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State of Minnesota

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HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 5205

- 04/02/2024 Authored by Hassan  
The bill was read for the first time and referred to the Committee on Workforce Development Finance and Policy
- 04/24/2024 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
- 04/30/2024 Adoption of Report: Placed on the General Register as Amended  
Read for the Second Time  
Referred to the Chief Clerk for Comparison with S. F. No. 5289
- 05/01/2024 Postponed Indefinitely

1.1 A bill for an act

1.2 relating to economic development; making supplemental appropriations for

1.3 economic development and workforce development; establishing Explore

1.4 Minnesota Film; making various policy changes relating to economic development

1.5 and workforce development; appropriating money; amending Minnesota Statutes

1.6 2022, sections 116J.435, subdivisions 3, 4; 116J.5492, subdivision 2; 116J.8748,

1.7 subdivision 1; 116M.18; 116U.26; 116U.27, subdivision 5; 268.035, subdivision

1.8 20; Minnesota Statutes 2023 Supplement, sections 116J.682, subdivisions 1, 3;

1.9 116J.8733; 116J.8748, subdivisions 3, 4, 6; 116J.8751, by adding a subdivision;

1.10 116L.17, subdivision 1; 116L.43, subdivision 1; 116U.27, subdivisions 1, 4; Laws

1.11 2023, chapter 53, article 15, sections 32, subdivision 6; 33, subdivisions 4, 5; article

1.12 20, sections 2, subdivisions 1, 2, 3, 4, 6; 3; article 21, section 6; proposing coding

1.13 for new law in Minnesota Statutes, chapter 116U; repealing Minnesota Statutes

1.14 2022, sections 116J.435, subdivision 5; 116L.17, subdivision 5.

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

1.16 ARTICLE 1

1.17 ECONOMIC DEVELOPMENT APPROPRIATIONS

1.18 Section 1. Laws 2023, chapter 53, article 20, section 2, subdivision 1, is amended to read:

1.19				<b>310,131,000</b>
1.20	Subdivision 1. Total Appropriation	\$	<b>382,802,000</b>	\$ <b><u>306,306,000</u></b>

1.21 Appropriations by Fund

1.22		2024	2025
1.23			<del>279,854,000</del>
1.24	General	352,525,000	<u>276,029,000</u>
1.25	Remediation	700,000	700,000
1.26	Workforce		
1.27	Development	30,277,000	30,277,000

2.1 The amounts that may be spent for each  
 2.2 purpose are specified in the following  
 2.3 subdivisions.

2.4 Sec. 2. Laws 2023, chapter 53, article 20, section 2, subdivision 2, is amended to read:

2.5			<del>139,929,000</del>
2.6	<b>Subd. 2. Business and Community Development</b>	195,061,000	<u>136,104,000</u>

2.7	Appropriations by Fund		
2.8			<del>137,879,000</del>
2.9	General	193,011,000	<u>134,054,000</u>
2.10	Remediation	700,000	700,000
2.11	Workforce		
2.12	Development	1,350,000	1,350,000

2.13 (a) \$2,287,000 each year is for the greater  
 2.14 Minnesota business development public  
 2.15 infrastructure grant program under Minnesota  
 2.16 Statutes, section 116J.431. This appropriation  
 2.17 is available until June 30, 2027.

2.18 (b) \$500,000 each year is for grants to small  
 2.19 business development centers under Minnesota  
 2.20 Statutes, section 116J.68. Money made  
 2.21 available under this paragraph may be used to  
 2.22 match funds under the federal Small Business  
 2.23 Development Center (SBDC) program under  
 2.24 United States Code, title 15, section 648, to  
 2.25 provide consulting and technical services or  
 2.26 to build additional SBDC network capacity to  
 2.27 serve entrepreneurs and small businesses.

2.28 (c) \$2,500,000 ~~each~~ the first year is for Launch  
 2.29 Minnesota. ~~These are~~ This is a onetime  
 2.30 ~~appropriations~~ appropriation. Of this amount:

2.31 (1) \$1,500,000 ~~each year~~ is for innovation  
 2.32 grants to eligible Minnesota entrepreneurs or  
 2.33 start-up businesses to assist with their  
 2.34 operating needs;

3.1 (2) \$500,000 ~~each year~~ is for administration  
3.2 of Launch Minnesota; and  
3.3 (3) \$500,000 ~~each year~~ is for grantee activities  
3.4 at Launch Minnesota.

3.5 (d)(1) \$500,000 each year is for grants to  
3.6 MNSBIR, Inc., to support moving scientific  
3.7 excellence and technological innovation from  
3.8 the lab to the market for start-ups and small  
3.9 businesses by securing federal research and  
3.10 development funding. The purpose of the grant  
3.11 is to build a strong Minnesota economy and  
3.12 stimulate the creation of novel products,  
3.13 services, and solutions in the private sector;  
3.14 strengthen the role of small business in  
3.15 meeting federal research and development  
3.16 needs; increase the commercial application of  
3.17 federally supported research results; and  
3.18 develop and increase the Minnesota  
3.19 workforce, especially by fostering and  
3.20 encouraging participation by small businesses  
3.21 owned by women and people who are Black,  
3.22 Indigenous, or people of color. This is a  
3.23 onetime appropriation.

3.24 (2) MNSBIR, Inc., shall use the grant money  
3.25 to be the dedicated resource for federal  
3.26 research and development for small businesses  
3.27 of up to 500 employees statewide to support  
3.28 research and commercialization of novel ideas,  
3.29 concepts, and projects into cutting-edge  
3.30 products and services for worldwide economic  
3.31 impact. MNSBIR, Inc., shall use grant money  
3.32 to:

3.33 (i) assist small businesses in securing federal  
3.34 research and development funding, including  
3.35 the Small Business Innovation Research and

- 4.1 Small Business Technology Transfer programs  
4.2 and other federal research and development  
4.3 funding opportunities;
- 4.4 (ii) support technology transfer and  
4.5 commercialization from the University of  
4.6 Minnesota, Mayo Clinic, and federal  
4.7 laboratories;
- 4.8 (iii) partner with large businesses;
- 4.9 (iv) conduct statewide outreach, education,  
4.10 and training on federal rules, regulations, and  
4.11 requirements;
- 4.12 (v) assist with scientific and technical writing;
- 4.13 (vi) help manage federal grants and contracts;  
4.14 and
- 4.15 (vii) support cost accounting and sole-source  
4.16 procurement opportunities.
- 4.17 (e) \$10,000,000 the first year is for the  
4.18 Minnesota Expanding Opportunity Fund  
4.19 Program under Minnesota Statutes, section  
4.20 116J.8733. This is a onetime appropriation  
4.21 and is available until June 30, 2025.
- 4.22 (f) \$6,425,000 each year is for the small  
4.23 business assistance partnerships program  
4.24 under Minnesota Statutes, section 116J.682.  
4.25 All grant awards shall be for two consecutive  
4.26 years. Grants shall be awarded in the first year.  
4.27 The department may use up to five percent of  
4.28 the appropriation for administrative purposes.  
4.29 The base for this appropriation is \$2,725,000  
4.30 in fiscal year 2026 and each year thereafter.
- 4.31 (g) \$350,000 each year is for administration  
4.32 of the community energy transition office.

5.1 (h) \$5,000,000 each year is transferred from  
5.2 the general fund to the community energy  
5.3 transition account for grants under Minnesota  
5.4 Statutes, section 116J.55. This is a onetime  
5.5 transfer.

5.6 (i) \$1,772,000 each year is for contaminated  
5.7 site cleanup and development grants under  
5.8 Minnesota Statutes, sections 116J.551 to  
5.9 116J.558. This appropriation is available until  
5.10 expended.

5.11 (j) \$700,000 each year is from the remediation  
5.12 fund for contaminated site cleanup and  
5.13 development grants under Minnesota Statutes,  
5.14 sections 116J.551 to 116J.558. This  
5.15 appropriation is available until expended.

5.16 (k) \$389,000 each year is for the Center for  
5.17 Rural Policy and Development. The base for  
5.18 this appropriation is \$139,000 in fiscal year  
5.19 2026 and each year thereafter.

5.20 (l) \$25,000 each year is for the administration  
5.21 of state aid for the Destination Medical Center  
5.22 under Minnesota Statutes, sections 469.40 to  
5.23 469.47.

5.24 (m) \$875,000 each year is for the host  
5.25 community economic development program  
5.26 established in Minnesota Statutes, section  
5.27 116J.548.

5.28 (n) \$6,500,000 each year is for grants to local  
5.29 communities to increase the number of quality  
5.30 child care providers to support economic  
5.31 development. Fifty percent of grant money  
5.32 must go to communities located outside the  
5.33 seven-county metropolitan area as defined in  
5.34 Minnesota Statutes, section 473.121,

6.1 subdivision 2. The base for this appropriation  
6.2 is \$1,500,000 in fiscal year 2026 and each year  
6.3 thereafter.

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

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

7.1 (o) \$500,000 each year is for the Office of  
7.2 Child Care Community Partnerships. Of this  
7.3 amount:

7.4 (1) \$450,000 each year is for administration  
7.5 of the Office of Child Care Community  
7.6 Partnerships; and

7.7 (2) \$50,000 each year is for the Labor Market  
7.8 Information Office to conduct research and  
7.9 analysis related to the child care industry.

7.10 (p) \$3,500,000 each year is for grants in equal  
7.11 amounts to each of the Minnesota Initiative  
7.12 Foundations. This appropriation is available  
7.13 until June 30, 2027. The base for this  
7.14 appropriation is \$1,000,000 in fiscal year 2026  
7.15 and each year thereafter. The Minnesota  
7.16 Initiative Foundations must use grant money  
7.17 under this section to:

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

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

7.29 (3) provide locally based training and technical  
7.30 assistance to rural business owners  
7.31 individually or through a learning cohort.  
7.32 Access to financial and business development  
7.33 assistance must prepare child care businesses  
7.34 for quality engagement and improvement by

8.1 stabilizing operations, leveraging funding from  
8.2 other sources, and fostering business acumen  
8.3 that allows child care businesses to plan for  
8.4 and afford the cost of providing quality child  
8.5 care; and

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

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

8.29 (r) \$12,370,000 each year is for the Minnesota  
8.30 investment fund under Minnesota Statutes,  
8.31 section 116J.8731. Of this amount, the  
8.32 commissioner of employment and economic  
8.33 development may use up to three percent for  
8.34 administration and monitoring of the program.  
8.35 This appropriation is available until expended.



