31 trade, and Minnesota livability marketing;

50.1 (4) advertise and disseminate information about Minnesota travel, tourism, and workforce
 50.2 and economic development opportunities;

50.3 (5) aid various local communities to improve their travel, tourism, and overall livability
 50.4 marketing programs;

50.5 (6) coordinate and implement a comprehensive state travel, tourism, workforce and
 50.6 economic development, and overall livability marketing ~~program~~ programs that ~~takes~~ take
 50.7 into consideration public and private businesses and attractions;

50.8 (7) contract, in accordance with section 16C.08, for professional services if the work or
 50.9 services cannot be satisfactorily performed by employees of the agency or by any other
 50.10 state agency;

50.11 (8) provide local, regional, and statewide ~~tourism~~ organizations with information,
 50.12 technical assistance, training, and advice on using state tourism and livability information
 50.13 and programs; and

50.14 (9) generally gather, compile, and make available statistical information relating to
 50.15 Minnesota travel, tourism, workforce and economic development, overall livability, and
 50.16 related areas in this state, ~~with~~. The director has the authority to call upon other state agencies
 50.17 for statistical data and results obtained by them and to arrange and compile that statistical
 50.18 information.

50.19 (b) The director may:

50.20 (1) apply for, receive, and spend money for travel, tourism, workforce and economic
 50.21 development, and overall livability development and marketing from other agencies ~~and~~
 50.22 ~~tourism,~~ organizations, and businesses;

50.23 (2) apply for, accept, and disburse grants and other aids for tourism development and
 50.24 marketing from the federal government and other sources;

50.25 (3) enter into joint powers or cooperative agreements with agencies of the federal
 50.26 government, local governmental units, regional development commissions, other state
 50.27 agencies, the University of Minnesota and other educational institutions, other states,
 50.28 Canadian provinces, and local, statewide, and regional ~~tourism~~ organizations as necessary
 50.29 to perform the director's duties;

50.30 (4) enter into interagency agreements and agree to share net revenues with the contributing
 50.31 agencies;

50.32 (5) make grants;

51.1 (6) conduct market research and analysis to improve marketing techniques in the area
51.2 of travel, tourism, workforce and economic development, and overall livability;

51.3 (7) monitor and study trends in the ~~tourism industry~~ related industries and provide
51.4 resources and training to address change;

51.5 (8) annually convene conferences of Minnesota ~~tourism~~ providers for the purposes of
51.6 exchanging information on tourism development, coordinating marketing activities, and
51.7 formulating tourism, overall livability, and workforce and economic opportunity promotion
51.8 development strategies; and

51.9 (9) enter into ~~tourism~~ promotion contracts or other agreements with private persons and
51.10 public entities, including agreements to establish and maintain offices and other types of
51.11 representation in foreign countries; to promote international travel and to implement this
51.12 chapter.

51.13 (c) Contracts for goods and nonprofessional technical services made under paragraph
51.14 (b), clauses (3) and (9), are not subject to the provisions of sections 16C.03, subdivision 3,
51.15 and 16C.06 concerning competitive bidding and section 16C.055 concerning barter
51.16 arrangements. ~~Unless otherwise determined by the commissioner of administration, all other~~
51.17 ~~provisions of chapter 16C apply to this section, including section 16C.08, relating to~~
51.18 ~~professional and technical services. Contracts may be negotiated and are not subject to the~~
51.19 provisions of chapter 16C relating to competitive bidding.

51.20 Sec. 10. Minnesota Statutes 2022, section 116U.35, is amended to read:

51.21 **116U.35 PROMOTIONAL EXPENSES.**

51.22 To promote travel, tourism, workforce and economic development, and overall livability
51.23 of the state, the director may expend money appropriated by the legislature for these purposes
51.24 in the same manner as private persons, firms, corporations, and associations make
51.25 expenditures for these purposes. Policies on promotional expenses must be approved by ~~the~~
51.26 ~~Explore Minnesota Tourism Council~~ and the commissioner of administration. A policy for
51.27 expenditures on food, lodging, and travel must be approved by the commissioner of
51.28 management and budget. No money may be expended for the appearance in radio or
51.29 television broadcasts by an elected public official.

52.1

ARTICLE 3

52.2

**PROVIDING RESOURCES AND OPPORTUNITY AND MAXIMIZING
INVESTMENT IN STRIVING ENTREPRENEURS**

52.3

52.4 Section 1. **TITLE.**

52.5 This act shall be known as the "Providing Resources and Opportunity and Maximizing
52.6 Investments in Striving Entrepreneurs (PROMISE) Act."

52.7 Sec. 2. **PROMISE GRANT PROGRAM.**

52.8 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
52.9 the meanings given.

52.10 (b) "Business" means both for-profit businesses and nonprofit organizations that earn
52.11 revenue in ways similar to businesses.

52.12 (c) "Commissioner" means the commissioner of employment and economic development.

52.13 (d) "Partner organization" or "partner" means the Minnesota Initiative Foundations and
52.14 nonprofit corporations receiving grants to provide grants to businesses under this section.

52.15 (e) "Program" means the PROMISE grant program under this section.

52.16 Subd. 2. Establishment. The commissioner shall establish the PROMISE grant program
52.17 to make grants to partner organizations to make grants to businesses in communities that
52.18 have been adversely affected by structural racial discrimination, civil unrest, lack of access
52.19 to capital, loss of population or an aging population, or lack of regional economic
52.20 diversification.

52.21 Subd. 3. Grants to partner organizations. (a) The commissioner shall make grants to
52.22 partner organizations to provide grants to businesses under subdivision 4 using criteria,
52.23 forms, applications, and reporting requirements developed by the commissioner.

52.24 (b) Up to five percent of a grant under this subdivision may be used by the partner
52.25 organization for administration and monitoring of the program, and up to three percent of
52.26 a grant may be used by the partner organization for technical assistance to grantees.

52.27 (c) Any money not spent by partner organizations by June 30, 2027, must be returned
52.28 to the commissioner and canceled back to the general fund.

52.29 Subd. 4. Grants to businesses. (a) Partners shall make grants to businesses using criteria,
52.30 forms, applications, and reporting requirements developed by the commissioner.

52.31 (b) To be eligible for a grant under this subdivision, a business must:

- 53.1 (1) have primary business operations located in the state of Minnesota;
- 53.2 (2) be located in a community that has been adversely affected by structural racial
- 53.3 discrimination, civil unrest, lack of access to capital, a loss of population or an aging
- 53.4 population, or a lack of regional economic diversification; and
- 53.5 (3) have a gross annual revenue of \$350,000 or less based on 2021 taxes.
- 53.6 (c) Preference shall be given to businesses that did not receive previous assistance from
- 53.7 the state under:
- 53.8 (1) the governor's Executive Order No. 20-15;
- 53.9 (2) Laws 2020, First Special Session chapter 1, section 4;
- 53.10 (3) Laws 2020, Seventh Special Session chapter 2, article 4 or 5; or
- 53.11 (4) Laws 2021, First Special Session chapter 10, article 2, section 22.
- 53.12 (d) Preference may be given to businesses that are able to demonstrate financial hardship.
- 53.13 (e) Grants under this subdivision must not exceed \$50,000 per grant.
- 53.14 (f) No business may receive more than one grant under this section.
- 53.15 (g) Grant money may be used for land acquisition or for working capital to support
- 53.16 payroll expenses, rent or mortgage payments, utility bills, and other similar expenses that
- 53.17 occur in the regular course of business.
- 53.18 (h) Any grant money used for land acquisition must be repaid to the state if the land
- 53.19 acquired is sold within ten years of the grant award.
- 53.20 Subd. 5. **Grant requirements.** All grants to businesses under this section are subject to
- 53.21 the grant-making requirements in sections 16B.97, 16B.98, and 16B.991.
- 53.22 Subd. 6. **Reports.** (a) By January 31, 2026, partner organizations participating in the
- 53.23 program must provide a report to the commissioner that includes descriptions of the
- 53.24 businesses supported by the program, the amounts granted, and an explanation of
- 53.25 administrative expenses.
- 53.26 (b) By February 15, 2026, the commissioner must report to the legislative committees
- 53.27 in the house of representatives and senate with jurisdiction over economic development
- 53.28 about grants made under this section based on the information received under paragraph
- 53.29 (a).
- 53.30 Subd. 7. **Expiration.** This section expires December 31, 2027.

54.1 Sec. 3. **PROMISE LOAN PROGRAM.**

54.2 **Subdivision 1. Definitions.** (a) For the purposes of this section, the following terms have
54.3 the meanings given.

54.4 (b) "Borrower" means an eligible recipient receiving a loan guaranteed under this section.

54.5 (c) "Commissioner" means the commissioner of employment and economic development.

54.6 (d) "Eligible project" means the development, redevelopment, demolition, site preparation,
54.7 predesign, design, engineering, repair, land acquisition, relocation, or renovation of real
54.8 property or capital improvements. Eligible project includes but is not limited to construction
54.9 of buildings, infrastructure, related site amenities, landscaping, and street-scaping.

54.10 (e) "Eligible recipient" means a:

54.11 (1) business;

54.12 (2) nonprofit organization; or

54.13 (3) developer that is seeking funding to complete an eligible project. Eligible recipient
54.14 does not include a partner organization or a local unit of government.

54.15 (f) "Partner organization" or "Partner" means the Minnesota Initiative Foundations and
54.16 nonprofit corporations receiving grants to provide loans under this section.

54.17 (g) "Program" means the PROMISE loan program under this section.

54.18 (h) "Redevelopment" means the acquisition of real property; site preparation; predesign,
54.19 design, engineering, repair, or renovation of facilities façade improvements, and construction
54.20 of buildings, infrastructure, and related site amenities; landscaping; street-scaping;
54.21 land-banking for future development or redevelopment; or financing any of these activities
54.22 taken on by a private party pursuant to an agreement with the city. Redevelopment does not
54.23 include project costs eligible for compensation or assistance available through insurance
54.24 policies or from other organizations or government agencies.

54.25 (i) "Relocation" means financial support for businesses that would like to relocate to
54.26 another location within the same city, county, or region in Minnesota.

54.27 **Subd. 2. Establishment.** The commissioner shall establish the PROMISE loan program
54.28 to make grants to partner organizations to make loans to businesses in communities that
54.29 have been adversely affected by structural racial discrimination, civil unrest, lack of access
54.30 to capital, a loss of population or an aging population, or a lack of regional economic
54.31 diversification.

55.1 Subd. 3. Grants to partner organizations. (a) The commissioner shall make grants to
55.2 partner organizations to provide loans to businesses as specified under this section.

55.3 (b) Up to five percent of a grant under this subdivision may be used by the partner
55.4 organization for administration and monitoring of the program, and up to three percent of
55.5 a grant may be used by the partner organization for technical assistance to borrowers.

55.6 (c) Any money not spent by partner organizations by June 30, 2027, must be returned
55.7 to the commissioner and canceled back to the general fund.

55.8 Subd. 4. Loans to eligible recipients. (a) A partner organization may make loans to
55.9 eligible recipients for eligible projects. A loan to an eligible recipient for an eligible project
55.10 must:

55.11 (1) be for no more than \$1,000,000;

55.12 (2) be for a term of no more than ten years; and

55.13 (3) must be a three percent interest loan.

55.14 (b) Loans must not be used for working capital or inventory; consolidating, repaying,
55.15 or refinancing debt; or speculation or investment in rental real estate.

55.16 Subd. 5. Loans to businesses. (a) To be eligible for a loan under this subdivision, a
55.17 business must:

55.18 (1) have primary business operations located in the state of Minnesota;

55.19 (2) have gross annual revenue of less than \$1,000,000 based on 2021 taxes; and

55.20 (3) be located in a community that has been adversely affected by structural racial
55.21 discrimination, civil unrest, lack of access to capital, a loss of population or an aging
55.22 population, or a lack of regional economic diversification.

55.23 Subd. 6. Revolving loan fund. Partner organizations that receive grants from the
55.24 commissioner under the program must establish a commissioner-certified revolving loan
55.25 fund for the purpose of making eligible loans.

55.26 Subd. 7. Preference. (a) Priority shall be given to those businesses that have not received
55.27 a grant under a Main Street COVID-19 relief grant program or a loan from the Main Street
55.28 Economic Revitalization Loan Program.

55.29 (b) Priority may also be given to projects that involve developers who are Black,
55.30 Indigenous, or People of Color; veterans; or women.

56.1 Subd. 8. **Oversight.** Grants and any loans to borrowers under this section are subject to
 56.2 the grant-making requirements in sections 16B.97, 16B.98, and 16B.991.

56.3 Subd. 9. **Reports.** (a) By January 31, 2026, partner organizations participating in the
 56.4 program must provide a report to the commissioner that includes descriptions of the
 56.5 businesses supported by the program, the amounts loaned, and an explanation of
 56.6 administrative expenses.

