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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 1631

02/13/2023 Authored by Kozlowski, Hassan, Skraba and Kraft
The bill was read for the first time and referred to the Committee on Economic Development Finance and Policy

1.1 A bill for an act
1.2 relating to economic development; creating the boundary waters area economic
1.3 relief program; appropriating money.

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

1.5 Section 1. BOUNDARY WATERS AREA ECONOMIC RELIEF PROGRAM.

1.6 Subdivision 1. Relief program established. .... must develop and implement a boundary
1.7 waters area economic relief program to assist businesses adversely affected by the 2021
1.8 closure of the Boundary Waters Canoe Area Wilderness.

1.9 Subd. 2. Available relief. (a) The economic relief program established under this section
1.10 may include grants provided in this section to the extent that funds are available. Before
1.11 awarding a grant to .... for the relief program under this section:

1.12 (1) .... must develop criteria, procedures, and requirements for:

1.13 (i) determining eligibility for assistance;

1.14 (ii) evaluating applications for assistance;

1.15 (iii) awarding assistance; and

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

1.17 (2) .... must submit its criteria, procedures, and requirements developed under clause

1.18 (1) to the commissioner of employment and economic development for review; and

1.19 (3) the commissioner must approve the criteria, procedures, and requirements submitted

1.20 under clause (2).

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

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

2.4 (1) be located within one of the following municipalities surrounding the Boundary  
2.5 Waters Canoe Area Wilderness:

2.6 (i) in Cook County, the city/township of .....;

2.7 (ii) in Ely County, the city/township of .....; or

2.8 (iii) in Lake County, the city/township of .....;

2.9 (2) document a reduction of at least ten percent in gross receipts in 2021 compared to  
2.10 2020; and

2.11 (3) provide a written explanation for how the 2021 closure of the Boundary Waters  
2.12 Canoe Area Wilderness resulted in the reduction in gross receipts documented under clause  
2.13 (2).

2.14 Subd. 4. **Monitoring.** (a) ..... must establish performance measures, including but not  
2.15 limited to the following components:

2.16 (1) the number of grants awarded and award amounts for each grant;

2.17 (2) the number of jobs created or retained as a result of the assistance, including  
2.18 information on the wages and benefit levels, the status of the jobs as full time or part time,  
2.19 and the status of the jobs as temporary or permanent;

2.20 (3) the amount of business activity and changes in gross revenues of the grant recipient  
2.21 as a result of the assistance; and

2.22 (4) the new tax revenue generated as a result of the assistance.

2.23 (b) The commissioner of employment and economic development must monitor .....'s  
2.24 compliance with this section and the performance measures developed under paragraph (a).

2.25 (c) ..... must comply with all requests made by the commissioner under this section.

2.26 Subd. 5. **Business subsidy requirements.** Minnesota Statutes, sections 116J.993 to  
2.27 116J.995, do not apply to assistance under this section. Businesses in receipt of assistance  
2.28 under this section must provide for job creation and retention goals, and wage and benefit  
2.29 goals.

3.1 Subd. 6. **Administrative costs.** The commissioner of employment and economic  
3.2 development may use up to one percent of the appropriation made for this section for  
3.3 administrative expenses of the department.

3.4 Subd. 7. **Rulemaking.** The criteria, procedures, and requirements developed under this  
3.5 section are exempt from the rulemaking requirements of Minnesota Statutes, chapter 14,  
3.6 and Minnesota Statutes, section 14.386, does not apply.

3.7 **EFFECTIVE DATE.** This section is effective July 1, 2023, and expires June 30, 2024.

3.8 Sec. 2. **APPROPRIATION; BOUNDARY WATERS AREA ECONOMIC RELIEF**  
3.9 **PROGRAM.**

3.10 \$..... in fiscal year 2024 is appropriated from the general fund to the commissioner of  
3.11 employment and economic development for the boundary waters area economic relief  
3.12 program under section 1. This is a onetime appropriation.