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

9.10 (s) \$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 for this appropriation is \$2,246,000  
9.14 in fiscal year 2026 and each year thereafter.  
9.15 This appropriation is available until expended.

9.16 (t) \$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 (u) \$325,000 ~~each~~ the first year is for the  
9.27 Minnesota Film and TV Board. The  
9.28 appropriation ~~each year~~ is available only upon  
9.29 receipt by the board of \$1 in matching  
9.30 contributions of money or in-kind  
9.31 contributions from nonstate sources for every  
9.32 \$3 provided by this appropriation, except that  
9.33 ~~each year~~ up to \$50,000 is available on July  
9.34 1 even if the required matching contribution

- 10.1 has not been received by that date. This is a  
10.2 onetime appropriation.
- 10.3 (v) \$12,000 each year is for a grant to the  
10.4 Upper Minnesota Film Office.
- 10.5 (w) \$500,000 ~~each~~ the first year is for a grant  
10.6 to the Minnesota Film and TV Board for the  
10.7 film production jobs program under Minnesota  
10.8 Statutes, section 116U.26. This appropriation  
10.9 is available until June 30, 2027. This is a  
10.10 onetime appropriation.
- 10.11 (x) \$4,195,000 each year is for the Minnesota  
10.12 job skills partnership program under  
10.13 Minnesota Statutes, sections 116L.01 to  
10.14 116L.17. If the appropriation for either year  
10.15 is insufficient, the appropriation for the other  
10.16 year is available. This appropriation is  
10.17 available until expended.
- 10.18 (y) \$1,350,000 each year from the workforce  
10.19 development fund is for jobs training grants  
10.20 under Minnesota Statutes, section 116L.41.
- 10.21 (z) \$47,475,000 each year is for the PROMISE  
10.22 grant program. This is a onetime appropriation  
10.23 and is available until June 30, 2027. Of this  
10.24 amount:
- 10.25 (1) \$475,000 each year is for administration  
10.26 of the PROMISE grant program;
- 10.27 (2) \$7,500,000 each year is for grants in equal  
10.28 amounts to each of the Minnesota Initiative  
10.29 Foundations to serve businesses in greater  
10.30 Minnesota. Of this amount, \$600,000 each  
10.31 year is for grants to businesses with less than  
10.32 \$100,000 in revenue in the prior year; and

11.1 (3) \$39,500,000 each year is for grants to the  
11.2 Neighborhood Development Center. Of this  
11.3 amount, the following amounts are designated  
11.4 for the following areas:

11.5 (i) \$16,000,000 each year is for North  
11.6 Minneapolis' West Broadway, Camden, or  
11.7 other Northside neighborhoods. Of this  
11.8 amount, \$1,000,000 each year is for grants to  
11.9 businesses with less than \$100,000 in revenue  
11.10 in the prior year;

11.11 (ii) \$13,500,000 each year is for South  
11.12 Minneapolis' Lake Street, 38th and Chicago,  
11.13 Franklin, Nicollet, and Riverside corridors.  
11.14 Of this amount, \$750,000 each year is for  
11.15 grants to businesses with less than \$100,000  
11.16 in revenue in the prior year; and

11.17 (iii) \$10,000,000 each year is for St. Paul's  
11.18 University Avenue, Midway, Eastside, or other  
11.19 St. Paul neighborhoods. Of this amount,  
11.20 \$750,000 each year is for grants to businesses  
11.21 with less than \$100,000 in revenue in the prior  
11.22 year.

11.23 (aa) \$15,150,000 each year is for the  
11.24 PROMISE loan program. This is a onetime  
11.25 appropriation and is available until June 30,  
11.26 2027. Of this amount:

11.27 (1) \$150,000 each year is for administration  
11.28 of the PROMISE loan program;

11.29 (2) \$3,000,000 each year is for grants in equal  
11.30 amounts to each of the Minnesota Initiative  
11.31 Foundations to serve businesses in greater  
11.32 Minnesota; and

11.33 (3) \$12,000,000 each year is for grants to the  
11.34 Metropolitan Economic Development

12.1 Association (MEDA). Of this amount, the  
12.2 following amounts are designated for the  
12.3 following areas:

12.4 (i) \$4,500,000 each year is for North  
12.5 Minneapolis' West Broadway, Camden, or  
12.6 other Northside neighborhoods;

12.7 (ii) \$4,500,000 each year is for South  
12.8 Minneapolis' Lake Street, 38th and Chicago,  
12.9 Franklin, Nicollet, and Riverside corridors;  
12.10 and

12.11 (iii) \$3,000,000 each year is for St. Paul's  
12.12 University Avenue, Midway, Eastside, or other  
12.13 St. Paul neighborhoods.

12.14 (bb) \$1,500,000 each year is for a grant to the  
12.15 Metropolitan Consortium of Community  
12.16 Developers for the community wealth-building  
12.17 grant program pilot project. Of this amount,  
12.18 up to two percent is for administration and  
12.19 monitoring of the community wealth-building  
12.20 grant program pilot project. This is a onetime  
12.21 appropriation.

12.22 (cc) \$250,000 each year is for the publication,  
12.23 dissemination, and use of labor market  
12.24 information under Minnesota Statutes, section  
12.25 116J.401.

12.26 (dd) \$5,000,000 the first year is for a grant to  
12.27 the Bloomington Port Authority to provide  
12.28 funding for the Expo 2027 host organization.  
12.29 The Bloomington Port Authority must enter  
12.30 into an agreement with the host organization  
12.31 over the use of money, which may be used for  
12.32 activities, including but not limited to  
12.33 finalizing the community dossier and staffing  
12.34 the host organization and for infrastructure

13.1 design and planning, financial modeling,  
13.2 development planning and coordination of  
13.3 both real estate and public private partnerships,  
13.4 and reimbursement of costs the Bloomington  
13.5 Port Authority incurred. In selecting vendors  
13.6 and exhibitors for Expo 2027, the host  
13.7 organization shall prioritize outreach to,  
13.8 collaboration with, and inclusion of businesses  
13.9 that are majority owned by people of color,  
13.10 women, and people with disabilities. The host  
13.11 organization and Bloomington Port Authority  
13.12 may be reimbursed for expenses 90 days prior  
13.13 to encumbrance. This appropriation is  
13.14 contingent on approval of the project by the  
13.15 Bureau International des Expositions. If the  
13.16 project is not approved by the Bureau  
13.17 International des Expositions, the money shall  
13.18 transfer to the Minnesota investment fund  
13.19 under Minnesota Statutes, section 116J.8731.  
13.20 Any unencumbered balance remaining at the  
13.21 end of the first year does not cancel but is  
13.22 available for the second year.

13.23 (ee) \$5,000,000 the first year is for a grant to  
13.24 the Neighborhood Development Center for  
13.25 small business programs, including training,  
13.26 lending, business services, and real estate  
13.27 programming; small business incubator  
13.28 development in the Twin Cities and outside  
13.29 the seven-county metropolitan area; and  
13.30 technical assistance activities for partners  
13.31 outside the seven-county metropolitan area;  
13.32 and for high-risk, character-based loan capital  
13.33 for nonrecourse loans. This is a onetime  
13.34 appropriation. Any unencumbered balance  
13.35 remaining at the end of the first year does not  
13.36 cancel but is available for the second year.

- 14.1 (ff) \$5,000,000 the first year is for transfer to  
14.2 the emerging developer fund account in the  
14.3 special revenue fund. Of this amount, up to  
14.4 five percent is for administration and  
14.5 monitoring of the emerging developer fund  
14.6 program under Minnesota Statutes, section  
14.7 116J.9926, and the remainder is for a grant to  
14.8 the Local Initiatives Support Corporation -  
14.9 Twin Cities to serve as a partner organization  
14.10 under the program. This is a onetime  
14.11 appropriation.
- 14.12 (gg) \$5,000,000 the first year is for the  
14.13 Canadian border counties economic relief  
14.14 program under article 5. Of this amount, up  
14.15 to \$1,000,000 is for Tribal economic  
14.16 development and \$2,100,000 is for a grant to  
14.17 Lake of the Woods County for the forgivable  
14.18 loan program for remote recreational  
14.19 businesses. This is a onetime appropriation  
14.20 and is available until June 30, 2026.
- 14.21 (hh) \$1,000,000 each year is for a grant to  
14.22 African Economic Development Solutions.  
14.23 This is a onetime appropriation and is  
14.24 available until June 30, 2026. Of this amount:
- 14.25 (1) \$500,000 each year is for a loan fund that  
14.26 must address pervasive economic inequities  
14.27 by supporting business ventures of  
14.28 entrepreneurs in the African immigrant  
14.29 community; and
- 14.30 (2) \$250,000 each year is for workforce  
14.31 development and technical assistance,  
14.32 including but not limited to business  
14.33 development, entrepreneur training, business  
14.34 technical assistance, loan packing, and  
14.35 community development services.

15.1 (ii) \$1,500,000 each year is for a grant to the  
15.2 Latino Economic Development Center. This  
15.3 is a onetime appropriation and is available  
15.4 until June 30, 2025. Of this amount:

15.5 (1) \$750,000 each year is to assist, support,  
15.6 finance, and launch microentrepreneurs by  
15.7 delivering training, workshops, and  
15.8 one-on-one consultations to businesses; and

15.9 (2) \$750,000 each year is to guide prospective  
15.10 entrepreneurs in their start-up process by  
15.11 introducing them to key business concepts,  
15.12 including business start-up readiness. Grant  
15.13 proceeds must be used to offer workshops on  
15.14 a variety of topics throughout the year,  
15.15 including finance, customer service,  
15.16 food-handler training, and food-safety  
15.17 certification. Grant proceeds may also be used  
15.18 to provide lending to business startups.