56.7 (b) By February 15, 2026, the commissioner must report to the legislative committees
 56.8 in the house of representatives and senate with jurisdiction over economic development
 56.9 about loans made under this section based on the information received under paragraph (a).

56.10 Subd. 10. **Expiration.** This section expires December 31, 2027.

56.11 **ARTICLE 4**

56.12 **DEED POLICY**

56.13 **Section 1. [116J.418] OFFICE OF CHILD CARE COMMUNITY PARTNERSHIPS.**

56.14 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms in this
 56.15 subdivision have the meanings given them.

56.16 (b) "Child care" means the care of children while parents or guardians are at work or
 56.17 absent for another reason.

56.18 (c) "Local unit of government" has the meaning given in section 116G.03, subdivision
 56.19 3.

56.20 (d) "Office" means the Office of Child Care Community Partnerships established in
 56.21 subdivision 2, paragraph (a).

56.22 Subd. 2. **Office established; purpose.** (a) An Office of Child Care Community
 56.23 Partnerships is established within the Department of Employment and Economic
 56.24 Development. The department may employ a director and staff necessary to carry out the
 56.25 office's duties under subdivision 4.

56.26 (b) The purpose of the office is to support child care businesses within the state in order
 56.27 to:

56.28 (1) increase the quantity of quality child care available; and

56.29 (2) improve accessibility to child care for underserved communities and populations.

57.1 Subd. 3. **Organization.** The office shall consist of a director of the Office of Child Care
57.2 Community Partnerships, as well as any staff necessary to carry out the office's duties under
57.3 subdivision 4.

57.4 Subd. 4. **Duties.** The office shall have the power and duty to:

57.5 (1) coordinate with state, regional, local, and private entities to promote investment in
57.6 increasing the quantity of quality child care in Minnesota;

57.7 (2) coordinate with other agencies including but not limited to Minnesota Management
57.8 and Budget, the Department of Human Services, and the Department of Education to develop,
57.9 recommend, and implement solutions to increase the quantity of quality child care openings;

57.10 (3) administer the child care economic development grant program and other
57.11 appropriations to the department for this purpose;

57.12 (4) monitor the child care business development efforts of other states and countries;

57.13 (5) provide support to the governor's Children's Cabinet;

57.14 (6) provide an annual report, as required by subdivision 5; and

57.15 (7) perform any other activities consistent with the office's purpose.

57.16 Subd. 5. **Reporting.** (a) Beginning January 15, 2024, and each year thereafter, the Office
57.17 of Child Care Community Partnerships shall report to the legislative committees with
57.18 jurisdiction over child care policy and finance on the office's activities during the previous
57.19 year.

57.20 (b) The report shall contain, at a minimum:

57.21 (1) an analysis of the current access to child care within the state;

57.22 (2) an analysis of the current shortage of child care workers within the state;

57.23 (3) a summary of the office's activities;

57.24 (4) any proposed legislative and policy initiatives; and

57.25 (5) any other information requested by the legislative committees with jurisdiction over
57.26 child care, or that the office deems necessary.

57.27 (c) The report may be submitted electronically and is subject to section 3.195, subdivision
57.28 1.

58.1 Sec. 2. [116J.4231] OFFICE OF NEW AMERICANS.

58.2 Subdivision 1. Office established; purpose. (a) The Office of New Americans is
58.3 established within the Department of Employment and Economic Development. The governor
58.4 must appoint an assistant commissioner who serves in the unclassified service. The assistant
58.5 commissioner must hire a program manager, an office assistant, and any staff necessary to
58.6 carry out the office's duties under subdivision 2.

58.7 (b) The purpose of the office is to foster immigrant and refugee inclusion through an
58.8 intentional process to improve economic mobility, enhance civic participation, and improve
58.9 receiving communities' openness to immigrants and refugees by incorporating the needs
58.10 and aspirations of immigrants and refugees, their families, and their communities for the
58.11 benefit of all by fulfilling the duties outlined in subdivision 2.

58.12 Subd. 2. Duties. The Office of New Americans has the following duties:

58.13 (1) create and implement a statewide strategy and programming to foster and promote
58.14 immigrant and refugee inclusion in Minnesota so as to improve economic mobility, enhance
58.15 civic participation, and improve receiving communities' openness to immigrants and refugees;

58.16 (2) address the state's workforce needs by connecting employers and job seekers within
58.17 the immigrant and refugee community;

58.18 (3) identify and support implementation of programs and strategies to reduce employment
58.19 barriers for immigrants and refugees, including the creation of alternative employment
58.20 pathways;

58.21 (4) support programs and activities designed to ensure equitable access to the workforce
58.22 for immigrants and refugees, including those who are disabled;

58.23 (5) support equitable opportunities for immigrants and refugees to access state government
58.24 services and grants, including collaborating with Minnesota's ethnic councils as created by
58.25 section 15.0145;

58.26 (6) work with state agencies, Minnesota's ethnic councils, and community and foundation
58.27 partners to undertake studies and research and analyze economic and demographic trends
58.28 to better understand and serve the state's immigrant and refugee communities;

58.29 (7) coordinate and establish best practices for language access initiatives to all state
58.30 agencies after soliciting input from Minnesota's ethnic councils;

58.31 (8) convene stakeholders to further the objectives identified in subdivision 1;

59.1 (9) make policy recommendations to the governor on issues impacting immigrants and
59.2 refugees in consultation with Minnesota's ethnic councils;

59.3 (10) engage all stakeholders to further the objectives identified in subdivision 1 within
59.4 the context of workforce access and workforce readiness, including in the areas of
59.5 employment, housing, legal services, health care, and education and communicate the
59.6 importance of immigrant and refugee inclusion in the success of immigrants, refugees, their
59.7 children, and the communities in which they settle;

59.8 (11) engage with and support existing municipal and county offices that promote and
59.9 foster immigrant and refugee inclusion and encourage the development of new municipal
59.10 and county offices dedicated to immigrant and refugee inclusion;

59.11 (12) serve as the point of contact for immigrants and refugees accessing resources both
59.12 within the department and with boards charged with oversight of a profession;

59.13 (13) promulgate rules necessary to implement and effectuate this section;

59.14 (14) provide an annual report, as required by subdivision 3; and

59.15 (15) perform any other activities consistent with the office's purpose.

59.16 Subd. 3. **Reporting.** (a) Beginning January 15, 2025, and each year thereafter, the Office
59.17 of New Americans shall report to the legislative committees with jurisdiction over the
59.18 office's activities during the previous year.

59.19 (b) The report shall contain, at a minimum:

59.20 (1) a summary of the office's activities;

59.21 (2) suggested policies, incentives, and legislation designed to accelerate the achievement
59.22 of the duties under subdivision 2;

59.23 (3) any proposed legislative and policy initiatives;

59.24 (4) the amount and types of grants awarded under subdivision 6; and

59.25 (5) any other information deemed necessary and requested by the legislative committees
59.26 with jurisdiction over the office.

59.27 (c) The report may be submitted electronically and is subject to section 3.195, subdivision
59.28 1.

59.29 Subd. 4. **Interdepartmental Coordinating Council on Immigrant and Refugee**
59.30 **Affairs.** (a) An Interdepartmental Coordinating Council on Immigrant and Refugee Affairs
59.31 is established to advise the Office of New Americans.

60.1 (b) The purpose of the council is to identify and establish ways in which state
60.2 departments, agencies, and Minnesota's ethnic councils can work together to deliver state
60.3 programs and services effectively and efficiently to Minnesota's immigrant and refugee
60.4 populations. The council shall implement policies, procedures, and programs requested by
60.5 the governor through the state departments and offices.

60.6 (c) The council shall be chaired by the assistant commissioner of the Office of New
60.7 Americans and shall include the commissioners, department directors, or designees from
60.8 the following:

60.9 (1) the governor's office;

60.10 (2) the Department of Administration;

60.11 (3) the Department of Employment and Economic Development;

60.12 (4) the Department of Human Services;

60.13 (5) the Department of Human Services Refugee Resettlement Programs Office;

60.14 (6) the Department of Labor and Industry;

60.15 (7) the Department of Health;

60.16 (8) the Department of Education;

60.17 (9) the Office of Higher Education;

60.18 (10) the Department of Public Safety;

60.19 (11) the Department of Corrections;

60.20 (12) the Council on Asian Pacific Minnesotans;

60.21 (13) the Council for Minnesotans of African Heritage; and

60.22 (14) the Minnesota Council on Latino Affairs.

60.23 (d) Each department or office specified in paragraph (c) shall designate one staff member
60.24 as an immigrant and refugee services liaison. The liaison's responsibilities shall include:

60.25 (1) preparation and dissemination of information and services available to immigrants
60.26 and refugees; and

60.27 (2) interfacing with the Office of New Americans on issues that impact immigrants and
60.28 refugees and their communities.

60.29 Subd. 5. **No right of action.** Nothing in this section shall be construed to create any
60.30 right or benefit, substantive or procedural, enforceable at law or in equity by any party

61.1 against the state; its departments, agencies, or entities; its officers, employees, or agents;
 61.2 or any other person.

61.3 Subd. 6. **Grants.** The Office of New Americans may apply for grants for interested state
 61.4 agencies, community partners, and stakeholders under this section to carry out the duties
 61.5 under subdivision 2.

61.6 Sec. 3. Minnesota Statutes 2022, section 116J.5492, subdivision 8, is amended to read:

61.7 Subd. 8. **Meetings.** The advisory committee must meet ~~monthly until the energy transition~~
 61.8 ~~plan is submitted~~ quarterly and submit an updated energy transition plan annually to the
 61.9 governor and the legislature. Once submitted, the committee shall develop a regular meeting
 61.10 schedule as needed. The chair may call additional meetings as necessary.

61.11 Sec. 4. Minnesota Statutes 2022, section 116J.5492, subdivision 10, is amended to read:

61.12 Subd. 10. **Expiration.** This section expires ~~the day after the Minnesota energy transition~~
 61.13 ~~plan required under section 116J.5493 is submitted to the legislature and the governor on~~
 61.14 June 30, 2027.

61.15 Sec. 5. **[116J.682] SMALL BUSINESS ASSISTANCE PARTNERSHIPS PROGRAM.**

61.16 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms in this
 61.17 subdivision have the meanings given.

61.18 (b) "Commissioner" means the commissioner of employment and economic development.

61.19 (c) "Partner organizations" or "partners" means:

61.20 (1) nonprofit organizations or public entities, including higher education institutions,
 61.21 engaged in business development or economic development;

61.22 (2) community development financial institutions; or

61.23 (3) community development corporations.

61.24 (d) "Small business" has the meaning given in section 3 of the Small Business Act,
 61.25 United States Code, title 15, section 632.

61.26 (e) "Underserved populations and geographies" means individuals who are Black,
 61.27 Indigenous, people of color, veterans, people with disabilities, and low-income individuals
 61.28 and includes people from rural Minnesota.

61.29 Subd. 2. **Establishment.** The commissioner shall establish the small business assistance
 61.30 partnerships program to make grants to local and regional community-based organizations

62.1 to provide small business development and technical assistance services to entrepreneurs
 62.2 and small business owners.

62.3 Subd. 3. **Small business assistance partnerships grants.** (a) The commissioner shall
 62.4 make small business assistance partnerships grants to local and regional community-based
 62.5 organizations to provide small business development and technical assistance services to
 62.6 entrepreneurs and small business owners. The commissioner must prioritize applications
 62.7 that provide services to underserved populations and geographies.

62.8 (b) Grantees shall use the grant funds to provide high-quality, free or low-cost
 62.9 professional business development and technical assistance services that support the start-up,
 62.10 growth, and success of Minnesota's entrepreneurs and small business owners.

62.11 Subd. 4. **Report.** By January 31 of each year, partner organizations participating in the
 62.12 program must provide a report to the commissioner on the outcomes of the program,
 62.13 including but not limited to the number of entrepreneurs and small businesses served, number
 62.14 of hours of business assistance services provided, number of new businesses started, number
 62.15 of full-time equivalent jobs created and retained, and demographic and geographic details
 62.16 of the individuals being served.

62.17 Sec. 6. **[116J.8733] MINNESOTA EXPANDING OPPORTUNITY FUND PROGRAM.**

62.18 Subdivision 1. **Establishment.** The Minnesota Expanding Opportunity Fund Program
 62.19 is established to capitalize Minnesota nonprofit corporations to increase lending activities
 62.20 with Minnesota small businesses.

62.21 Subd. 2. **Long-term loans.** The department may make long-term loans of ten to 12 years
 62.22 at 0.5 percent or lower interest rates to nonprofit corporations to enable nonprofit corporations
 62.23 to make more loans to Minnesota small businesses. The department may use the interest
 62.24 received to offset the cost of administering small business lending programs.