15.19 (jj) \$627,000 the first year is for a grant to  
15.20 Community and Economic Development  
15.21 Associates (CEDA) to provide funding for  
15.22 economic development technical assistance  
15.23 and economic development project grants to  
15.24 small communities across rural Minnesota and  
15.25 for CEDA to design, implement, market, and  
15.26 administer specific types of basic community  
15.27 and economic development programs tailored  
15.28 to individual community needs. Technical  
15.29 assistance grants shall be based on need and  
15.30 given to communities that are otherwise  
15.31 unable to afford these services. Of the amount  
15.32 appropriated, up to \$270,000 may be used for  
15.33 economic development project implementation  
15.34 in conjunction with the technical assistance  
15.35 received. This is a onetime appropriation. Any

16.1 unencumbered balance remaining at the end  
16.2 of the first year does not cancel but is available  
16.3 the second year.

16.4 (kk) \$2,000,000 the first year is for a grant to  
16.5 WomenVenture to:

16.6 (1) support child care providers through  
16.7 business training and shared services programs  
16.8 and to create materials that could be used, free  
16.9 of charge, for start-up, expansion, and  
16.10 operation of child care businesses statewide,  
16.11 with the goal of helping new and existing child  
16.12 care businesses in underserved areas of the  
16.13 state become profitable and sustainable; and

16.14 (2) support business expansion for women  
16.15 food entrepreneurs throughout Minnesota's  
16.16 food supply chain to help stabilize and  
16.17 strengthen their business operations, create  
16.18 distribution networks, offer technical  
16.19 assistance and support to beginning women  
16.20 food entrepreneurs, develop business plans,  
16.21 develop a workforce, research expansion  
16.22 strategies, and for other related activities.

16.23 Eligible uses of the money include but are not  
16.24 limited to:

16.25 (i) leasehold improvements;  
16.26 (ii) additions, alterations, remodeling, or  
16.27 renovations to rented space;  
16.28 (iii) inventory or supplies;  
16.29 (iv) machinery or equipment purchases;  
16.30 (v) working capital; and  
16.31 (vi) debt refinancing.



17.1 Money distributed to entrepreneurs may be  
17.2 loans, forgivable loans, and grants. Of this  
17.3 amount, up to five percent may be used for  
17.4 the Women Venture's technical assistance and  
17.5 administrative costs. This is a onetime  
17.6 appropriation and is available until June 30,  
17.7 2026.

17.8 By December 15, 2026, Women Venture must  
17.9 submit a report to the chairs and ranking  
17.10 minority members of the legislative  
17.11 committees with jurisdiction over agriculture  
17.12 and employment and economic development.  
17.13 The report must include a summary of the uses  
17.14 of the appropriation, including the amount of  
17.15 the appropriation used for administration. The  
17.16 report must also provide a breakdown of the  
17.17 amount of funding used for loans, forgivable  
17.18 loans, and grants; information about the terms  
17.19 of the loans issued; a discussion of how money  
17.20 from repaid loans will be used; the number of  
17.21 entrepreneurs assisted; and a breakdown of  
17.22 how many entrepreneurs received assistance  
17.23 in each county.

17.24 (ll) \$2,000,000 the first year is for a grant to  
17.25 African Career, Education, and Resource, Inc.,  
17.26 for operational infrastructure and technical  
17.27 assistance to small businesses. This  
17.28 appropriation is available until June 30, 2025.

17.29 (mm) \$5,000,000 the first year is for a grant  
17.30 to the African Development Center to provide  
17.31 loans to purchase commercial real estate and  
17.32 to expand organizational infrastructure. This  
17.33 appropriation is available until June 30, 2025.  
17.34 Of this amount:

- 18.1 (1) \$2,800,000 is for loans to purchase  
18.2 commercial real estate targeted at African  
18.3 immigrant small business owners;
- 18.4 (2) \$364,000 is for loan loss reserves to  
18.5 support loan volume growth and attract  
18.6 additional capital;
- 18.7 (3) \$836,000 is for increasing organizational  
18.8 capacity;
- 18.9 (4) \$300,000 is for the safe 2 eat project of  
18.10 inclusive assistance with required restaurant  
18.11 licensing examinations; and
- 18.12 (5) \$700,000 is for a center for community  
18.13 resources for language and technology  
18.14 assistance for small businesses.
- 18.15 (mn) \$7,000,000 the first year is for grants to  
18.16 the Minnesota Initiative Foundations to  
18.17 capitalize their revolving loan funds, which  
18.18 address unmet financing needs of for-profit  
18.19 business start-ups, expansions, and ownership  
18.20 transitions; nonprofit organizations; and  
18.21 developers of housing to support the  
18.22 construction, rehabilitation, and conversion  
18.23 of housing units. Of the amount appropriated:
- 18.24 (1) \$1,000,000 is for a grant to the Southwest  
18.25 Initiative Foundation;
- 18.26 (2) \$1,000,000 is for a grant to the West  
18.27 Central Initiative Foundation;
- 18.28 (3) \$1,000,000 is for a grant to the Southern  
18.29 Minnesota Initiative Foundation;
- 18.30 (4) \$1,000,000 is for a grant to the Northwest  
18.31 Minnesota Foundation;
- 18.32 (5) \$2,000,000 is for a grant to the Initiative  
18.33 Foundation of which \$1,000,000 is for

19.1 redevelopment of the St. Cloud Youth and  
19.2 Family Center; and

19.3 (6) \$1,000,000 is for a grant to the Northland  
19.4 Foundation.

19.5 (oo) \$500,000 each year is for a grant to  
19.6 Enterprise Minnesota, Inc., to reach and  
19.7 deliver talent, leadership, employee retention,  
19.8 continuous improvement, strategy, quality  
19.9 management systems, revenue growth, and  
19.10 manufacturing peer-to-peer advisory services  
19.11 to small manufacturing companies employing  
19.12 35 or fewer full-time equivalent employees.  
19.13 This is a onetime appropriation. No later than  
19.14 February 1, 2025, and February 1, 2026,  
19.15 Enterprise Minnesota, Inc., must provide a  
19.16 report to the chairs and ranking minority  
19.17 members of the legislative committees with  
19.18 jurisdiction over economic development that  
19.19 includes:

19.20 (1) the grants awarded during the past 12  
19.21 months;

19.22 (2) the estimated financial impact of the grants  
19.23 awarded to each company receiving services  
19.24 under the program;

19.25 (3) the actual financial impact of grants  
19.26 awarded during the past 24 months; and

19.27 (4) the total amount of federal funds leveraged  
19.28 from the Manufacturing Extension Partnership  
19.29 at the United States Department of Commerce.

19.30 (pp) \$375,000 each year is for a grant to  
19.31 PFund Foundation to provide grants to  
19.32 LGBTQ+-owned small businesses and  
19.33 entrepreneurs. Of this amount, up to five  
19.34 percent may be used for PFund Foundation's

20.1 technical assistance and administrative costs.

20.2 This is a onetime appropriation and is  
20.3 available until June 30, 2026. To the extent  
20.4 practicable, money must be distributed by  
20.5 PFund Foundation as follows:

20.6 (1) at least 33.3 percent to businesses owned  
20.7 by members of racial minority communities;  
20.8 and

20.9 (2) at least 33.3 percent to businesses outside  
20.10 of the seven-county metropolitan area as  
20.11 defined in Minnesota Statutes, section  
20.12 473.121, subdivision 2.

20.13 (qq) \$125,000 each year is for a grant to  
20.14 Quorum to provide business support, training,  
20.15 development, technical assistance, and related  
20.16 activities for LGBTQ+-owned small  
20.17 businesses that are recipients of a PFund  
20.18 Foundation grant. Of this amount, up to five  
20.19 percent may be used for Quorum's technical  
20.20 assistance and administrative costs. This is a  
20.21 onetime appropriation and is available until  
20.22 June 30, 2026.

20.23 (rr) \$5,000,000 the first year is for a grant to  
20.24 the Metropolitan Economic Development  
20.25 Association (MEDA) for statewide business  
20.26 development and assistance services to  
20.27 minority-owned businesses. This is a onetime  
20.28 appropriation. Any unencumbered balance  
20.29 remaining at the end of the first year does not  
20.30 cancel but is available the second year. Of this  
20.31 amount:

20.32 (1) \$3,000,000 is for a revolving loan fund to  
20.33 provide additional minority-owned businesses  
20.34 with access to capital; and

21.1 (2) \$2,000,000 is for operating support  
21.2 activities related to business development and  
21.3 assistance services for minority business  
21.4 enterprises.

21.5 By February 1, 2025, MEDA shall report to  
21.6 the commissioner and the chairs and ranking  
21.7 minority members of the legislative  
21.8 committees with jurisdiction over economic  
21.9 development policy and finance on the loans  
21.10 and operating support activities, including  
21.11 outcomes and expenditures, supported by the  
21.12 appropriation under this paragraph.

21.13 (ss) \$2,500,000 each year is for a grant to a  
21.14 Minnesota-based automotive component  
21.15 manufacturer and distributor specializing in  
21.16 electric vehicles and sensor technology that  
21.17 manufactures all of their parts onshore to  
21.18 expand their manufacturing. The grant  
21.19 recipient under this paragraph shall submit  
21.20 reports on the uses of the money appropriated,  
21.21 the number of jobs created due to the  
21.22 appropriation, wage information, and the city  
21.23 and state in which the additional  
21.24 manufacturing activity was located to the  
21.25 chairs and ranking minority members of the  
21.26 legislative committees with jurisdiction over  
21.27 economic development. An initial report shall  
21.28 be submitted by December 15, 2023, and a  
21.29 final report is due by December 15, 2025. This  
21.30 is a onetime appropriation.

21.31 (tt)(1) \$125,000 each year is for grants to the  
21.32 Latino Chamber of Commerce Minnesota to  
21.33 support the growth and expansion of small  
21.34 businesses statewide. Funds may be used for

22.1 the cost of programming, outreach, staffing,  
22.2 and supplies. This is a onetime appropriation.

22.3 (2) By January 15, 2026, the Latino Chamber  
22.4 of Commerce Minnesota must submit a report  
22.5 to the legislative committees with jurisdiction  
22.6 over economic development that details the  
22.7 use of grant funds and the grant's economic  
22.8 impact.

22.9 (uu) \$175,000 the first year is for a grant to  
22.10 the city of South St. Paul to study options for  
22.11 repurposing the 1927 American Legion  
22.12 Memorial Library after the property is no  
22.13 longer used as a library. This appropriation is  
22.14 available until the project is completed or  
22.15 abandoned, subject to Minnesota Statutes,  
22.16 section 16A.642.

22.17 (vv) \$250,000 the first year is for a grant to  
22.18 LatinoLEAD for organizational  
22.19 capacity-building.

22.20 (ww) \$80,000 the first year is for a grant to  
22.21 the Neighborhood Development Center for  
22.22 small business competitive grants to software  
22.23 companies working to improve employee  
22.24 engagement and workplace culture and to  
22.25 reduce turnover.

22.26 (xx)(1) \$3,000,000 in the first year is for a  
22.27 grant to the Center for Economic Inclusion for  
22.28 strategic, data-informed investments in job  
22.29 creation strategies that respond to the needs  
22.30 of underserved populations statewide. This  
22.31 may include forgivable loans, revenue-based  
22.32 financing, and equity investments for  
22.33 entrepreneurs with barriers to growth. Of this  
22.34 amount, up to five percent may be used for

23.1 the center's technical assistance and  
 23.2 administrative costs. This appropriation is  
 23.3 available until June 30, 2025.

23.4 (2) By January 15, 2026, the Center for  
 23.5 Economic Inclusion shall submit a report on  
 23.6 the use of grant funds, including any loans  
 23.7 made, to the legislative committees with  
 23.8 jurisdiction over economic development.

23.9 (yy) \$500,000 ~~each~~ the first year is for a grant  
 23.10 to the Asian Economic Development  
 23.11 Association for asset building and financial  
 23.12 empowerment for entrepreneurs and small  
 23.13 business owners, small business development  
 23.14 and technical assistance, and cultural  
 23.15 placemaking. This is a onetime appropriation.

23.16 (zz) \$500,000 each year is for a grant to  
 23.17 Isuroon to support primarily African  
 23.18 immigrant women with entrepreneurial  
 23.19 training to start, manage, and grow  
 23.20 self-sustaining microbusinesses, develop  
 23.21 incubator space for these businesses, and  
 23.22 provide support with financial and language  
 23.23 literacy, systems navigation to eliminate  
 23.24 capital access disparities, marketing, and other  
 23.25 technical assistance. This is a onetime  
 23.26 appropriation.

23.27 Sec. 3. Laws 2023, chapter 53, article 20, section 3, is amended to read:

23.28			<del>40,954,000</del>	
23.29	Sec. 3. EXPLORE MINNESOTA TOURISM	\$	<u>40,554,000</u>	\$ 21,369,000

23.30 (a) \$500,000 each year must be matched from  
 23.31 nonstate sources to develop maximum private  
 23.32 sector involvement in tourism. Each \$1 of state  
 23.33 incentive must be matched with \$6 of private  
 23.34 sector money. "Matched" means revenue to

24.1 the state or documented in-kind, soft match,  
24.2 or cash expenditures directly expended to  
24.3 support Explore Minnesota Tourism under  
24.4 Minnesota Statutes, section 116U.05. The  
24.5 incentive in fiscal year 2024 is based on fiscal  
24.6 year 2023 private sector contributions. The  
24.7 incentive in fiscal year 2025 is based on fiscal  
24.8 year 2024 private sector contributions. This  
24.9 incentive is ongoing.

24.10 (b) \$11,000,000 the first year is for the  
24.11 development of Explore Minnesota for  
24.12 Business under Minnesota Statutes, section  
24.13 116U.07, to market the overall livability and  
24.14 economic opportunities of Minnesota. This is  
24.15 a onetime appropriation.

24.16 (c) \$5,500,000 each year is for the  
24.17 development of new initiatives for Explore  
24.18 Minnesota Tourism. If the amount in the first  
24.19 year is insufficient, the amount in the second  
24.20 year is available in the first year. This is a  
24.21 onetime appropriation.

24.22 (d) ~~\$6,047,000~~ \$5,647,000 the first year and  
24.23 \$600,000 the second year is for grants for  
24.24 infrastructure and associated costs for cultural  
24.25 festivals and events, including but not limited  
24.26 to buildout, permits, sanitation and  
24.27 maintenance services, transportation, staffing,  
24.28 event programming, public safety, facilities  
24.29 and equipment rentals, signage, and insurance.  
24.30 This is a onetime appropriation. Of this  
24.31 amount:

24.32 (1) \$1,847,000 the first year is for a grant to  
24.33 the Minneapolis Downtown Council for the  
24.34 Taste of Minnesota event;



25.1 (2) \$1,200,000 the first year is for a grant to  
 25.2 the Stairstep Foundation for African American  
 25.3 cultural festivals and events;

25.4 (3) ~~\$1,200,000~~ \$800,000 the first year is for  
 25.5 grants for Somali community and cultural  
 25.6 festivals and events, including festivals and  
 25.7 events in greater Minnesota, as follows:

25.8 (i) \$400,000 is for a grant to Ka Joog; and

25.9 (ii) \$400,000 is for a grant to the Somali  
 25.10 Museum of Minnesota; ~~and~~

25.11 ~~(iii) \$400,000 is for a grant to ESHARA;~~

25.12 (4) \$1,200,000 the first year is for a grant to  
 25.13 West Side Boosters for Latino cultural  
 25.14 festivals and events; and

25.15 (5) \$600,000 the first year and \$600,000 the  
 25.16 second year are for grants to the United  
 25.17 Hmong Family, Inc. for the Hmong  
 25.18 International Freedom Festival event.

25.19 (e) Money for marketing grants is available  
 25.20 either year of the biennium. Unexpended grant  
 25.21 money from the first year is available in the  
 25.22 second year.

25.23 (f) The base for Explore Minnesota is  
 25.24 \$17,023,000 from the general fund in fiscal  
 25.25 year 2026 and each year thereafter.

25.26 Sec. 4. **APPROPRIATIONS.**

25.27 Subdivision 1. Department of Employment and Economic Development. \$6,797,000  
 25.28 in fiscal year 2025 is appropriated from the general fund to the commissioner of employment  
 25.29 and economic development. This appropriation is onetime and in addition to the amounts  
 25.30 appropriated in Laws 2023, chapter 53. Of this amount:

25.31 (1) \$500,000 is for a grant to the Asian Economic Development Association for asset  
 25.32 building and financial empowerment for entrepreneurs and small business owners, small

26.1 business development and technical assistance, and cultural placemaking. This amount is  
26.2 available until June 30, 2027;

26.3 (2) \$497,000 is for a grant to Propel Nonprofits for a microloan capital program to  
26.4 provide assistance to organizations that primarily serve historically underserved communities,  
26.5 including loans, forgivable loans, grants for working capital or regranting, and real estate  
26.6 and technical assistance. Up to five percent of this amount may be used by the grantee for  
26.7 administrative costs;

26.8 (3) \$1,000,000 is for a grant to the New American Development Center to provide small  
26.9 businesses and entrepreneurs with technical assistance, financial education, training, and  
26.10 lending and to build the grantee's capacity;

26.11 (4) \$1,000,000 is for a grant to the Entrepreneur Fund to capitalize their revolving loan  
26.12 funds to address unmet financing needs in northeast Minnesota of for-profit business startups,  
26.13 expansions, and ownership transitions;

26.14 (5) \$500,000 is for a grant to the Coalition of Asian American Leaders to support  
26.15 outreach, training, technical assistance, peer network development, and direct financial  
26.16 assistance for Asian Minnesotan women entrepreneurs. This amount is available until June  
26.17 30, 2026;

26.18 (6) \$300,000 is for a grant to Fortis Capital for a revolving loan fund to provide  
26.19 risk-mitigating capital for commercial development activities in underserved communities  
26.20 and to entrepreneurs from disadvantaged groups statewide. This amount is available until  
26.21 expended and up to ten percent of the amount may be used for administrative costs;

26.22 (7) \$500,000 is for a grant to Arrowhead Economic Opportunity Agency to develop a  
26.23 new service center; and

26.24 (8) \$2,500,000 is for Launch Minnesota and is available until June 30, 2027. Of this  
26.25 amount:

26.26 (i) \$1,500,000 is for innovation grants to eligible Minnesota entrepreneurs or start-up  
26.27 businesses to assist with their operating needs;

26.28 (ii) \$500,000 is for administration of Launch Minnesota; and

26.29 (iii) \$500,000 is for grantee activities at Launch Minnesota.

26.30 Subd. 2. **Explore Minnesota.** \$3,425,000 in fiscal year 2025 is appropriated from the  
26.31 general fund to Explore Minnesota. This appropriation is in addition to the amounts

27.1 appropriated in Laws 2023, chapter 53, and, except as otherwise specified, is onetime. Of  
 27.2 this amount:

27.3 (1) \$725,000 is for Explore Minnesota Film. The base for this appropriation is \$525,000  
 27.4 in fiscal year 2026 and \$525,000 in fiscal year 2027;

27.5 (2) \$300,000 is for Explore Minnesota Film for the film production jobs program under  
 27.6 Minnesota Statutes, section 116U.26. The base for this appropriation is \$300,000 in fiscal  
 27.7 year 2026 and \$300,000 in fiscal year 2027;

27.8 (3) \$400,000 is for a grant to Ka Joog for Somali community and cultural festivals and  
 27.9 events, including festivals and events in greater Minnesota;

27.10 (4) \$1,000,000 is for a grant to Minnesota Sports and Events for the World Junior Hockey  
 27.11 Championships; and

27.12 (5) \$1,000,000 is for a grant to 2026 Special Olympics USA Games. This amount is  
 27.13 available until June 30, 2027.