62.25 Subd. 3. **Loan eligibility; nonprofit corporation.** (a) The eligible nonprofit corporation
 62.26 must not meet the definition of recipient under section 116J.993, subdivision 6.

62.27 (b) The commissioner may enter into loan agreements with Minnesota nonprofit
 62.28 corporations that apply to participate in the Minnesota Expanding Opportunity Fund Program.
 62.29 The commissioner shall evaluate applications from applicant nonprofit corporations. In
 62.30 evaluating applications, the department must consider, among other things, whether the
 62.31 nonprofit corporation:

63.1 (1) meets the statutory definition of a community development financial institution as
 63.2 defined in section 103 of the Riegle Community Development and Regulatory Improvement
 63.3 Act of 1994, United States Code, title 12, section 4702;

63.4 (2) has a board of directors or loan or credit committee that includes citizens experienced
 63.5 in small business services and community development;

63.6 (3) has the technical skills to analyze small business loan requests;

63.7 (4) is familiar with other available public and private funding sources and economic
 63.8 development programs;

63.9 (5) is enrolled in one or more eligible federally funded state programs; and

63.10 (6) has the administrative capacity to manage a loan portfolio.

63.11 Subd. 4. **Revolving loan fund.** (a) The commissioner shall establish a revolving loan
 63.12 fund to make loans to nonprofit corporations for the purpose of increasing nonprofit
 63.13 corporation capital and lending activities with Minnesota small businesses.

63.14 (b) Nonprofit corporations that receive loans from the commissioner under the program
 63.15 must establish appropriate accounting practices for the purpose of tracking eligible loans.

63.16 Subd. 5. **Loan portfolio administration.** (a) The interest rate charged by a nonprofit
 63.17 corporation for a loan under this subdivision must not exceed the Wall Street Journal prime
 63.18 rate plus two percent. A nonprofit corporation participating in the Minnesota Expanding
 63.19 Opportunity Fund Program may charge a loan closing fee equal to or less than two percent
 63.20 of the loan value.

63.21 (b) The nonprofit corporation may retain all earnings from fees and interest from loans
 63.22 to small businesses.

63.23 Subd. 6. **Cooperation.** A nonprofit corporation that receives a program loan shall
 63.24 cooperate with other organizations, including but not limited to community development
 63.25 corporations, community action agencies, and the Minnesota small business development
 63.26 centers.

63.27 Subd. 7. **Reporting requirements.** (a) A nonprofit corporation that receives a program
 63.28 loan must submit an annual report to the commissioner by February 15 of each year that
 63.29 includes:

63.30 (1) the number of businesses to which a loan was made;

63.31 (2) a description of businesses supported by the program;

- 64.1 (3) demographic information, as specified by the commissioner, regarding each borrower;
- 64.2 (4) an account of loans made during the calendar year;
- 64.3 (5) the program's impact on job creation and retention;
- 64.4 (6) the source and amount of money collected and distributed by the program;
- 64.5 (7) the program's assets and liabilities; and
- 64.6 (8) an explanation of administrative expenses.

- 64.7 (b) A nonprofit corporation that receives a program loan must provide for an independent
- 64.8 annual audit to be performed in accordance with generally accepted accounting practices
- 64.9 and auditing standards and submit a copy of each annual audit report to the commissioner.

64.10 Sec. 7. Minnesota Statutes 2022, section 116J.8748, subdivision 3, is amended to read:

64.11 Subd. 3. **Minnesota job creation fund business designation; requirements.** (a) To

64.12 receive designation as a Minnesota job creation fund business, a business must satisfy all

64.13 of the following conditions:

64.14 (1) the business is or will be engaged in, within Minnesota, one of the following as its

64.15 primary business activity:

64.16 (i) manufacturing;

64.17 (ii) warehousing;

64.18 (iii) distribution;

64.19 (iv) information technology;

64.20 (v) finance;

64.21 (vi) insurance; or

64.22 (vii) professional or technical services;

64.23 (2) the business must not be primarily engaged in lobbying; gambling; entertainment;

64.24 professional sports; political consulting; leisure; hospitality; or professional services provided

64.25 by attorneys, accountants, business consultants, physicians, or health care consultants, or

64.26 primarily engaged in making retail sales to purchasers who are physically present at the

64.27 business's location;

64.28 (3) the business must enter into a binding construction and job creation business subsidy

64.29 agreement with the commissioner to expend directly, or ensure expenditure by or in

64.30 partnership with a third party constructing or managing the project, at least \$500,000 in

65.1 capital investment in a capital investment project that includes a new, expanded, or remodeled
 65.2 facility within one year following designation as a Minnesota job creation fund business or
 65.3 \$250,000 if the project is located outside the metropolitan area as defined in section 200.02,
 65.4 subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans,
 65.5 women, or persons with a disability; and:

65.6 (i) create at least ten new full-time employee positions within two years of the benefit
 65.7 date following the designation as a Minnesota job creation fund business or five new full-time
 65.8 employee positions within two years of the benefit date if the project is located outside the
 65.9 metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business
 65.10 is cumulatively owned by minorities, veterans, women, or persons with a disability; or

65.11 (ii) expend at least \$25,000,000, which may include the installation and purchase of
 65.12 machinery and equipment, in capital investment and retain at least ~~200~~ 100 employees for
 65.13 projects located in the metropolitan area as defined in section 200.02, subdivision 24, ~~and~~
 65.14 75 or expend at least \$10,000,000, which may include the installation and purchase of
 65.15 machinery and equipment, in capital investment and retain at least 50 employees for projects
 65.16 located outside the metropolitan area;

65.17 (4) positions or employees moved or relocated from another Minnesota location of the
 65.18 Minnesota job creation fund business must not be included in any calculation or determination
 65.19 of job creation or new positions under this paragraph; and

65.20 (5) a Minnesota job creation fund business must not terminate, lay off, or reduce the
 65.21 working hours of an employee for the purpose of hiring an individual to satisfy job creation
 65.22 goals under this subdivision.

65.23 (b) Prior to approving the proposed designation of a business under this subdivision, the
 65.24 commissioner shall consider the following:

65.25 (1) the economic outlook of the industry in which the business engages;

65.26 (2) the projected sales of the business that will be generated from outside the state of
 65.27 Minnesota;

65.28 (3) how the business will build on existing regional, national, and international strengths
 65.29 to diversify the state's economy;

65.30 (4) whether the business activity would occur without financial assistance;

65.31 (5) whether the business is unable to expand at an existing Minnesota operation due to
 65.32 facility or land limitations;

66.1 (6) whether the business has viable location options outside Minnesota;

66.2 (7) the effect of financial assistance on industry competitors in Minnesota;

66.3 (8) financial contributions to the project made by local governments; and

66.4 (9) any other criteria the commissioner deems necessary.

66.5 (c) Upon receiving notification of local approval under subdivision 2, the commissioner
66.6 shall review the determination by the local government and consider the conditions listed
66.7 in paragraphs (a) and (b) to determine whether it is in the best interests of the state and local
66.8 area to designate a business as a Minnesota job creation fund business.

66.9 (d) If the commissioner designates a business as a Minnesota job creation fund business,
66.10 the business subsidy agreement shall include the performance outcome commitments and
66.11 the expected financial value of any Minnesota job creation fund benefits.

66.12 (e) The commissioner may amend an agreement once, upon request of a local government
66.13 on behalf of a business, only if the performance is expected to exceed thresholds stated in
66.14 the original agreement.

66.15 (f) A business may apply to be designated as a Minnesota job creation fund business at
66.16 the same location more than once only if all goals under a previous Minnesota job creation
66.17 fund agreement have been met and the agreement is completed.

66.18 Sec. 8. Minnesota Statutes 2022, section 116J.8748, subdivision 4, is amended to read:

66.19 Subd. 4. **Certification; benefits.** (a) The commissioner may certify a Minnesota job
66.20 creation fund business as eligible to receive a specific value of benefit under paragraphs (b)
66.21 and (c) when the business has achieved its job creation and capital investment goals noted
66.22 in its agreement under subdivision 3.

66.23 (b) A qualified Minnesota job creation fund business may be certified eligible for the
66.24 benefits in this paragraph for up to five years for projects located in the metropolitan area
66.25 as defined in section 200.02, subdivision 24, and seven years for projects located outside
66.26 the metropolitan area, as determined by the commissioner when considering the best interests
66.27 of the state and local area. Notwithstanding section 16B.98, subdivision 5, paragraph (a),
66.28 clause (3), or 16B.98, subdivision 5, paragraph (b), grant agreements for projects located
66.29 outside the metropolitan area may be for up to seven years in length. The eligibility for the
66.30 following benefits begins the date the commissioner certifies the business as a qualified
66.31 Minnesota job creation fund business under this subdivision:

67.1 (1) up to five percent rebate for projects located in the metropolitan area as defined in
67.2 section 200.02, subdivision 24, and 7.5 percent for projects located outside the metropolitan
67.3 area, on capital investment on qualifying purchases as provided in subdivision 5 with the
67.4 total rebate for a project not to exceed \$500,000;

67.5 (2) an award of up to \$500,000 based on full-time job creation and wages paid as provided
67.6 in subdivision 6 with the total award not to exceed \$500,000;

67.7 (3) up to \$1,000,000 in capital investment rebates and \$1,000,000 in job creation awards
67.8 are allowable for projects that have at least \$25,000,000 in capital investment and ~~200~~ 100
67.9 new employees in the metropolitan area as defined in section 200.02, subdivision 24, and
67.10 ~~75~~ 50 new employees for projects located outside the metropolitan area;

67.11 (4) up to \$1,000,000 in capital investment rebates and up to \$1,000,000 in job creation
67.12 awards are allowable for projects that have at least \$25,000,000 in capital investment, which
67.13 may include the installation and purchase of machinery and equipment, and ~~200~~ 100 retained
67.14 employees for projects located in the metropolitan area as defined in section 200.02,
67.15 subdivision 24, ~~and 75~~ or at least \$10,000,000 in capital investment, which may include the
67.16 installation and purchase of machinery and equipment, and 50 retained employees for
67.17 projects located outside the metropolitan area; and

67.18 (5) for clauses (3) and (4) only, the capital investment expenditure requirements may
67.19 include the installation and purchases of machinery and equipment. These expenditures are
67.20 not eligible for the capital investment rebate provided under subdivision 5.

67.21 (c) The job creation award may be provided in multiple years as long as the qualified
67.22 Minnesota job creation fund business continues to meet the job creation goals provided for
67.23 in its agreement under subdivision 3 and the total award does not exceed \$500,000 except
67.24 as provided under paragraph (b), clauses (3) and (4). Under paragraph (b) clause (4), a job
67.25 creation award of \$2,000 per retained job may be provided one time if the qualified Minnesota
67.26 job creation fund business meets the minimum capital investment and retained employee
67.27 requirement as provided in paragraph (b), clause (4), for at least two years.

67.28 (d) No rebates or award may be provided until the Minnesota job creation fund business
67.29 or a third party constructing or managing the project has at least \$500,000 in capital
67.30 investment in the project and at least ten full-time jobs have been created and maintained
67.31 for at least one year or the retained employees, as provided in paragraph (b), clause (4),
67.32 remain for at least one year. The agreement may require additional performance outcomes
67.33 that need to be achieved before rebates and awards are provided. If fewer retained jobs are

68.1 maintained, but still above the minimum under this subdivision, the capital investment
68.2 award shall be reduced on a proportionate basis.

68.3 (e) The forms needed to be submitted to document performance by the Minnesota job
68.4 creation fund business must be in the form and be made under the procedures specified by
68.5 the commissioner. The forms shall include documentation and certification by the business
68.6 that it is in compliance with the business subsidy agreement, sections 116J.871 and 116L.66,
68.7 and other provisions as specified by the commissioner.

68.8 (f) Minnesota job creation fund businesses must pay each new full-time employee added
68.9 pursuant to the agreement total compensation, including benefits not mandated by law, that
68.10 on an annualized basis is equal to at least 110 percent of the federal poverty level for a
68.11 family of four.

68.12 (g) A Minnesota job creation fund business must demonstrate reasonable progress on
68.13 capital investment expenditures within six months following designation as a Minnesota
68.14 job creation fund business to ensure that the capital investment goal in the agreement under
68.15 subdivision 1 will be met. Businesses not making reasonable progress will not be eligible
68.16 for benefits under the submitted application and will need to work with the local government
68.17 unit to resubmit a new application and request to be a Minnesota job creation fund business.
68.18 Notwithstanding the goals noted in its agreement under subdivision 1, this action shall not
68.19 be considered a default of the business subsidy agreement.