27.14 **Sec. 5. CANCELLATIONS OF PRIOR APPROPRIATIONS.**

27.15 The \$5,000,000 fiscal year 2024 appropriation from the general fund in Laws 2023,  
 27.16 chapter 53, article 20, section 2, subdivision 2, paragraph (dd), is canceled.

27.17 **ARTICLE 2**

27.18 **ECONOMIC DEVELOPMENT**

27.19 Section 1. Minnesota Statutes 2022, section 116J.435, subdivision 3, is amended to read:

27.20 Subd. 3. **Grant program established.** (a) The commissioner shall make ~~competitive~~  
 27.21 grants to local governmental units to acquire and prepare land on which public infrastructure  
 27.22 required to support an eligible project will be located, ~~including demolition of structures~~  
 27.23 ~~and remediation of any hazardous conditions on the land, or to pre-design, design, acquire,~~  
 27.24 and to construct, furnish, and equip public infrastructure required to support an eligible  
 27.25 project. The local governmental unit receiving a grant must provide for the remainder of  
 27.26 the public infrastructure costs from other sources. ~~The commissioner may waive the~~  
 27.27 ~~requirements related to an eligible project under subdivision 2 if a project would be eligible~~  
 27.28 ~~under this section but for the fact that its location requires infrastructure improvements to~~  
 27.29 ~~residential development.~~

28.1 (b) The amount of a grant may not exceed ~~the lesser of the cost of the public infrastructure~~  
28.2 ~~or 50 percent of the sum of the cost of the public infrastructure plus the cost of the completed~~  
28.3 ~~eligible project.~~

28.4 (c) The purpose of the program is to keep or enhance jobs in the area, increase the tax  
28.5 base, or to expand or create new economic development through the growth of new  
28.6 innovative businesses and organizations.

28.7 Sec. 2. Minnesota Statutes 2022, section 116J.435, subdivision 4, is amended to read:

28.8 Subd. 4. **Application.** (a) The commissioner must develop forms and procedures for  
28.9 soliciting and reviewing applications for grants under this section. At a minimum, a local  
28.10 governmental unit must include ~~the following information~~ in its application a resolution  
28.11 certifying that the money required to be supplied by the local governmental unit to complete  
28.12 the public infrastructure project is available and committed. The commissioner must evaluate  
28.13 complete applications for eligible projects using the following criteria:

28.14 (1) ~~a resolution of its governing body certifying that the money required to be supplied~~  
28.15 ~~by the local governmental unit to complete the public infrastructure is available and~~  
28.16 ~~committed~~ the project is an eligible project as defined under subdivision 2;

28.17 (2) ~~a detailed estimate, along with necessary supporting evidence, of the total development~~  
28.18 ~~costs for the public infrastructure and eligible project~~ the project is expected to result in or  
28.19 will attract substantial public and private capital investment and provide substantial economic  
28.20 benefit to the county or city in which the project would be located;

28.21 (3) ~~an assessment of the potential or likely use of the site for innovative business activities~~  
28.22 ~~after completion of the public infrastructure and eligible project~~ the project is not relocating  
28.23 substantially the same operation from another location in the state, unless the commissioner  
28.24 determines the project cannot be reasonably accommodated within the county or city in  
28.25 which the business is currently located, or the business would otherwise relocate to another  
28.26 state; and

28.27 (4) ~~a timeline indicating the major milestones of the public infrastructure and eligible~~  
28.28 ~~project and their anticipated completion dates;~~ the project is expected to create or retain  
28.29 full-time jobs.

28.30 (5) ~~a commitment from the governing body to repay the grant if the milestones are not~~  
28.31 ~~realized by the completion date identified in clause (4); and~~

28.32 (6) ~~any additional information or material the commissioner prescribes.~~

29.1 (b) The determination of whether to make a grant ~~under subdivision 3~~ for a site is within  
29.2 the discretion of the commissioner, subject to this section. The commissioner's decisions  
29.3 and application of the ~~priorities~~ criteria are not subject to judicial review, except for abuse  
29.4 of discretion.

29.5 Sec. 3. Minnesota Statutes 2022, section 116J.5492, subdivision 2, is amended to read:

29.6 Subd. 2. **Membership.** (a) The advisory committee consists of 18 voting members and  
29.7 eight ex officio nonvoting members.

29.8 (b) The voting members of the advisory committee are appointed by the commissioner  
29.9 of employment and economic development, except as specified below:

29.10 (1) two members of the senate, one appointed by the majority leader of the senate and  
29.11 one appointed by the minority leader of the senate;

29.12 (2) two members of the house of representatives, one appointed by the speaker of the  
29.13 house of representatives and one appointed by the minority leader of the house of  
29.14 representatives;

29.15 (3) one representative of the Prairie Island Indian community;

29.16 (4) four representatives of impacted communities, of which two must represent counties  
29.17 and two must represent municipalities, and, to the extent possible, of the impacted facilities  
29.18 in those communities, at least one must be a coal plant, at least one must be a nuclear plant,  
29.19 and at least one must be a natural gas plant;

29.20 (5) three representatives of impacted workers at impacted facilities;

29.21 (6) one representative of impacted workers employed by companies that, under contract,  
29.22 regularly perform construction, maintenance, or repair work at an impacted facility;

29.23 (7) one representative with professional economic development or workforce retraining  
29.24 experience;

29.25 (8) two representatives of utilities that operate an impacted facility;

29.26 (9) one representative from a nonprofit organization with expertise and experience  
29.27 delivering energy efficiency and conservation programs; ~~and~~

29.28 (10) one representative of a school district facing revenue loss due to energy transition;

29.29 and

29.30 ~~(10)~~ (11) one representative from the Coalition of Utility Cities.

29.31 (c) The ex officio nonvoting members of the advisory committee consist of:

- 30.1 (1) the governor or the governor's designee;
- 30.2 (2) the commissioner of employment and economic development or the commissioner's  
30.3 designee;
- 30.4 (3) the commissioner of commerce or the commissioner's designee;
- 30.5 (4) the commissioner of labor and industry or the commissioner's designee;
- 30.6 (5) the commissioner of revenue or the commissioner's designee;
- 30.7 (6) the executive secretary of the Public Utilities Commission or the secretary's designee;
- 30.8 (7) the commissioner of the Pollution Control Agency or the commissioner's designee;
- 30.9 and
- 30.10 (8) the chancellor of the Minnesota State Colleges and Universities or the chancellor's  
30.11 designee.

30.12 Sec. 4. Minnesota Statutes 2023 Supplement, section 116J.682, subdivision 1, is amended  
30.13 to read:

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

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

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

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

30.20 (2) community development financial institutions; ~~or~~

30.21 (3) community development corporations; and

30.22 (4) Tribal economic development entities.

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

30.25 (e) "Underserved populations and geographies" means individuals who are Black,  
30.26 Indigenous, people of color, veterans, people with disabilities, people who are LGBTQ+,  
30.27 and low-income individuals and includes people from rural Minnesota.

31.1 Sec. 5. Minnesota Statutes 2023 Supplement, section 116J.682, subdivision 3, is amended  
31.2 to read:

31.3 Subd. 3. **Small business assistance partnerships grants.** (a) The commissioner shall  
31.4 make small business assistance partnerships grants to local and regional community-based  
31.5 organizations to provide small business development and technical assistance services to  
31.6 entrepreneurs and small business owners. The commissioner must prioritize applications  
31.7 that provide services to underserved populations and geographies.

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

31.11 (c) Grantees may use up to 15 percent of grant funds for expenses incurred while  
31.12 administering the grant, including but not limited to expenses related to technology, utilities,  
31.13 legal services, training, accounting, insurance, financial management, benefits, reporting,  
31.14 servicing of loans, and audits.

31.15 Sec. 6. Minnesota Statutes 2023 Supplement, section 116J.8733, is amended to read:

31.16 **116J.8733 MINNESOTA EXPANDING OPPORTUNITY FUND PROGRAM.**

31.17 Subdivision 1. **Establishment.** The Minnesota Expanding Opportunity Fund Program  
31.18 is established to capitalize Minnesota nonprofit corporations, Tribal economic development  
31.19 entities, and community development financial institutions to increase lending activities  
31.20 with Minnesota small businesses.

31.21 Subd. 2. **Long-term loans.** The department may make long-term loans of ten to 12 years  
31.22 at 0.5 percent or lower interest rates to nonprofit corporations, Tribal economic development  
31.23 entities, and community development financial institutions to enable nonprofit corporations,  
31.24 Tribal economic development entities, and community development financial institutions  
31.25 to make more loans to Minnesota small businesses. The department may use the interest  
31.26 received to offset the cost of administering small business lending programs.

31.27 Subd. 3. **Loan eligibility; nonprofit corporation.** (a) The eligible nonprofit corporation,  
31.28 Tribal economic development entity, or community development financial institution must  
31.29 not meet the definition of recipient under section 116J.993, subdivision 6.

31.30 (b) The commissioner may enter into loan agreements with Minnesota nonprofit  
31.31 corporations, Tribal economic development entities, and community development financial  
31.32 institutions that apply to participate in the Minnesota Expanding Opportunity Fund Program.  
31.33 The commissioner shall evaluate applications from applicant nonprofit corporations, Tribal

32.1 economic development entities, and community development financial institutions. In  
32.2 evaluating applications, the department must consider, among other things, whether the  
32.3 nonprofit corporation, Tribal economic development entity, or community development  
32.4 financial institution:

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

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

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

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

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

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

32.15 Subd. 4. **Revolving loan fund.** (a) The commissioner shall establish a revolving loan  
32.16 fund to make loans to nonprofit corporations, Tribal economic development entities, and  
32.17 community development financial institutions for the purpose of increasing nonprofit  
32.18 corporation, Tribal economic development entity, and community development financial  
32.19 institution capital and lending activities with Minnesota small businesses.

32.20 (b) Nonprofit corporations, Tribal economic development entities, and community  
32.21 development financial institutions that receive loans from the commissioner under the  
32.22 program must establish appropriate accounting practices for the purpose of tracking eligible  
32.23 loans.