68.20 Sec. 9. Minnesota Statutes 2022, section 116J.8748, subdivision 6, is amended to read:

68.21 Subd. 6. **Job creation award.** (a) A qualified Minnesota job creation fund business is
68.22 eligible for an annual award for each new job created and maintained under subdivision 4,
68.23 paragraph (b), clauses (2) and (3), by the business using the following schedule: \$1,000 for
68.24 each job position paying annual wages at least \$26,000 but less than \$35,000; \$2,000 for
68.25 each job position paying at least \$35,000 but less than \$45,000; ~~and~~ \$3,000 for each job
68.26 position paying at least \$45,000 but less than \$55,000; and \$4,000 for each job position
68.27 paying at least \$55,000; and as noted in the goals under the agreement provided under
68.28 subdivision 1. These awards are increased by \$1,000 if the business is located outside the
68.29 metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business
68.30 is cumulatively owned by minorities, veterans, women, or persons with a disability.

68.31 (b) A qualified Minnesota job creation fund business is eligible for a onetime \$2,000
68.32 award for each job retained and maintained under subdivision 4, paragraph (b), clause (4),
68.33 provided that each retained job pays total compensation, including benefits not mandated

69.1 by law, that on an annualized basis is equal to at least 150 percent of the federal poverty
 69.2 level for a family of four.

69.3 ~~(b)~~ (c) The job creation award schedule must be adjusted annually using the percentage
 69.4 increase in the federal poverty level for a family of four.

69.5 ~~(e)~~ (d) Minnesota job creation fund businesses seeking an award credit provided under
 69.6 subdivision 4 must submit forms and applications to the Department of Employment and
 69.7 Economic Development as prescribed by the commissioner.

69.8 Sec. 10. Minnesota Statutes 2022, section 116J.8748, is amended by adding a subdivision
 69.9 to read:

69.10 Subd. 6a. **Transfer.** The commissioner may transfer up to \$2,000,000 of a fiscal year
 69.11 appropriation between the Minnesota job creation fund program and the redevelopment
 69.12 grant program to meet business demand.

69.13 Sec. 11. **[116J.8751] LAUNCH MINNESOTA.**

69.14 Subdivision 1. **Establishment.** Launch Minnesota is established within the Business
 69.15 and Community Development Division of the Department of Employment and Economic
 69.16 Development to encourage and support the development of new private sector technologies
 69.17 and support the science and technology policies under section 3.222. Launch Minnesota
 69.18 must provide entrepreneurs and emerging technology-based companies business development
 69.19 assistance and financial assistance to spur growth.

69.20 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision
 69.21 have the meanings given.

69.22 (b) "Advisory board" means the board established under subdivision 10.

69.23 (c) "Commissioner" means the commissioner of employment and economic development.

69.24 (d) "Department" means the Department of Employment and Economic Development.

69.25 (e) "Entrepreneur" means a Minnesota resident who is involved in establishing a business
 69.26 entity and secures resources directed to its growth while bearing the risk of loss.

69.27 (f) "Greater Minnesota" means the area of Minnesota located outside of the metropolitan
 69.28 area as defined in section 473.121, subdivision 2.

69.29 (g) "Innovative technology and business" means a new novel business model or product;
 69.30 a derivative product incorporating new elements into an existing product; a new use for a
 69.31 product; or a new process or method for the manufacture, use, or assessment of any product

70.1 or activity, patentability, or scalability. Innovative technology or business model does not
70.2 include locally based retail, lifestyle, or business services. The business must not be primarily
70.3 engaged in real estate development, insurance, banking, lending, lobbying, political
70.4 consulting, information technology consulting, wholesale or retail trade, leisure, hospitality,
70.5 transportation, construction, ethanol production from corn, or professional services provided
70.6 by attorneys, accountants, business consultants, physicians, or health care consultants.

70.7 (h) "Institution of higher education" has the meaning given in section 136A.28,
70.8 subdivision 6.

70.9 (i) "Minority group member" means a United States citizen or lawful permanent resident
70.10 who is Asian, Pacific Islander, Black, Hispanic, or Native American.

70.11 (j) "Research and development" means any activity that is:

70.12 (1) a systematic, intensive study directed toward greater knowledge or understanding
70.13 of the subject studies;

70.14 (2) a systematic study directed specifically toward applying new knowledge to meet a
70.15 recognized need; or

70.16 (3) a systematic application of knowledge toward the production of useful materials,
70.17 devices, systems and methods, including design, development and improvement of prototypes
70.18 and new processes to meet specific requirements.

70.19 (k) "Start-up" means a business entity that has been in operation for less than ten years,
70.20 has operations in Minnesota, and is in the development stage defined as devoting substantially
70.21 all of its efforts to establishing a new business and either of the following conditions exists:

70.22 (1) planned principal operations have not commenced; or

70.23 (2) planned principal operations have commenced, but have raised at least \$1,000,000
70.24 in equity financing.

70.25 (l) "Technology-related assistance" means the application and utilization of
70.26 technological-information and technologies to assist in the development and production of
70.27 new technology-related products or services or to increase the productivity or otherwise
70.28 enhance the production or delivery of existing products or services.

70.29 (m) "Trade association" means a nonprofit membership organization organized to promote
70.30 businesses and business conditions and having an election under Internal Revenue Code
70.31 section 501(c)(3) or 501(c)(6).

70.32 (n) "Veteran" has the meaning given in section 197.447.

71.1 Subd. 3. **Duties.** The commissioner, by and through Launch Minnesota, shall:

71.2 (1) support innovation and initiatives designed to accelerate the growth of innovative
71.3 technology and business start-ups in Minnesota;

71.4 (2) in partnership with other organizations, offer classes and instructional sessions on
71.5 how to start an innovative technology and business start-up;

71.6 (3) promote activities for entrepreneurs and investors regarding the state's growing
71.7 innovation economy;

71.8 (4) hold events and meetings that gather key stakeholders in the state's innovation sector;

71.9 (5) conduct outreach and education on innovation activities and related financial programs
71.10 available from the department and other organizations, particularly for underserved
71.11 communities;

71.12 (6) interact and collaborate with statewide partners including but not limited to businesses,
71.13 nonprofits, trade associations, and higher education institutions;

71.14 (7) administer an advisory board to assist with direction, grant application review,
71.15 program evaluation, report development, and partnerships;

71.16 (8) accept grant applications under subdivisions 5, 6, and 7 and work with the advisory
71.17 board to review and prioritize the applications and provide recommendations to the
71.18 commissioner; and

71.19 (9) perform other duties at the commissioner's discretion.

71.20 Subd. 4. **Administration.** (a) The executive director shall:

71.21 (1) assist the commissioner and the advisory board in performing the duties of Launch
71.22 Minnesota; and

71.23 (2) comply with all state and federal program requirements, and all state and federal
71.24 securities and tax laws and regulations.

71.25 (b) Launch Minnesota may occupy and lease physical space in a private coworking
71.26 facility that includes office space for staff and space for community engagement for training
71.27 entrepreneurs. The physical space leased under this paragraph is exempt from the
71.28 requirements in section 16B.24, subdivision 6.

71.29 (c) At least three times per month, Launch Minnesota staff shall communicate with
71.30 organizations in greater Minnesota that have received a grant under subdivision 7. To the

72.1 extent possible, Launch Minnesota shall form partnerships with organizations located
 72.2 throughout the state.

72.3 (d) Launch Minnesota must accept grant applications under this section and provide
 72.4 funding recommendations to the commissioner and the commissioner shall distribute grants
 72.5 based in part on the recommendations.

72.6 Subd. 5. **Application process.** (a) The commissioner shall establish the application form
 72.7 and procedures for grants.

72.8 (b) Upon receiving recommendations from Launch Minnesota, the commissioner is
 72.9 responsible for evaluating all applications using evaluation criteria which shall be developed
 72.10 by Launch Minnesota in consultation with the advisory board.

72.11 (c) For grants under subdivision 6, priority shall be given if the applicant is:

72.12 (1) a business or entrepreneur located in greater Minnesota; or

72.13 (2) a business owner, individual with a disability, or entrepreneur who is a woman,
 72.14 veteran, or minority group member.

72.15 (d) For grants under subdivision 7, priority shall be given if the applicant is planning to
 72.16 serve:

72.17 (1) businesses or entrepreneurs located in greater Minnesota; or

72.18 (2) business owners, individuals with disabilities, or entrepreneurs who are women,
 72.19 veterans, or minority group members.

72.20 (e) The department staff, and not Launch Minnesota staff, are responsible for awarding
 72.21 funding, disbursing funds, and monitoring grantee performance for all grants awarded under
 72.22 this section.

72.23 (f) Grantees must provide matching funds by equal expenditures and grant payments
 72.24 must be provided on a reimbursement basis after review of submitted receipts by the
 72.25 department.

72.26 (g) Grant applications must be accepted on a regular periodic basis by Launch Minnesota
 72.27 and must be reviewed by Launch Minnesota and the advisory board before being submitted
 72.28 to the commissioner with their recommendations.

72.29 Subd. 6. **Innovation grants.** (a) The commissioner shall distribute innovation grants
 72.30 under this subdivision.

73.1 (b) The commissioner shall provide a grant of up to \$35,000 to an eligible business or
73.2 entrepreneur for research and development expenses, direct business expenses, and the
73.3 purchase of technical assistance or services from public higher education institutions and
73.4 nonprofit entities. Research and development expenditures may include but are not limited
73.5 to proof of concept activities, intellectual property protection, prototype designs and
73.6 production, and commercial feasibility. Expenditures funded under this subdivision are not
73.7 eligible for the research and development tax credit under section 290.068. Direct business
73.8 expenses may include rent, equipment purchases, and supplier invoices. Taxes imposed by
73.9 federal, state, or local government entities may not be reimbursed under this paragraph.
73.10 Technical assistance or services must be purchased to assist in the development or
73.11 commercialization of a product or service to be eligible. Each business or entrepreneur may
73.12 receive only one grant per biennium under this paragraph.

73.13 (c) The commissioner shall provide a grant of up to \$35,000 in Phase 1 or \$50,000 in
73.14 Phase 2 to an eligible business or entrepreneur that, as a registered client of the Small
73.15 Business Innovation Research (SBIR) program, has been awarded a first time Phase 1 or
73.16 Phase 2 award pursuant to the SBIR or Small Business Technology Transfer (STTR)
73.17 programs after July 1, 2019. Each business or entrepreneur may receive only one grant per
73.18 biennium under this paragraph. Grants under this paragraph are not subject to the
73.19 requirements of subdivision 2, paragraph (k).

73.20 Subd. 7. **Entrepreneur education grants.** (a) The commissioner shall make entrepreneur
73.21 education grants to institutions of higher education and other organizations to provide
73.22 educational programming to entrepreneurs and provide outreach to and collaboration with
73.23 businesses, federal and state agencies, institutions of higher education, trade associations,
73.24 and other organizations working to advance innovative technology businesses throughout
73.25 Minnesota.

73.26 (b) Applications for entrepreneur education grants under this subdivision must be
73.27 submitted to the commissioner and evaluated by department staff other than Launch
73.28 Minnesota. The evaluation criteria must be developed by Launch Minnesota, in consultation
73.29 with the advisory board, and the commissioner, and priority must be given to an applicant
73.30 who demonstrates activity assisting business owners or entrepreneurs residing in greater
73.31 Minnesota or who are women, veterans, or minority group members.

73.32 (c) Department staff other than Launch Minnesota staff are responsible for awarding
73.33 funding, disbursing funds, and monitoring grantee performance under this subdivision.

73.34 (d) Grantees may use the grant funds to deliver the following services:

74.1 (1) development and delivery to innovative technology businesses of industry specific
 74.2 or innovative product or process specific counseling on issues of business formation, market
 74.3 structure, market research and strategies, securing first mover advantage or overcoming
 74.4 barriers to entry, protecting intellectual property, and securing debt or equity capital. This
 74.5 counseling is to be delivered in a classroom setting or using distance media presentations;

74.6 (2) outreach and education to businesses and organizations on the small business
 74.7 investment tax credit program under section 116J.8737, the MNvest crowd-funding program
 74.8 under section 80A.461, and other state programs that support innovative technology business
 74.9 creation especially in underserved communities;

74.10 (3) collaboration with institutions of higher education, local organizations, federal and
 74.11 state agencies, the Small Business Development Center, and the Small Business Assistance
 74.12 Office to create and offer educational programming and ongoing counseling in greater
 74.13 Minnesota that is consistent with those services offered in the metropolitan area; and

74.14 (4) events and meetings with other innovation-related organizations to inform
 74.15 entrepreneurs and potential investors about Minnesota's growing innovation economy.