32.24 Subd. 5. **Loan portfolio administration.** (a) The fee or interest rate charged by a  
32.25 nonprofit corporation, Tribal economic development entity, or community development  
32.26 financial institution for a loan under this subdivision must not exceed ~~the Wall Street Journal~~  
32.27 ~~prime rate plus two~~ ten percent. A nonprofit corporation, Tribal economic development  
32.28 entity, or community development financial institution participating in the Minnesota  
32.29 Expanding Opportunity Fund Program may charge a loan closing fee equal to or less than  
32.30 ~~two~~ one percent of the loan value.

32.31 (b) The nonprofit corporation, Tribal economic development entity, or community  
32.32 development financial institution may retain all earnings from fees and interest from loans  
32.33 to small businesses.



33.1 (c) The department must provide the nonprofit corporation, Tribal economic development  
33.2 entity, or community development financial institution making the loan with a fee equal to  
33.3 one percent of the loan value for every loan closed to offset related expenses for loan  
33.4 processing, loan servicing, legal filings, and reporting.

33.5 Subd. 6. **Cooperation.** A nonprofit corporation, Tribal economic development entity,  
33.6 or community development financial institution that receives a program loan shall cooperate  
33.7 with other organizations, including but not limited to community development corporations,  
33.8 community action agencies, and the Minnesota small business development centers.

33.9 Subd. 7. **Reporting requirements.** (a) A nonprofit corporation, Tribal economic  
33.10 development entity, or community development financial institution that receives a program  
33.11 loan must submit an annual report to the commissioner by February 15 of each year that  
33.12 includes:

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

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

33.15 (3) demographic information, as specified by the commissioner, regarding each borrower;

33.16 (4) an account of loans made during the calendar year;

33.17 (5) the program's impact on job creation and retention;

33.18 (6) the source and amount of money collected and distributed by the program;

33.19 (7) the program's assets and liabilities; and

33.20 (8) an explanation of administrative expenses.

33.21 (b) A nonprofit corporation, Tribal economic development entity, or community  
33.22 development financial institution that receives a program loan must provide for an  
33.23 independent annual audit to be performed in accordance with generally accepted accounting  
33.24 practices and auditing standards and submit a copy of each annual audit report to the  
33.25 commissioner.

33.26 Sec. 7. Minnesota Statutes 2023 Supplement, section 116J.8751, is amended by adding a  
33.27 subdivision to read:

33.28 Subd. 10. **Expiration.** This section expires June 30, 2027.

34.1 Sec. 8. Minnesota Statutes 2022, section 116M.18, is amended to read:

34.2 **116M.18 MINNESOTA EMERGING ENTREPRENEUR PROGRAM.**

34.3 Subdivision 1. **Establishment.** The Minnesota emerging entrepreneur program is  
34.4 established to award grants to nonprofit corporations, Tribal economic development entities,  
34.5 and community development financial institutions to fund loans to businesses owned by  
34.6 minority or low-income persons, women, veterans, or people with disabilities.

34.7 Subd. 1a. **Statewide loans.** To the extent there is sufficient eligible demand, loans shall  
34.8 be made so that an approximately equal dollar amount of loans are made to businesses in  
34.9 the metropolitan area as in the nonmetropolitan area. After March 31 of each fiscal year,  
34.10 the department may allow loans to be made anywhere in the state without regard to  
34.11 geographic area.

34.12 Subd. 1b. **Grants.** The department shall make grants to nonprofit corporations, Tribal  
34.13 economic development entities, and community development financial institutions to fund  
34.14 loans to businesses owned by minority or low-income persons, women, veterans, or people  
34.15 with disabilities to encourage private investment, to provide jobs for minority and low-income  
34.16 persons, to create and strengthen minority business enterprises, and to promote economic  
34.17 development in a low-income area.

34.18 Subd. 2. **Grant eligibility; ~~nonprofit corporation.~~** (a) The department may enter into  
34.19 agreements with nonprofit corporations, Tribal economic development entities, and  
34.20 community development financial institutions to fund loans the nonprofit corporation, Tribal  
34.21 economic development entity, or community development financial institution makes to  
34.22 businesses owned by minority or low-income persons, women, veterans, or people with  
34.23 disabilities. The department shall evaluate applications from nonprofit corporations, Tribal  
34.24 economic development entities, and community development financial institutions. In  
34.25 evaluating applications, the department must consider, among other things, whether the  
34.26 nonprofit corporation, Tribal economic development entity, or community development  
34.27 financial institution:

34.28 (1) has a board of directors that includes citizens experienced in business and community  
34.29 development, minority business enterprises, addressing racial income disparities, and creating  
34.30 jobs for low-income and minority persons;

34.31 (2) has the technical skills to analyze projects;

34.32 (3) is familiar with other available public and private funding sources and economic  
34.33 development programs;

35.1 (4) can initiate and implement economic development projects;

35.2 (5) can establish and administer a revolving loan account or has operated a revolving  
35.3 loan account;

35.4 (6) can work with job referral networks which assist minority and low-income persons;  
35.5 and

35.6 (7) has established relationships with minority communities.

35.7 (b) The department shall review existing agreements with nonprofit corporations, Tribal  
35.8 economic development entities, and community development financial institutions every  
35.9 five years and may renew or terminate the agreement based on the review. In making its  
35.10 review, the department shall consider, among other criteria, the criteria in paragraph (a).  
35.11 The department shall open the program to new applicants every two years.

35.12 Subd. 3. **Revolving loan fund.** (a) The department shall establish a revolving loan fund  
35.13 to make grants to nonprofit corporations, Tribal economic development entities, and  
35.14 community development financial institutions for the purpose of making loans to businesses  
35.15 owned by minority or low-income persons, women, veterans, or people with disabilities,  
35.16 and to support minority business enterprises and job creation for minority and low-income  
35.17 persons.

35.18 (b) Nonprofit corporations, Tribal economic development entities, and community  
35.19 development financial institutions that receive grants from the department under the program  
35.20 must establish a commissioner-certified revolving loan fund for the purpose of making  
35.21 eligible loans.

35.22 (c) Eligible business enterprises include, but are not limited to, technologically innovative  
35.23 industries, value-added manufacturing, and information industries.

35.24 (d) Loan applications given preliminary approval by the nonprofit corporation, Tribal  
35.25 economic development entity, or community development financial institution must be  
35.26 forwarded to the department for approval. ~~The commissioner must give final approval for~~  
35.27 ~~each loan made by the nonprofit corporation.~~ Nonprofit corporations, Tribal economic  
35.28 development entities, and community development financial institutions designated as  
35.29 preferred partners do not need final approval by the commissioner. All other loans must be  
35.30 approved by the commissioner and the commissioner must make approval decisions within  
35.31 20 days of receiving a loan application unless the application contains insufficient information  
35.32 to make an approval decision. The amount of the state funds contributed to any loan may

36.1 not exceed 50 percent of each loan. The commissioner must develop the criteria necessary  
36.2 to receive loan forgiveness.

36.3 Subd. 4. **Business loan criteria.** (a) The criteria in this subdivision apply to loans made  
36.4 by nonprofit corporations, Tribal economic development entities, and community  
36.5 development financial institutions under the program.

36.6 (b) Loans must be made to businesses that are not likely to undertake a project for which  
36.7 loans are sought without assistance from the program.

36.8 (c) A loan must be used to support a business owned by a minority or a low-income  
36.9 person, woman, veteran, or a person with disabilities. Priority must be given for loans to  
36.10 the lowest income areas.

36.11 (d) The minimum state contribution to a loan is \$5,000 and the maximum is \$150,000.

36.12 (e) The state contribution must be matched by at least an equal amount of new private  
36.13 investment.

36.14 (f) A loan may not be used for a retail development project.

36.15 (g) The business must agree to work with job referral networks that focus on minority  
36.16 and low-income applicants.

36.17 (h) Up to ten percent of a loan's principal amount may be forgiven if ~~the department~~  
36.18 ~~approves and~~ the borrower has met lender and agency criteria, including being current with  
36.19 all payments, for at least two years. The commissioner must develop the criteria for receiving  
36.20 loan forgiveness.

36.21 Subd. 4a. **Microenterprise loan.** (a) Program grants may be used to make microenterprise  
36.22 loans to small, beginning businesses, including a sole proprietorship. Microenterprise loans  
36.23 are subject to this section except that:

36.24 (1) they may also be made to qualified retail businesses;

36.25 (2) they may be made for a minimum of \$5,000 and a maximum of ~~\$35,000~~ \$40,000;

36.26 (3) in a low-income area, they may be made for a minimum of \$5,000 and a maximum  
36.27 of ~~\$50,000~~ \$55,000; and

36.28 (4) they do not require a match.

36.29 (b) Up to ten percent of a loan's principal amount may be forgiven if ~~the department~~  
36.30 ~~approves and~~ the borrower has met lender criteria, including being current with all payments,  
36.31 for at least two years.

37.1 Subd. 5. **Revolving fund administration.** (a) The department shall establish a minimum  
37.2 interest rate or fee for loans or guarantees to ensure that necessary loan administration costs  
37.3 are covered. The interest rate charged by a nonprofit corporation, Tribal economic  
37.4 development entity, or community development financial institution for a loan under this  
37.5 subdivision must not exceed the Wall Street Journal prime rate plus ~~four~~ two percent, with  
37.6 a maximum rate of ten percent. For a loan under this subdivision, the nonprofit corporation,  
37.7 Tribal economic development entity, or community development financial institution may  
37.8 charge a loan origination fee equal to or less than one percent of the loan value. The nonprofit  
37.9 corporation, Tribal economic development entity, or community development financial  
37.10 institution may retain the amount of the origination fee.

37.11 (b) Loan repayment of principal must be paid to the department for deposit in the  
37.12 revolving loan fund. Loan interest payments must be deposited in a revolving loan fund  
37.13 created by the nonprofit corporation, Tribal economic development entity, or community  
37.14 development financial institution originating the loan being repaid for further distribution  
37.15 or use, consistent with the criteria of this section.

37.16 (c) Administrative expenses of the nonprofit corporations, Tribal economic development  
37.17 entities, and community development financial institutions with whom the department enters  
37.18 into agreements, including expenses incurred by a nonprofit corporation, Tribal economic  
37.19 development entity, or community development financial institution in providing financial,  
37.20 technical, managerial, and marketing assistance to a business enterprise receiving a loan  
37.21 under subdivision 4, may be paid out of the interest earned on loans and out of interest  
37.22 earned on money invested by the state Board of Investment under section 116M.16,  
37.23 subdivision 2, as may be provided by the department.

37.24 (d) The department must provide the nonprofit corporation, Tribal economic development  
37.25 entity, or community development financial institution making the loan with a fee equal to  
37.26 one percent of the loan value for every loan closed to offset related expenses for loan  
37.27 processing, loan servicing, legal filings, and reporting.

37.28 Subd. 7. **Cooperation.** A nonprofit corporation, Tribal economic development entity,  
37.29 or community development financial institution that receives a program grant shall cooperate  
37.30 with other organizations, including but not limited to, community development corporations,  
37.31 community action agencies, and the Minnesota small business development centers.

37.32 Subd. 8. **Reporting requirements.** A nonprofit corporation, Tribal economic  
37.33 development entity, or community development financial institution that receives a program  
37.34 grant shall:

38.1 (1) submit an annual report to the department by February 15 of each year that includes  
38.2 a description of businesses supported by the grant program, an account of loans made during  
38.3 the calendar year, the program's impact on minority business enterprises and job creation  
38.4 for minority persons and low-income persons, the source and amount of money collected  
38.5 and distributed by the program, the program's assets and liabilities, and an explanation of  
38.6 administrative expenses; and

38.7 (2) provide for an independent annual audit to be performed in accordance with generally  
38.8 accepted accounting practices and auditing standards and submit a copy of each annual  
38.9 audit report to the department.

38.10 Subd. 9. **Small business emergency loan account.** The small business emergency loan  
38.11 account is created as an account in the special revenue fund.

38.12 Sec. 9. [116U.255] EXPLORE MINNESOTA FILM.

38.13 Subdivision 1. Office established; director. (a) Explore Minnesota Film is established  
38.14 as an office within Explore Minnesota.

38.15 (b) The director of Explore Minnesota shall appoint the director of Explore Minnesota  
38.16 Film. The director of Explore Minnesota Film must be qualified by experience with issues  
38.17 related to film and television production and economic development.

38.18 (c) The office may employ staff necessary to carry out the duties required in this section.

38.19 Subd. 2. Duties. The director of Explore Minnesota Film is authorized to:

38.20 (1) administer the film production jobs program and the film production credit program;

38.21 (2) promote Minnesota as a location for film and television production;

38.22 (3) assist in the establishment and implementation of programs related to film and  
38.23 television production, including but not limited to permitting and workforce development;

38.24 (4) improve communication among local, state, federal, and private entities regarding  
38.25 film and television production logistics and best practices;

38.26 (5) coordinate the development of statewide policies addressing film and television  
38.27 production; and

38.28 (6) act as a liaison to production entities, workers, and state agencies.

39.1 Sec. 10. Minnesota Statutes 2022, section 116U.26, is amended to read:

39.2 **116U.26 FILM PRODUCTION JOBS PROGRAM.**

39.3 (a) The film production jobs program is created. The program shall be operated by ~~the~~  
39.4 ~~Minnesota Film and TV Board~~ Explore Minnesota Film with administrative oversight and  
39.5 control by the ~~commissioner of employment and economic development~~ director of Explore  
39.6 Minnesota. The program shall make payment to producers of feature films, national television  
39.7 or Internet programs, documentaries, music videos, and commercials that directly create  
39.8 new film jobs in Minnesota. To be eligible for a payment, a producer must submit  
39.9 documentation to ~~the Minnesota Film and TV Board~~ Explore Minnesota Film of expenditures  
39.10 for production costs incurred in Minnesota that are directly attributable to the production  
39.11 in Minnesota of a film product.

39.12 ~~The Minnesota Film and TV Board~~ Explore Minnesota Film shall make recommendations  
39.13 to the ~~commissioner of employment and economic development~~ director of Explore  
39.14 Minnesota about program payment, but the ~~commissioner~~ director has the authority to make  
39.15 the final determination on payments. The ~~commissioner's~~ director's determination must be  
39.16 based on proper documentation of eligible production costs submitted for payments. No  
39.17 more than five percent of the funds appropriated for the program in any year may be expended  
39.18 for administration, including costs for independent audits and financial reviews of projects.

39.19 (b) For the purposes of this section:

39.20 (1) "production costs" means the cost of the following:

39.21 (i) a story and scenario to be used for a film;

39.22 (ii) salaries of talent, management, and labor, including payments to personal services  
39.23 corporations for the services of a performing artist;

39.24 (iii) set construction and operations, wardrobe, accessories, and related services;

39.25 (iv) photography, sound synchronization, lighting, and related services;

39.26 (v) editing and related services;

39.27 (vi) rental of facilities and equipment;

39.28 (vii) other direct costs of producing the film in accordance with generally accepted  
39.29 entertainment industry practice;

39.30 (viii) above-the-line talent fees for nonresident talent; or

39.31 (ix) costs incurred during postproduction; and

40.1 (2) "film" means a feature film, television or Internet pilot, program, series, documentary,  
40.2 music video, or television commercial, whether on film, video, or digital media. Film does  
40.3 not include news, current events, public programming, or a program that includes weather  
40.4 or market reports; a talk show; a production with respect to a questionnaire or contest; a  
40.5 sports event or sports activity; a gala presentation or awards show; a finished production  
40.6 that solicits funds; or a production for which the production company is required under  
40.7 United States Code, title 18, section 2257, to maintain records with respect to a performer  
40.8 portrayed in a single-media or multimedia program.

40.9 (c) Notwithstanding any other law to the contrary, ~~the Minnesota Film and TV Board~~  
40.10 Explore Minnesota Film may make reimbursements of: (1) up to 25 percent of production  
40.11 costs for films that locate production outside the metropolitan area, as defined in section  
40.12 473.121, subdivision 2, or that incur a minimum Minnesota expenditure of \$1,000,000 in  
40.13 the metropolitan area within a 12-month period; or (2) up to 20 percent of production costs  
40.14 for films that incur less than \$1,000,000 in Minnesota production costs in the metropolitan  
40.15 area within a 12-month period.

40.16 Sec. 11. Minnesota Statutes 2023 Supplement, section 116U.27, subdivision 1, is amended  
40.17 to read:

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

40.20 (b) "Allocation certificate" means a certificate issued by the commissioner to a taxpayer  
40.21 upon receipt and approval of an initial application for a credit for a project that has not yet  
40.22 been completed.

40.23 (c) "Application" means the application for a credit under subdivision 4.

40.24 ~~(d) "Commissioner" means the commissioner of employment and economic development.~~

40.25 ~~(e)~~ (d) "Credit certificate" means a certificate issued by the commissioner upon receipt  
40.26 and approval of the cost verification report in subdivision 4, paragraph (e).

40.27 (e) "Director" means the director of Explore Minnesota.

40.28 (f) "Eligible production costs" means eligible production costs as defined in section  
40.29 116U.26, paragraph (b), clause (1), incurred in Minnesota that are directly attributable to  
40.30 the production of a film project in Minnesota.

40.31 (g) "Film" has the meaning given in section 116U.26, paragraph (b), clause (2).

40.32 (h) "Project" means a film:



41.1 (1) that includes the promotion of Minnesota;

41.2 (2) for which the taxpayer has expended at least \$1,000,000 in any consecutive 12-month  
41.3 period beginning after expenditures are first paid in Minnesota for eligible production costs;  
41.4 and

41.5 (3) to the extent practicable, that employs Minnesota residents.

41.6 Television commercials are exempt from the requirement under clause (1).

41.7 (i) "Promotion of Minnesota" or "promotion" means visible display of a static or animated  
41.8 logo, approved by the ~~commissioner and lasting approximately five seconds~~ director, that  
41.9 promotes Minnesota within its presentation in the end credits ~~before the below-the-line crew~~  
41.10 ~~crawl~~ for the life of the project.

41.11 Sec. 12. Minnesota Statutes 2023 Supplement, section 116U.27, subdivision 4, is amended  
41.12 to read:

41.13 Subd. 4. **Applications; allocations.** (a) To qualify for a credit under this section, a  
41.14 taxpayer must submit to the ~~commissioner~~ director an application for a credit in the form  
41.15 prescribed by the ~~commissioner~~ director, in consultation with the commissioner of revenue.

41.16 (b) Upon approving an application for a credit that meets the requirements of this section,  
41.17 the ~~commissioner~~ director shall issue allocation certificates that:

41.18 (1) verify eligibility for the credit;

41.19 (2) state the amount of credit anticipated for the eligible project, with the credit amount  
41.20 up to 25 percent of eligible project costs; and

41.21 (3) state the taxable year in which the credit is allocated.

41.22 ~~The commissioner must consult with the Minnesota Film and TV Board prior to issuing an~~  
41.23 ~~allocation certificate.~~

41.24 (c) The ~~commissioner~~ director must not issue allocation certificates for more than  
41.25 \$24,950,000 of credits each year. If the entire amount is not allocated in that taxable year,  
41.26 any remaining amount is available for allocation for the four following taxable years until  
41.27 the entire allocation has been made. The ~~commissioner~~ director must not award any credits  
41.28 for taxable years beginning after December 31, 2030, and any unallocated amounts cancel  
41.29 on that date.

41.30 (d) The ~~commissioner~~ director must allocate credits on a first-come, first-served basis.