74.16 Subd. 8. **Report.** (a) Launch Minnesota shall annually report by December 31 to the
 74.17 chairs and ranking minority members of the committees of the house of representatives and
 74.18 senate having jurisdiction over economic development policy and finance. Each report shall
 74.19 include information on the work completed, including awards made by the department under
 74.20 this section and progress toward transferring the activities of Launch Minnesota to an entity
 74.21 outside of state government.

74.22 (b) By December 31, 2024, Launch Minnesota shall provide a comprehensive transition
 74.23 plan to the chairs and ranking minority members of the committees of the house of
 74.24 representatives and senate having jurisdiction over economic development policy and
 74.25 finance. The transition plan shall include: (1) a detailed strategy for the transfer of Launch
 74.26 Minnesota activities to an entity outside of state government; (2) the projected date of the
 74.27 transfer; and (3) the role of the state, if any, in ongoing activities of Launch Minnesota or
 74.28 its successor entity.

74.29 Subd. 9. **Advisory board.** (a) The commissioner shall establish an advisory board to
 74.30 advise the executive director regarding the activities of Launch Minnesota, make the
 74.31 recommendations described in this section, and develop and initiate a strategic plan for
 74.32 transferring some activities of Launch Minnesota to a new or existing public-private
 74.33 partnership or nonprofit organization outside of state government.

75.1 (b) The advisory board shall consist of ten members and is governed by section 15.059.
 75.2 A minimum of seven members must be from the private sector representing business and
 75.3 at least two members but no more than three members must be from government and higher
 75.4 education. At least three of the members of the advisory board shall be from greater
 75.5 Minnesota and at least three members shall be minority group members. Appointees shall
 75.6 represent a range of interests, including entrepreneurs, large businesses, industry
 75.7 organizations, investors, and both public and private small business service providers.

75.8 (c) The advisory board shall select a chair from its private sector members. The executive
 75.9 director shall provide administrative support to the committee.

75.10 (d) The commissioner, or a designee, shall serve as an ex-officio, nonvoting member of
 75.11 the advisory board.

75.12 **Sec. 12. [116J.8752] MINNESOTA FORWARD FUND.**

75.13 Subdivision 1. **Definitions.** (a) For purposes of this section, the terms in this subdivision
 75.14 have the meanings given.

75.15 (b) "Agreement" or "business subsidy agreement" means a business subsidy agreement
 75.16 under section 116J.994 that must include but is not limited to specification of the duration
 75.17 of the agreement, job goals and a timeline for achieving those goals over the duration of
 75.18 the agreement, construction and other investment goals and a timeline for achieving those
 75.19 goals over the duration of the agreement, and the value of benefits the firm may receive
 75.20 following achievement of capital investment and employment goals. The municipality, local
 75.21 unit of government, or business must report to the commissioner on the business performance
 75.22 using the forms developed by the commissioner.

75.23 (c) "Business" means an individual, corporation, partnership, limited liability company,
 75.24 association, or other business entity.

75.25 (d) "Capital investment" means money that is expended for the purpose of building or
 75.26 improving real fixed property where employees are or will be employed, equipment and
 75.27 machinery in the building, and operating expenses related to the building.

75.28 (e) "Commissioner" means the commissioner of employment and economic development.

75.29 (f) "Fund" means the Minnesota forward fund.

75.30 Subd. 2. **Minnesota forward fund account.** The Minnesota forward fund account is
 75.31 created as a separate account in the treasury. Money in the account is appropriated to the
 75.32 commissioner of employment and economic development for the purposes of this section.

76.1 All money earned by the account, loan repayments of principal, and interest must be credited
 76.2 to the account. The commissioner shall operate the account as a revolving account.

76.3 Subd. 3. Purpose. The Minnesota forward fund is created to increase the state's
 76.4 competitiveness by providing the state the authority and flexibility to facilitate private
 76.5 investment. The fund serves as a closing fund to allow the authority and flexibility to
 76.6 negotiate incentives to better compete with other states for business retention, expansion
 76.7 and attraction of projects in existing and new industries, develop properties for business
 76.8 use, and leverage to meet matching requirements of federal funding for resiliency in economic
 76.9 security and economic enhancement opportunities that provide the public high-quality
 76.10 employment opportunities. The commissioner shall use money appropriated to the fund to:

76.11 (1) create and retain permanent private-sector jobs in order to create above-average
 76.12 economic growth consistent with environmental protection;

76.13 (2) stimulate or leverage private investment to ensure economic renewal and
 76.14 competitiveness;

76.15 (3) increase the local tax base, based on demonstrated measurable outcomes, to guarantee
 76.16 a diversified industry mix;

76.17 (4) improve the quality of existing jobs, based on increases in wages or improvements
 76.18 in the job duties, training, or education associated with those jobs;

76.19 (5) improve employment and economic opportunity for citizens in the region to create
 76.20 a reasonable standard of living, consistent with federal and state guidelines on low- to
 76.21 moderate-income persons;

76.22 (6) stimulate productivity growth through improved manufacturing or new technologies;
 76.23 and

76.24 (7) match or leverage private or public funding to increase investment and opportunity
 76.25 in the state.

76.26 Subd. 4. Use of fund. The commissioner may use money in the fund to make grants,
 76.27 loans and forgivable loans, to businesses that are making large private capital investments
 76.28 in existing and new industries. The commissioner may also use money in the fund to make
 76.29 grants to communities and higher education institutions to support such capital investments
 76.30 and related activities to support the industries. Money may be used to address capital needs
 76.31 of businesses for machinery and equipment purchases; building construction and remodeling;
 76.32 land development; water and sewer lines, roads, rail lines, and natural gas and electric
 76.33 infrastructure; working capital; and workforce training. Money may also be used for matching

77.1 federal grants for research and development projects and industry workforce training grants
77.2 for existing and new industries that require state and local match. Money in the fund may
77.3 also be used for administration and monitoring of the program and to pay for the costs of
77.4 carrying out the commissioner's due diligence duties under this section.

77.5 Subd. 5. **Grant limits.** (a) Individual business expansion projects are limited to no more
77.6 than \$20,000,000 in grants or loans combined. The commissioner shall not be precluded
77.7 from using other funding sources from the Department of Employment and Economic
77.8 Development to facilitate a project. Total funding per business under this section shall not
77.9 exceed \$20,000,000, of which no more than \$10,000,000 may be grants and \$10,000,000
77.10 may be loans.

77.11 (b) The commissioner may use money in the fund to make grants to a municipality or
77.12 local unit of government for public and private infrastructure needed to support an eligible
77.13 project under this section. Grant money may be used by the municipality or local unit of
77.14 government to predesign, design, construct, and equip roads and rail lines; acquire and
77.15 prepare land for development; and, in cooperation with municipal utilities, to predesign,
77.16 design, construct, and equip natural gas pipelines, electric infrastructure, water supply
77.17 systems, and wastewater collection and treatment systems. The maximum grant award per
77.18 local unit of government under this section is \$10,000,000.

77.19 (c) The commissioner may use money in the fund to make grants to institutions of higher
77.20 education for developing and deploying training programs and to increase the capacity of
77.21 the institution to serve industrial requirements for research and development that coincide
77.22 with current and future requirements of projects eligible under this section. Grant money
77.23 may be used to construct and equip facilities that serve the purpose of the industry. The
77.24 maximum grant award per institution of higher education under this section is \$5,000,000
77.25 and may not represent more than 33 percent of the total project funding from other sources.

77.26 (d) Grants under this subdivision are available until expended.

77.27 Subd. 6. **Administration.** (a) Eligible applicants for the state-funded portion of the fund
77.28 also include development authorities as defined in section 116J.552, subdivision 4, provided
77.29 that the governing body of the municipality approves, by resolution, the application of the
77.30 development authority. Institutions of higher education also constitute eligible applicants
77.31 for the purpose of developing and deploying workforce training programs and for developing
77.32 and deploying research and development partnerships for projects eligible under this section.

78.1 (b) The business, municipality, or local unit of government must request and submit an
78.2 application to the commissioner. Applications must be in the form and procedure specified
78.3 by the commissioner.

78.4 (c) The commissioner must conduct due diligence, including contracting with
78.5 professionals as needed to assist in the due diligence.

78.6 (d) Notwithstanding any other law to the contrary, grant and loan agreements through
78.7 the Minnesota forward fund may exceed five years but not more than ten years.

78.8 Subd. 7. **Requirements prior to committing funds.** Prior to the commissioner making
78.9 a commitment for grant or loan under this section, the Legislative Advisory Commission
78.10 and governor must jointly provide written authorization. The commissioner shall provide
78.11 a written report to the Legislative Advisory Commission and governor, including but not
78.12 limited to the purpose of the award, the project overview, financial details, and the
78.13 performance requirements required 14 days prior to any meeting or decision.

78.14 Subd. 8. **Eligible projects.** (a) The governor and the Legislative Advisory Commission
78.15 must evaluate applications under this section on the existence of one or more of the following
78.16 conditions:

78.17 (1) creation of new jobs, retention of existing jobs, or improvements in the quality of
78.18 existing jobs as measured by the wages, skills, or education associated with those jobs;

78.19 (2) whether the project can demonstrate that investment of public dollars induces private
78.20 and other public funds as follows;

78.21 (i) businesses in the seven-county metropolitan area must invest more than \$40,000,000
78.22 in capital expenditures and create at least 70 jobs or retain at least 150 jobs;

78.23 (ii) businesses outside of the seven-county metropolitan area must invest more than
78.24 \$25,000,000 in capital expenditures and create at least 40 new jobs or retain at least 75 jobs;
78.25 and

78.26 (iii) cash wages of each new employee must exceed 120 percent of federal poverty
78.27 guidelines for a family of four, adjusted annually;

78.28 (3) whether the project can demonstrate an excessive public infrastructure or improvement
78.29 cost beyond the means of the affected community and private participants in the project;

78.30 (4) whether assistance is necessary to retain existing business or whether assistance is
78.31 necessary to attract out-of-state business;

79.1 (5) the project promotes or advances an industry in which the federal government is
 79.2 making large investments to strengthen domestic production and supply chains that are
 79.3 resilient for economic security and economic enhancement opportunities;

79.4 (6) the project promotes or advances the green economy as defined in section 116J.437;

79.5 (7) the project requires state resources beyond the capability of existing programs at the
 79.6 department and by its significance, requires the governor and legislature's involvement; and

79.7 (8) written support from the municipality or local unit of government in which the project
 79.8 will be located.

79.9 (b) The governor and the Legislative Advisory Commission shall submit applications
 79.10 recommended for funding to the commissioner.

79.11 **Subd. 9. Requirements for fund disbursements.** Disbursements of loan funds pursuant
 79.12 to a commitment may not be made until:

79.13 (1) commitments for the remainder of a project's funding are made that are satisfactory
 79.14 to the commissioner and disbursements made from the other commitments are sufficient to
 79.15 protect the interests of the state in its grant or loan;

79.16 (2) performance requirements are met, if any;

79.17 (3) the municipality or local unit of government in which the project will be located has
 79.18 passed a resolution of support for the project and submitted this resolution of support to the
 79.19 department; and

79.20 (4) all of a project's funding is satisfactory to the commissioner and disbursements made
 79.21 from other commitments are sufficient to protect the interests of the state.

79.22 **Subd. 10. Reporting.** The commissioner shall provide the Legislative Advisory
 79.23 Commission and the ranking members of the committees with jurisdiction over economic
 79.24 development with an annual report on all projects that have been approved by February 15
 79.25 of each year until this section is repealed or the funding has been exhausted.

79.26 Sec. 13. Minnesota Statutes 2022, section 116L.361, subdivision 7, is amended to read:

79.27 Subd. 7. **Very Low income.** "Very Low income" means incomes that are at or less than
 79.28 ~~50~~ 80 percent of the area median income, adjusted for family size, as estimated by the
 79.29 Department of Housing and Urban Development.

80.1 Sec. 14. Minnesota Statutes 2022, section 116L.362, subdivision 1, is amended to read:

80.2 Subdivision 1. **Generally.** (a) The commissioner shall make grants to eligible
 80.3 organizations for programs to provide education and training services to targeted youth.
 80.4 The purpose of these programs is to provide specialized training and work experience for
 80.5 targeted youth who have not been served effectively by the current educational system. The
 80.6 programs are to include a work experience component with work projects that result in the
 80.7 rehabilitation, improvement, or construction of (1) residential units for the homeless; (2)
 80.8 improvements to the energy efficiency and environmental health of residential units and
 80.9 other green jobs purposes; (3) facilities to support community garden projects; or (4)
 80.10 education, social service, or health facilities which are owned by a public agency or a private
 80.11 nonprofit organization.

80.12 (b) Eligible facilities must principally provide services to homeless or ~~very~~ low income
 80.13 individuals and families, and include the following:

- 80.14 (1) Head Start or day care centers, including playhouses or similar incidental structures;
- 80.15 (2) homeless, battered women, or other shelters;
- 80.16 (3) transitional housing and tiny houses;
- 80.17 (4) youth or senior citizen centers;
- 80.18 (5) community health centers; and
- 80.19 (6) community garden facilities.

80.20 Two or more eligible organizations may jointly apply for a grant. The commissioner
 80.21 shall administer the grant program.

80.22 Sec. 15. Minnesota Statutes 2022, section 116L.364, subdivision 3, is amended to read:

80.23 Subd. 3. **Work experience component.** A work experience component must be included
 80.24 in each program. The work experience component must provide vocational skills training
 80.25 in an industry where there is a viable expectation of job opportunities. A training subsidy,
 80.26 living allowance, or stipend, not to exceed an amount equal to 100 percent of the poverty
 80.27 line for a family of two as defined in ~~United States Code, title 42, section 673, paragraph~~
 80.28 ~~(2)~~ the final rules and regulations of the Workforce Innovation and Opportunity Act, may
 80.29 be provided to program participants. The wage or stipend must be provided to participants
 80.30 who are recipients of public assistance in a manner or amount which will not reduce public
 80.31 assistance benefits. The work experience component must be designed so that work projects
 80.32 result in (1) the expansion or improvement of residential units for homeless persons and

81.1 ~~very~~ low income families; (2) improvements to the energy efficiency and environmental
 81.2 health of residential units; (3) facilities to support community garden projects; or (4)
 81.3 rehabilitation, improvement, or construction of eligible education, social service, or health
 81.4 facilities that principally serve homeless or ~~very~~ low income individuals and families. Any
 81.5 work project must include direct supervision by individuals skilled in each specific vocation.
 81.6 Program participants may earn credits toward the completion of their secondary education
 81.7 from their participation in the work experience component.

81.8 Sec. 16. **[116L.43] TARGETED POPULATIONS WORKFORCE GRANTS.**

81.9 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
 81.10 the meanings given.

81.11 (b) "Entry level jobs" means part-time or full-time jobs that an individual can perform
 81.12 without any prior education or experience.

81.13 (c) "High wage" means the income needed for a family to cover minimum necessary
 81.14 expenses in a given area, including food, child care, health care, housing, and transportation.

81.15 (d) "Industry specific certification" means a credential an individual can earn to show
 81.16 proficiency in a particular area or skill.

81.17 (e) "Remedial training" means additional training provided to staff following the
 81.18 identification of a need intended to increase proficiency in performing job tasks.

81.19 (f) "Small business" has the same meaning as section 645.445.

81.20 (g) "Workforce development community-based organization" means a nonprofit
 81.21 organization with under \$1,000,000 in annual revenue that performs workforce development
 81.22 activities.

81.23 Subd. 2. **Job and entrepreneurial skills training grants.** (a) The commissioner shall
 81.24 establish a job and entrepreneurial skills training grant program that must provide competitive
 81.25 funding to organizations to provide skills training that leads to employment or business
 81.26 development in high-growth industries.

81.27 (b) Grants must be used to provide skills training including:

81.28 (1) student tutoring and testing support services;

81.29 (2) training and employment placement in high-wage and high-growth employment;

81.30 (3) assistance in obtaining industry specific certifications;

81.31 (4) remedial training leading to enrollment;

- 82.1 (5) real-time work experience or on-the-job training;
- 82.2 (6) career and educational counseling;
- 82.3 (7) work experience and internships;
- 82.4 (8) supportive services;
- 82.5 (9) tuition reimbursement for new entrants into public sector careers;
- 82.6 (10) career mentorship;
- 82.7 (11) postprogram case management services;
- 82.8 (12) job placement services; and
- 82.9 (13) the cost of corporate board of director training for people of color.
- 82.10 (c) The commissioner must award grants to community-based organizations meeting
- 82.11 the following criteria:
- 82.12 (1) the organization's primary operations are located in communities of color;
- 82.13 (2) 80 percent of the organization's participants reflect the demographics of the
- 82.14 community; and
- 82.15 (3) the organization's community has a high unemployment rate or poverty rate.
- 82.16 (d) Grant awards must not exceed \$750,0000 per year per organization and all funding
- 82.17 awards must be made for the duration of a biennium. An organization may partner with
- 82.18 another organization to utilize grant awards, provided that the organizations must not be
- 82.19 funded to deliver the same services. Grants awarded under this subdivision are not subject
- 82.20 to section 116L.98.
- 82.21 Subd. 3. **Diversity and inclusion training for small employers.** (a) The commissioner
- 82.22 shall establish a diversity and inclusion training grant program which shall provide
- 82.23 competitive grants to businesses that commit to actively engage, hire, and retain people of
- 82.24 color for both entry level and high-wage opportunities.
- 82.25 (b) Grant awards must not exceed \$300,000 per year per business. A business may only
- 82.26 receive one grant for diversity and inclusion training per biennium.
- 82.27 (c) Grant funds must be used to train small businesses in outreach, recruitment, and
- 82.28 retention of entry-level, mid-level, and senior-level management and a board of directors.
- 82.29 Grant recipients are required to submit a plan for use of the funds and an implementation
- 82.30 plan after training is completed.

83.1 (d) Grants awarded under this subdivision are not subject to section 116L.98.

83.2 Subd. 4. **Capacity building.** (a) The commissioner shall establish a capacity building
 83.3 grant program to provide training services and funding to small workforce development
 83.4 community-based organizations.

83.5 (b) Eligible organizations include nonprofit organizations that have:

83.6 (1) primary offices located in low-income communities;

83.7 (2) an annual client service base of over 80 percent of people of color; and

83.8 (3) an annual budget of less than \$1,000,000.

83.9 (c) Eligible uses of grant awards include covering the cost of workforce program delivery
 83.10 staff, program infrastructure costs, and workforce training related service model development.

83.11 (d) Grant awards must not exceed \$50,000 per organization and are limited to one grant
 83.12 per organization.

83.13 (e) Grants awarded under this subdivision are not subject to section 116L.98.

83.14 (f) By January 15, 2025, and each January 15 thereafter, the commissioner must submit
 83.15 a report to the chairs and ranking minority members of the committees of the house of
 83.16 representatives and the senate having jurisdiction over workforce development that details
 83.17 the use of grant awards. If data is available, the report must contain data that is disaggregated
 83.18 by race, cultural groups, family income, age, geographical location, migrant or foreign
 83.19 immigrant status, primary language, whether the participant is an English learner under
 83.20 section 124D.59, disability, and status of homelessness.

83.21 Sec. 17. Minnesota Statutes 2022, section 116L.56, subdivision 2, is amended to read:

83.22 Subd. 2. **Eligible applicant.** "Eligible applicant" means an individual who is between
 83.23 the ages of 14 and ~~21~~ 24 and economically disadvantaged.

83.24 An at-risk youth who is classified as a family of one is deemed economically
 83.25 disadvantaged. For purposes of eligibility determination the following individuals are
 83.26 considered at risk:

83.27 (1) a pregnant or parenting youth;

83.28 (2) a youth with limited English proficiency;

83.29 (3) a potential or actual school dropout;

83.30 (4) a youth in an offender or diversion program;

- 84.1 (5) a public assistance recipient or a recipient of group home services;
- 84.2 (6) a youth with disabilities including learning disabilities;
- 84.3 (7) a child of drug or alcohol abusers or a youth with substance use disorder;
- 84.4 (8) a homeless or runaway youth;
- 84.5 (9) a youth with basic skills deficiency;
- 84.6 (10) a youth with an educational attainment of one or more levels below grade level
- 84.7 appropriate to age; or
- 84.8 (11) a foster child.

84.9 Sec. 18. Minnesota Statutes 2022, section 116L.561, subdivision 5, is amended to read:

84.10 Subd. 5. **Allocation formula.** Seventy percent of Minnesota youth program funds must

84.11 be allocated based on the county's share of economically disadvantaged youth. The remaining

84.12 30 percent must be allocated based on the county's share of population ages 14 to ~~21~~ 24.

84.13 Sec. 19. Minnesota Statutes 2022, section 116L.562, subdivision 2, is amended to read:

84.14 Subd. 2. **Definitions.** For purposes of this section:

84.15 (1) "eligible organization" or "eligible applicant" means a local government unit, nonprofit

84.16 organization, community action agency, or a public school district;

84.17 (2) "at-risk youth" means youth classified as at-risk under section 116L.56, subdivision

84.18 2; and

84.19 (3) "economically disadvantaged" means youth who are economically disadvantaged as

84.20 defined in ~~United States Code, title 29, section 1503~~ the rules and regulations of the

84.21 Workforce Innovation and Opportunity Act.

84.22 Sec. 20. Minnesota Statutes 2022, section 469.40, subdivision 11, is amended to read:

84.23 Subd. 11. **Public infrastructure project.** (a) "Public infrastructure project" means a

84.24 project financed in part or in whole with public money in order to support the medical

84.25 business entity's development plans, as identified in the DMCC development plan. A public

84.26 infrastructure project may:

84.27 (1) acquire real property and other assets associated with the real property;

84.28 (2) demolish, repair, or rehabilitate buildings;

85.1 (3) remediate land and buildings as required to prepare the property for acquisition or
85.2 development;

85.3 (4) install, construct, or reconstruct elements of public infrastructure required to support
85.4 the overall development of the destination medical center development district including,
85.5 but not limited to, streets, roadways, utilities systems and related facilities, utility relocations
85.6 and replacements, network and communication systems, streetscape improvements, drainage
85.7 systems, sewer and water systems, subgrade structures and associated improvements,
85.8 landscaping, facade construction and restoration, construction costs permitted in section
85.9 469.47, subdivision 1, paragraph (d), clauses (1), (2), and (4), wayfinding and signage,
85.10 community engagement, and other components of community infrastructure;

85.11 (5) acquire, construct or reconstruct, and equip parking facilities and other facilities to
85.12 encourage intermodal transportation and public transit;

85.13 (6) install, construct or reconstruct, furnish, and equip parks, cultural, and recreational
85.14 facilities, facilities to promote tourism and hospitality, conferencing and conventions, and
85.15 broadcast and related multimedia infrastructure;

85.16 (7) make related site improvements including, without limitation, excavation, earth
85.17 retention, soil stabilization and correction, and site improvements to support the destination
85.18 medical center development district;

85.19 (8) prepare land for private development and to sell or lease land;

85.20 (9) provide costs of relocation benefits to occupants of acquired properties; and

85.21 (10) construct and equip all or a portion of one or more suitable structures on land owned
85.22 by the city for sale or lease to private development; provided, however, that the portion of
85.23 any structure directly financed by the city as a public infrastructure project must not be sold
85.24 or leased to a medical business entity.

85.25 (b) A public infrastructure project is not a business subsidy under section 116J.993.

85.26 (c) Public infrastructure project includes the planning, preparation, and modification of
85.27 the development plan under section 469.43. The cost of that planning, preparation, and any
85.28 modification is a capital cost of the public infrastructure project.

85.29 Sec. 21. Minnesota Statutes 2022, section 469.47, subdivision 1, is amended to read:

85.30 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
85.31 the meanings given them.

85.32 (b) "Commissioner" means the commissioner of employment and economic development.

86.1 (c) "Construction projects" means:

86.2 (1) for expenditures by a medical business entity, construction of buildings in the city
86.3 for which the building permit was issued after June 30, 2013; and

86.4 (2) for any other expenditures, construction of privately owned buildings and other
86.5 improvements that are undertaken pursuant to or as part of the development plan and are
86.6 located within a medical center development district.

86.7 (d) "Expenditures" means expenditures made by a medical business entity or by an
86.8 individual or private entity on construction projects for the capital cost of the project
86.9 including, but not limited to:

86.10 (1) design and predesign, including architectural, engineering, and similar services;

86.11 (2) legal, regulatory, and other compliance costs of the project;

86.12 (3) land acquisition, demolition of existing improvements, and other site preparation
86.13 costs;

86.14 (4) construction costs, including all materials and supplies of the project; and

86.15 (5) equipment and furnishings that are attached to or become part of the real property.

86.16 Expenditures excludes supplies and other items with a useful life of less than a year that
86.17 are not used or consumed in constructing improvements to real property or are otherwise
86.18 chargeable to capital costs.

86.19 (e) "Qualified expenditures for the year" means the total certified expenditures since
86.20 June 30, 2013, through the end of the preceding year, minus \$200,000,000.

86.21 (f) "Transit costs" means the portions of a public infrastructure project that are for public
86.22 transit intended primarily to serve the district, ~~such as~~ including but not limited to buses
86.23 and other means of transit, transit stations, equipment, rights-of-way, ~~and~~ similar costs, and
86.24 costs permitted under section 469.40, subdivision 11. This paragraph includes transit costs
86.25 incurred on or after March 16, 2020.

86.26 Sec. 22. Minnesota Statutes 2022, section 469.47, subdivision 5, is amended to read:

86.27 Subd. 5. **State transit aid.** (a) The city qualifies for state transit aid under this section
86.28 if the county contributes the required local matching contribution under subdivision 6 or
86.29 the city or county has agreed to make an equivalent contribution out of other funds for the
86.30 year.

87.1 (b) If the city qualifies for aid under paragraph (a), the commissioner must pay the city
 87.2 the state transit aid in the amount calculated under this paragraph. The amount of the state
 87.3 transit aid for a year equals the qualified expenditures for the year, as certified by the
 87.4 commissioner, multiplied by 0.75 percent, ~~reduced by~~ subject to the amount of the required
 87.5 local contribution under subdivision 6. City or county contributions that are in excess of
 87.6 this ratio carry forward and are credited toward subsequent years. The maximum amount
 87.7 of state transit aid payable in any year is limited to no more than \$7,500,000. If the
 87.8 commissioner determines that the city or county has not made the full required matching
 87.9 local contribution for the year, the commissioner must pay state transit aid only ~~in proportion~~
 87.10 ~~to the amount of~~ for the matching contribution made ~~for the year~~ and any unpaid amount
 87.11 is a carryover aid. The carryover aid must be paid in the first year after the required matching
 87.12 contribution ~~for that prior year~~ is made and in which the aid entitlement for the current year
 87.13 is less than the maximum annual limit, but only to the extent the carryover, when added to
 87.14 the current year aid, is less than the maximum annual limit.

87.15 (c) The commissioner, in consultation with the commissioner of management and budget,
 87.16 and representatives of the city and the corporation, must establish a total limit on the amount
 87.17 of state aid payable under this subdivision that will be adequate to finance, in combination
 87.18 with the local contribution, \$116,000,000 of transit costs.

87.19 (d) The city must use state transit aid it receives under this subdivision for transit costs.
 87.20 The city must maintain appropriate records to document the use of the funds under this
 87.21 requirement.

87.22 Sec. 23. Minnesota Statutes 2022, section 469.47, subdivision 6, is amended to read:

87.23 **Subd. 6. Transit aid; local matching contribution.** (a) The required local matching
 87.24 contribution for state transit aid equals the lesser of:

87.25 (1) 40 percent of the state transit aid subject to the \$7,500,000 limit under subdivision
 87.26 5; or

87.27 (2) the amount that would be raised by a 0.15 percent sales tax imposed by the county
 87.28 in the preceding year.

87.29 The county may impose the sales tax or the wheelage tax under section 469.46 to meet
 87.30 this obligation.

87.31 (b) If the county elects not to impose any of the taxes authorized under section 469.46,
 87.32 the county, or city, or both, may agree to make the local contribution out of other available

88.1 funds, other than state aid payable under this section. The commissioner of revenue must
 88.2 estimate the required amount and certify it to the commissioner, city, and county.

88.3 Sec. 24. **MINNESOTA EMPLOYER REASONABLE ACCOMMODATION FUND.**

88.4 **Subdivision 1. Definitions.** (a) For the purposes of this section, the terms defined in this
 88.5 subdivision have the meanings given.

88.6 (b) "Applicant" means any person, whether employed or unemployed, seeking or entering
 88.7 into any arrangement for employment or change of employment with an eligible employer.

88.8 (c) "Commissioner" means the commissioner of employment and economic development.

88.9 (d) "Eligible employer" means an employer domiciled within the legal boundaries of
 88.10 Minnesota and having its principal place of business as identified in its certificate of
 88.11 incorporation in the state of Minnesota who:

88.12 (1) employs not more than 500 employees on any business day during the preceding
 88.13 calendar year; and

88.14 (2) generates \$5,000,000 or less in gross annual revenue.

88.15 (e) "Employee" has the meaning given in Minnesota Statutes, section 363A.03,
 88.16 subdivision 15.

88.17 (f) "Individual with a disability" has the meaning given to "qualified disabled person"
 88.18 in Minnesota Statutes, section 363A.03, subdivision 36.

88.19 (g) "Reasonable accommodation" has the meaning given in Minnesota Statutes, section
 88.20 363A.08, subdivision 6.

88.21 **Subd. 2. Reimbursement grant program established.** The commissioner shall establish
 88.22 a reasonable accommodation reimbursement grant program that reimburses eligible
 88.23 employers for the cost of expenses incurred in providing reasonable accommodations for
 88.24 individuals with a disability who are either applicants or employees of the eligible employer.

88.25 **Subd. 3. Application.** (a) The commissioner must develop forms and procedures for
 88.26 soliciting and reviewing applications for reimbursement under this section.

88.27 (b) The program shall award reimbursements to eligible employers to the extent that
 88.28 funds are available in the account established under subdivision 5 for this purpose.

88.29 (c) Applications shall be processed on a first-received, first-processed basis within each
 88.30 fiscal year until funding is exhausted. Applications received after funding has been exhausted
 88.31 in a fiscal year are not eligible for reimbursement.

89.1 (d) Documentation for reimbursement shall be provided by eligible employers in a form
89.2 approved by the commissioner.

89.3 Subd. 4. **Reimbursement awards.** The maximum total reimbursement per eligible
89.4 employer in a fiscal year is \$30,000 and:

89.5 (1) submissions for onetime reasonable accommodation expenses must be no less than
89.6 \$250 and no more than \$15,000 per individual with a disability; and

89.7 (2) submissions for ongoing reasonable accommodation expenses have no minimum or
89.8 maximum requirements.

89.9 Subd. 5. **Employer reasonable accommodation fund account established.** The
89.10 employer reasonable accommodation fund account is created as an account in the special
89.11 revenue fund. Money in the account is appropriated to the commissioner for the purposes
89.12 of reimbursing eligible employers under this section.

89.13 Subd. 6. **Technical assistance and consultation.** The commissioner may provide
89.14 technical assistance regarding requests for reasonable accommodations.

89.15 Subd. 7. **Administration and marketing costs.** The commissioner may use up to 20
89.16 percent of the biennial appropriation for administration and marketing of this section.

89.17 Subd. 8. **Notification.** By September 1, 2023, or within 60 days following final enactment,
89.18 whichever is later, and each year thereafter by June 30, the commissioner shall make publicly
89.19 available information regarding the availability of funds for reasonable accommodation
89.20 reimbursement and the procedure for requesting reimbursement under this section.

89.21 Subd. 9. **Reports to the legislature.** By January 15, 2024, and each January 15 thereafter
89.22 until expiration, the commissioner must submit a report to the chairs and ranking minority
89.23 members of the house of representatives and the senate committees with jurisdiction over
89.24 workforce development that details the use of grant funds. This report must include data on
89.25 the number of employer reimbursements the program made in the preceding calendar year.
89.26 The report must include:

89.27 (1) the number and type of accommodations requested;

89.28 (2) the cost of accommodations requested;

89.29 (3) the employers from which the requests were made;

89.30 (4) the number and type of accommodations that were denied and why;

89.31 (5) any remaining balance left in the account; and

90.1 (6) if the account was depleted, the date on which funds were exhausted and the number,
 90.2 type, and cost of accommodations that were not reimbursed to employers.

90.3 Subd. 10. **Expiration.** This section expires June 30, 2025, or when money appropriated
 90.4 for its purpose expires, whichever is later.

90.5 **ARTICLE 5**

90.6 **MISCELLANEOUS POLICY**

90.7 Section 1. **[116J.545] GETTING TO WORK GRANT PROGRAM.**

90.8 Subdivision 1. **Creation.** The commissioner of employment and economic development
 90.9 shall make grants to nonprofit organizations to establish and operate programs under this
 90.10 section that provide, repair, or maintain motor vehicles to assist eligible individuals to obtain
 90.11 or maintain employment. All grants shall be for two years.

90.12 Subd. 2. **Qualified grantee.** A grantee must:

90.13 (1) qualify under section 501(c)(3) of the Internal Revenue Code; and

90.14 (2) at the time of application, offer or have the demonstrated capacity to offer a motor
 90.15 vehicle program that provides the services required under subdivision 3.

90.16 Subd. 3. **Program requirements.** (a) A program must offer one or more of the following
 90.17 services:

90.18 (1) provision of new or used motor vehicles by gift, sale, or lease;

90.19 (2) motor vehicle repair and maintenance services; or

90.20 (3) motor vehicle loans.

90.21 (b) In addition to the requirements of paragraph (a), a program must offer one or more
 90.22 of the following services:

90.23 (1) financial literacy education;

90.24 (2) education on budgeting for vehicle ownership;

90.25 (3) car maintenance and repair instruction;

90.26 (4) credit counseling; or

90.27 (5) job training related to motor vehicle maintenance and repair.

91.1 Subd. 4. **Application.** Applications for a grant must be on a form provided by the
91.2 commissioner and on a schedule set by the commissioner. Applications must, in addition
91.3 to any other information required by the commissioner, include the following:

91.4 (1) a detailed description of all services to be offered;

91.5 (2) the area to be served;

91.6 (3) the estimated number of program participants to be served by the grant; and

91.7 (4) a plan for leveraging resources from partners that may include but are not limited

91.8 to:

91.9 (i) automobile dealers;

91.10 (ii) automobile parts dealers;

91.11 (iii) independent local mechanics and automobile repair facilities;

91.12 (iv) banks and credit unions;

91.13 (v) employers;

91.14 (vi) employment and training agencies;

91.15 (vii) insurance companies and agents;

91.16 (viii) local workforce centers; and

91.17 (ix) educational institutions, including vocational institutions and jobs or skills training
91.18 programs.

91.19 Subd. 5. **Participant eligibility.** (a) To be eligible to receive program services, a person
91.20 must:

91.21 (1) have a household income at or below 200 percent of the federal poverty level;

91.22 (2) be at least 18 years of age;

91.23 (3) have a valid driver's license;

91.24 (4) provide the grantee with proof of motor vehicle insurance; and

91.25 (5) demonstrate to the grantee that a motor vehicle is required by the person to obtain
91.26 or maintain employment.

91.27 (b) This subdivision does not preclude a grantee from imposing additional requirements,
91.28 not inconsistent with paragraph (a), for the receipt of program services.

- 92.1 Subd. 6. Report to legislature. By February 15, 2025, and each January 15 in an
 92.2 odd-numbered year thereafter, the commissioner shall submit a report to the chairs of the
 92.3 house of representatives and senate committees with jurisdiction over workforce and
 92.4 economic development on program outcomes. At a minimum, the report must include:
- 92.5 (1) the total number of program participants;
- 92.6 (2) the number of program participants who received each of the following:
- 92.7 (i) provision of a motor vehicle;
- 92.8 (ii) motor vehicle repair services; and
- 92.9 (iii) motor vehicle loans;
- 92.10 (3) the number of program participants who report that they or their children were able
 92.11 to increase their participation in community activities such as after school programs, other
 92.12 youth programs, church or civic groups, or library services as a result of participation in the
 92.13 program; and
- 92.14 (4) an analysis of the impact of the getting to work grant program on the employment
 92.15 rate and wages of program participants.

92.16 Sec. 2. Minnesota Statutes 2022, section 116J.55, subdivision 1, is amended to read:

92.17 Subdivision 1. **Definitions.** For the purposes of this section, "eligible community" means
 92.18 a county, municipality, or tribal government located in Minnesota in which an electric
 92.19 generating plant owned by a public utility, as defined in section 216B.02, that is powered
 92.20 by coal, nuclear energy, or natural gas:

92.21 (1) is currently operating and (i) is scheduled to cease operations or, (ii) whose cessation
 92.22 of operations has been proposed in an integrated resource plan filed with the commission
 92.23 under section 216B.2422, or (iii) whose current operating license expires within 15 years
 92.24 of the effective date of this section; or

92.25 (2) ceased operations or was removed from the local property tax base no earlier than
 92.26 five years before the date an application is made for a grant under this section.

92.27 Sec. 3. Minnesota Statutes 2022, section 116J.55, subdivision 5, is amended to read:

92.28 Subd. 5. **Grant awards; limitations.** ~~(a) The commissioner must award grants under~~
 92.29 ~~this section to eligible communities through a competitive grant process.~~

93.1 ~~(b)~~ (a) A grant awarded to an eligible community under this section must not exceed
 93.2 ~~\$500,000~~ \$1,000,000 in any calendar year. The commissioner may accept grant applications
 93.3 on an ongoing or rolling basis.

93.4 ~~(e)~~ (b) Grants funded with revenues from the renewable development account established
 93.5 in section 116C.779 must be awarded to an eligible community located within the retail
 93.6 electric service territory of the public utility that is subject to section 116C.779 or to an
 93.7 eligible community in which an electric generating plant owned by that public utility is
 93.8 located.

93.9 Sec. 4. Minnesota Statutes 2022, section 116J.55, subdivision 6, is amended to read:

93.10 Subd. 6. **Eligible expenditures.** (a) Money in the account established in subdivision 3
 93.11 must be used only to:

93.12 (1) award grants to eligible communities under this section; and

93.13 (2) reimburse the department's reasonable costs to administer this section, up to a
 93.14 maximum of five percent of the appropriation made to the commissioner under this section.
 93.15 The commissioner may transfer part of the allowable administrative portion of this
 93.16 appropriation to the Environmental Quality Board to assist communities with regulatory
 93.17 coordination and dedicated technical assistance on conversion for these communities.

93.18 (b) An eligible community awarded a grant under this section may use the grant to plan
 93.19 for or address the economic and social impacts on the eligible community of the electric
 93.20 generating plant's cessation of operations, including but not limited to land use studies,
 93.21 economic planning, researching, planning, and implementing activities, capital costs of
 93.22 public infrastructure necessary for economic development, and impact studies and other
 93.23 planning activities enabling communities to become shovel-ready and support the transition
 93.24 from power plants to other economic activities to minimize the negative impacts of power
 93.25 plant closures on tax revenues and jobs designed to:

93.26 (1) assist workers at the plant find new employment, including worker retraining and
 93.27 developing small business start-up skills;

93.28 (2) increase the eligible community's property tax base; and

93.29 (3) develop alternative economic development strategies to attract new employers to the
 93.30 eligible community.

94.1 **Sec. 5. [116J.9926] EMERGING DEVELOPER FUND PROGRAM.**

94.2 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
 94.3 the meanings given.

94.4 (b) "Commissioner" means the commissioner of employment and economic development.

94.5 (c) "Eligible project" means a project that is based in Minnesota and meets one or more
 94.6 of the following criteria:

94.7 (1) it will stimulate community stabilization or revitalization;

94.8 (2) it will be located within a census tract identified as a disadvantaged community or
 94.9 low-income community;

94.10 (3) it will directly benefit residents of a low-income household;

94.11 (4) it will increase the supply and improve the condition of affordable housing and
 94.12 homeownership;

94.13 (5) it will support the growth needs of new and existing community-based enterprises
 94.14 that promote economic stability or improve the supply or quality of job opportunities; or

94.15 (6) it will promote wealth creation, including by being a project in a neighborhood
 94.16 traditionally not served by real estate developers.

94.17 (d) "Emerging developer" means a developer who:

94.18 (1) has limited access to loans from traditional financial institutions; or

94.19 (2) is a new or smaller developer who has engaged in educational training in real estate
 94.20 development; and

94.21 (3) is either a:

94.22 (i) minority as defined by section 116M.14, subdivision 6;

94.23 (ii) woman;

94.24 (iii) person with a disability, as defined under section 116M.14, subdivision 9; or

94.25 (iv) low-income person.

94.26 (e) "Low-income person" means a person who:

94.27 (i) has a household income at or below 200 percent of the federal poverty guidelines;

94.28 or

95.1 (ii) has a family income that does not exceed 60 percent of the area median income as
 95.2 determined by the United States Department of Housing and Urban Development.

95.3 (f) "Program" means the emerging developer fund program created under this section.

95.4 Subd. 2. **Establishment.** The commissioner shall establish an emerging developer fund
 95.5 program to make loans to emerging developers for eligible projects to transform
 95.6 neighborhoods statewide and promote economic development and the creation and retention
 95.7 of jobs in Minnesota. The program shall also reduce racial and socioeconomic disparities
 95.8 by growing the financial capacity of emerging developers.

95.9 Subd. 3. **Loan program.** (a) Through the program, the commissioner shall offer emerging
 95.10 developers predevelopment, construction, and bridge loans for eligible projects.

95.11 (b) Predevelopment loans shall be for no more than \$50,000. All other types of loans
 95.12 shall be for no more than \$500,000.

95.13 (c) Loans shall be for a term set by the commissioner of no less than six months and no
 95.14 more than five years, depending on the use of loan proceeds.

95.15 (d) Loans shall be for zero interest or a low interest rate, as determined by the
 95.16 commissioner based on the individual project risk and type of loan sought.

95.17 (e) Loans shall have flexible collateral requirements, but may require a personal guaranty
 95.18 from the emerging developer and may be largely unsecured when the appraised value of
 95.19 the real estate is low.

95.20 (f) Loans shall have no prepayment penalties and are expected to be repaid from
 95.21 permanent financing or a conventional loan, once that is secured.

95.22 (g) Loans shall have the ability to bridge many types of receivables, such as tax credits,
 95.23 grants, developer fees, and other forms of long-term financing.

95.24 (h) At the commissioner's discretion, an emerging developer may be required to work
 95.25 with an experienced developer or professional services consultant who can offer expertise
 95.26 and advice throughout the development of the project.

95.27 (i) All loan repayments shall be paid into the emerging developer fund account created
 95.28 in this section to fund additional loans.

95.29 Subd. 4. **Eligible expenses.** (a) The following shall be eligible expenses for a
 95.30 predevelopment loan under the program:

95.31 (1) earnest money or purchase deposit;

96.1 (2) building inspection fees and environmental reviews;

96.2 (3) appraisal and surveying;

96.3 (4) design and tax credit application fees;

96.4 (5) title and recording fees;

96.5 (6) site preparation, demolition, and stabilization;

96.6 (7) interim maintenance and project overhead;

96.7 (8) property taxes and insurance;

96.8 (9) construction bonds or letters of credit;

96.9 (10) market and feasibility studies; and

96.10 (11) professional fees.

96.11 (b) The following shall be eligible expenses for a construction or bridge loan under the
96.12 program:

96.13 (1) land or building acquisition;

96.14 (2) construction-related expenses;

96.15 (3) developer and contractor fees;

96.16 (4) site preparation and demolition;

96.17 (5) financing fees, including title and recording;

96.18 (6) professional fees;

96.19 (7) carrying costs;

96.20 (8) construction period interest;

96.21 (9) project reserves; and

96.22 (10) leasehold improvements and equipment purchase.

96.23 Subd. 5. **Emerging developer fund account.** An emerging developer fund account is
96.24 created in the special revenue fund in the state treasury. Money in the account is appropriated
96.25 to the commissioner for loans under this section.

96.26 Subd. 6. **Reports to the legislature.** By February 15 of each year, beginning in 2025,
96.27 the commissioner shall submit a report to the chairs of the house of representatives and
96.28 senate committees with jurisdiction over economic development on loans made under the
96.29 program.

97.1 Sec. 6. Laws 2021, First Special Session chapter 10, article 2, section 24, is amended to
97.2 read:

97.3 Sec. 24. **FORGIVABLE LOAN PROGRAM FOR REMOTE RECREATIONAL**
97.4 **BUSINESSES.**

97.5 Subdivision 1. **Establishment.** Lake of the Woods County shall establish a loan program
97.6 to make forgivable loans to eligible remote recreational businesses that experienced a loss
97.7 in revenue that is greater than 30 percent during the period between March 15, ~~2020~~ 2021,
97.8 and March 15, ~~2021~~ 2022, as compared with ~~the previous year~~ March 15, 2019, and March
97.9 15, 2020.

97.10 Subd. 2. **Definition.** For the purposes of this section, "remote recreational business"
97.11 means a business in the contiguous United States that is:

97.12 (1) a small business concern as defined under section 3 of the Small Business Act, United
97.13 States Code, title 15, section 632, operating in the recreational industry;

97.14 (2) located within 75 miles of the United States and Canadian border; and

97.15 (3) only accessible by land via Canada.

97.16 Subd. 3. **Eligibility.** To be eligible for a forgivable loan, a remote recreational business
97.17 must:

97.18 (1) have been in operation on March 15, ~~2020~~ 2021;

97.19 (2) show that the closure and ongoing COVID-19-related requirements of the United
97.20 States and Canadian border restricted the ability of American customers to access the location
97.21 of the remote recreational business; and

97.22 (3) not have received a grant under the Main Street COVID-19 relief grant program.

97.23 Subd. 4. **Application.** (a) Lake of the Woods County shall develop forms and procedures
97.24 for soliciting and reviewing applications for loans under this section.

97.25 (b) Loans shall be made before ~~April 1, 2022~~ December 30, 2023. Any funds not spent
97.26 by ~~April 1~~ December 30, 2022 2024, must be returned to the state general fund.

97.27 (c) If there are insufficient funds to pay all claims in full, the county shall distribute
97.28 funds on a prorated basis.

97.29 Subd. 5. **Maximum loan amount.** The maximum loan amount shall be equal to 75
97.30 percent of the remote recreational business's gross annual receipts for fiscal year ~~2020~~ 2021,
97.31 not to exceed \$500,000 per eligible remote recreational business.

98.1 Subd. 6. **Forgiveness.** Loans are forgiven for a remote recreational business if the
 98.2 business remains in operation for at least one year after the date of the loan. Lake of the
 98.3 Woods County shall forgive 100 percent of the value of a loan received less the amount the
 98.4 borrower received from:

98.5 (1) any other loan forgiveness program, including any program established under the
 98.6 CARES Act, Public Law 116-136; and

98.7 (2) an advance received under section 1110 of the CARES Act, United States Code, title
 98.8 15, section 9009.

98.9 Subd. 7. **Report to legislature.** By ~~January 15, 2023~~ April 30, 2024, Lake of the Woods
 98.10 County shall report to the legislative committees with jurisdiction over economic
 98.11 development policy and finance on the loans provided to remote recreational businesses
 98.12 under this section.

98.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

98.14 Sec. 7. **CANADIAN BORDER COUNTIES ECONOMIC RELIEF PROGRAM.**

98.15 **Subdivision 1. Relief program established.** The Northland Foundation must develop
 98.16 and implement a Canadian border counties economic relief program to assist businesses
 98.17 adversely affected by the 2021 closure of the Boundary Waters Canoe Area Wilderness or
 98.18 the closures of the Canadian border since 2020.

98.19 Subd. 2. **Available relief.** (a) The economic relief program established under this section
 98.20 may include grants provided in this section to the extent that funds are available. Before
 98.21 awarding a grant to the Northland Foundation for the relief program under this section:

98.22 (1) the Northland Foundation must develop criteria, procedures, and requirements for:

98.23 (i) determining eligibility for assistance;

98.24 (ii) evaluating applications for assistance;

98.25 (iii) awarding assistance; and

98.26 (iv) administering the grant program authorized under this section;

98.27 (2) the Northland Foundation must submit its criteria, procedures, and requirements
 98.28 developed under clause (1) to the commissioner of employment and economic development
 98.29 for review; and

98.30 (3) the commissioner must approve the criteria, procedures, and requirements submitted
 98.31 under clause (2).

99.1 (b) The maximum grant to a business under this section is \$50,000 per business.

99.2 Subd. 3. **Qualification requirements.** To qualify for assistance under this section, a
99.3 business must:

99.4 (1) be located within a county that shares a border with Canada;

99.5 (2) document a reduction of at least ten percent in gross receipts in 2021 compared to
99.6 2019; and

99.7 (3) provide a written explanation for how the 2021 closure of the Boundary Waters
99.8 Canoe Area Wilderness or the closures of the Canadian border since 2020 resulted in the
99.9 reduction in gross receipts documented under clause (2).

99.10 Subd. 4. **Monitoring.** (a) The Northland Foundation must establish performance
99.11 measures, including but not limited to the following components:

99.12 (1) the number of grants awarded and award amounts for each grant;

99.13 (2) the number of jobs created or retained as a result of the assistance, including
99.14 information on the wages and benefit levels, the status of the jobs as full time or part time,
99.15 and the status of the jobs as temporary or permanent;

99.16 (3) the amount of business activity and changes in gross revenues of the grant recipient
99.17 as a result of the assistance; and

99.18 (4) the new tax revenue generated as a result of the assistance.

99.19 (b) The commissioner of employment and economic development must monitor the
99.20 Northland Foundation's compliance with this section and the performance measures
99.21 developed under paragraph (a).

99.22 (c) The Northland Foundation must comply with all requests made by the commissioner
99.23 under this section.

99.24 Subd. 5. **Business subsidy requirements.** Minnesota Statutes, sections 116J.993 to
99.25 116J.995, do not apply to assistance under this section. Businesses in receipt of assistance
99.26 under this section must provide for job creation and retention goals, and wage and benefit
99.27 goals.

99.28 Subd. 6. **Administrative costs.** The commissioner of employment and economic
99.29 development may use up to one percent of the appropriation made for this section for
99.30 administrative expenses of the department.

99.31 **EFFECTIVE DATE.** This section is effective July 1, 2023, and expires June 30, 2024.