42.1 (e) Upon completion of a project, the taxpayer shall submit to the ~~commissioner~~ director  
42.2 a report prepared by an independent certified public accountant licensed in the state of  
42.3 Minnesota to verify the amount of eligible production costs related to the project. The report  
42.4 must be prepared in accordance with generally accepted accounting principles. Upon receipt  
42.5 and approval of the cost verification report and other documents required by the  
42.6 ~~commissioner~~ director, the ~~commissioner~~ director shall determine the final amount of eligible  
42.7 production costs and issue a credit certificate to the taxpayer. The credit may not exceed  
42.8 the anticipated credit amount on the allocation certificate. If the credit is less than the  
42.9 anticipated amount on the allocation credit, the difference is returned to the amount available  
42.10 for allocation under paragraph (c). To claim the credit under section 290.06, subdivision  
42.11 39, or 297I.20, subdivision 4, a taxpayer must include a copy of the credit certificate as part  
42.12 of the taxpayer's return.

42.13 Sec. 13. Minnesota Statutes 2022, section 116U.27, subdivision 5, is amended to read:

42.14 Subd. 5. **Report required.** By January 15, 2025, the commissioner of revenue, in  
42.15 consultation with the ~~commissioner~~ director, must provide a report to the chairs and ranking  
42.16 minority members of the legislative committees with jurisdiction over economic development  
42.17 and taxes. The report must comply with sections 3.195 and 3.197, and must detail the  
42.18 following:

42.19 (1) the amount of credit certifications issued annually;

42.20 (2) the number of applications submitted, the number of allocation certificates issued,  
42.21 the amount of allocation certificates issued, the number of reports submitted upon completion  
42.22 of a project, and the number of credit certificates issued;

42.23 (3) the types of projects eligible for the credit;

42.24 (4) the total economic impact of the credit in Minnesota, including the calendar year  
42.25 over calendar year percentage changes in the number of jobs held by Minnesota residents  
42.26 in businesses having a primary North American Industry Classification System code of  
42.27 512110 as reported to the commissioner, for calendar years 2019 through 2023;

42.28 (5) the number of taxpayers per tax type which are assignees of credit certificates under  
42.29 subdivision 3;

42.30 (6) annual Minnesota taxes paid by businesses having a primary North American Industry  
42.31 Classification System code of 512110, for taxable years beginning after December 31, 2018,  
42.32 and before January 1, 2024; and

43.1 (7) any other information the commissioner of revenue, in consultation with the  
43.2 ~~commissioner~~ director, deems necessary for purposes of claiming and administering the  
43.3 credit.

43.4 Sec. 14. Laws 2023, chapter 53, article 15, section 32, subdivision 6, is amended to read:

43.5 Subd. 6. **Administrative costs.** The commissioner of employment and economic  
43.6 development may use up to one percent of the appropriation made for this section for  
43.7 administrative expenses of the department. Of this amount, the Northland Foundation may  
43.8 use up to five percent for administrative expenses.

43.9 Sec. 15. Laws 2023, chapter 53, article 15, section 33, subdivision 4, is amended to read:

43.10 Subd. 4. **Loans to community businesses.** (a) A partner organization that receives a  
43.11 grant under subdivision 3 shall establish a plan for making low-interest loans to community  
43.12 businesses. The plan requires approval by the commissioner.

43.13 (b) Under the plan:

43.14 (1) the state contribution to each loan shall be no less than \$50,000 and no more than  
43.15 \$500,000;

43.16 (2) loans shall be made for projects that are unlikely to be undertaken unless a loan is  
43.17 received under the program;

43.18 (3) priority shall be given to loans to businesses in the lowest income areas;

43.19 (4) the fee or interest rate on a loan shall not be higher than ~~the Wall Street Journal prime~~  
43.20 ~~rate~~ ten percent;

43.21 (5) 50 percent of all repayments of principal on a loan under the program shall be used  
43.22 to fund additional related lending. The partner organization may retain the remainder of  
43.23 loan repayments to service loans and provide further technical assistance;

43.24 (6) the partner organization may charge a loan origination fee of no more than one  
43.25 percent of the loan value and may retain that origination fee; ~~and~~

43.26 (7) a partner organization may not make a loan to a project in which it has an ownership  
43.27 interest; and

43.28 (8) up to 15 percent of a loan's principal amount may be forgiven by the partner  
43.29 organization if the borrower has met all lending criteria developed by the partner organization  
43.30 and the commissioner, including creating or retaining jobs and being current with all loan  
43.31 payments, for at least two years.

44.1 Sec. 16. Laws 2023, chapter 53, article 15, section 33, subdivision 5, is amended to read:

44.2 Subd. 5. **Reports.** (a) The partner organization shall submit a report to the commissioner  
44.3 by ~~January~~ December 31 of 2024, 2025, and 2026. The report shall include:

44.4 (1) an account of all loans made through the program the preceding calendar year and  
44.5 the impact of those loans on community businesses and job creation for targeted groups;

44.6 (2) information on the source and amount of money collected and distributed under the  
44.7 program, its assets and liabilities, and an explanation of administrative expenses; and

44.8 (3) an independent audit of grant funds performed in accordance with generally accepted  
44.9 accounting practices and auditing standards.

44.10 (b) By February 15 of ~~2024, 2025, and 2026,~~ and 2027, the commissioner shall submit  
44.11 a report to the chairs and ranking minority members of the legislative committees with  
44.12 jurisdiction over workforce and economic development on program outcomes, including  
44.13 copies of all reports received under paragraph (a).

44.14 Sec. 17. **BROOKLYN PARK BIOTECH INNOVATION DISTRICT.**

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

44.17 (b) "Authority" means the Brooklyn Park Economic Development Authority.

44.18 (c) "Biotech innovation district" means a geographic area in the city identified in the  
44.19 development plan.

44.20 (d) "City" means the city of Brooklyn Park.

44.21 (e) "Development plan" means the plan adopted under subdivision 2.

44.22 (f) "Project" means a project to implement the development plan.

44.23 (g) "Public infrastructure project" means a project financed at least partially with public  
44.24 money to:

44.25 (1) acquire or remediate real property, including site improvement;

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

44.27 (3) install, construct, or reconstruct public infrastructure necessary for the biotech  
44.28 innovation district;

44.29 (4) acquire, construct, reconstruct, develop, or equip parking facilities and other  
44.30 transit-related facilities; and

45.1 (5) acquire, install, construct, reconstruct, develop, or equip recreational, social, cultural,  
45.2 or tourism facilities.

45.3 Subd. 2. **Development plan.** (a) The authority must prepare a plan for the development  
45.4 of a biotech innovation district within the city. At least 60 days prior to a hearing on adopting  
45.5 the proposed development plan, the economic development authority must provide copies  
45.6 of the proposed development plan to the city, which the city must make available to the  
45.7 public in its offices and on the city's website. At least ten days before the hearing, the  
45.8 authority must publish notice of the hearing in a newspaper selected by the city for  
45.9 publication of the notice. At the hearing, the authority may only adopt the plan if it finds  
45.10 that:

45.11 (1) the plan provides an outline for the development of the city as a site of biotech  
45.12 innovation;

45.13 (2) the plan identifies the location of the proposed biotech innovation district;

45.14 (3) the plan is sufficiently complete, including the identification of planned and  
45.15 anticipated projects, to indicate its relationship to definite state and local objectives;

45.16 (4) the proposed development affords maximum opportunity, consistent with the needs  
45.17 of the city, county, and state, for the development of the city by private enterprise as a  
45.18 biotech innovation district;

45.19 (5) the plan conforms to the general plan for the development of the city; and

45.20 (6) the plan includes:

45.21 (i) strategic planning consistent with a biotech innovation district;

45.22 (ii) a framework to identify and prioritize short- and long-term public investment and  
45.23 public infrastructure project development and to facilitate private investment and  
45.24 development;

45.25 (iii) land use planning;

45.26 (iv) multimodal transportation planning;

45.27 (v) goals, objectives, and strategies to increase racial equity and to create community  
45.28 wealth for city residents, local businesses, and businesses owned by women and people of  
45.29 color, guided by the city's racial equity principles; and

45.30 (vi) ongoing market research plans.

46.1 (b) In identifying planned and anticipated projects under paragraph (a), clause (2), the  
46.2 authority must prioritize projects that will pay a wage covering the cost of living for Hennepin  
46.3 County, calculated using the most recent report completed pursuant to Minnesota Statutes,  
46.4 section 116J.013.

46.5 (c) The city must adopt the development plan within 60 days following its adoption by  
46.6 the authority and may incorporate the development plan into the city's comprehensive plan.  
46.7 Minnesota Statutes, section 15.99, does not apply to review and approval of the development  
46.8 plan.

46.9 (d) The authority may modify the development plan at any time and must modify the  
46.10 plan at least once every five years. To modify the development plan, the authority must  
46.11 follow the same procedures set out in paragraph (a) for the development plan.

46.12 (e) When preparing the proposed development plan, the authority must seek input from  
46.13 the community and other partners such as biotech trade associations, the City of Brooklyn  
46.14 Park Planning Commission, the City of Brooklyn Park Community Long-Range Improvement  
46.15 Committee, skilled trades, and other regional partners.

46.16 Subd. 3. **Special powers; requirements; limitations.** (a) In implementing the  
46.17 development plan, the city may exercise the powers of a port authority under Minnesota  
46.18 Statutes, sections 469.048 to 469.068.

46.19 (b) The city must provide financial and administrative support to the authority and may  
46.20 appropriate city funds to the authority for its work in developing and implementing the  
46.21 development plan.

46.22 (c) The city may issue general obligation bonds, revenue bonds, or other obligations to  
46.23 finance the development and implementation of the development project. Debt undertaken  
46.24 pursuant to this paragraph is not subject to the net debt limit in Minnesota Statutes, section  
46.25 475.53. Approval of the electors is not necessary to issue bonds or other obligations under  
46.26 this paragraph. The city may pledge any of its revenues, including property taxes and state  
46.27 aid issued pursuant to Minnesota Statutes, section 469.47, to the obligations issued pursuant  
46.28 to this paragraph. The city must not issue obligations that are only payable from or secured  
46.29 by state aid issued pursuant to Minnesota Statutes, section 469.47.

46.30 (d) Notwithstanding Minnesota Statutes, section 469.068, the city and its authority need  
46.31 not require competitive bidding on a parking facility or other public improvement constructed  
46.32 to implement the development plan.

47.1 (e) Except as otherwise specified, all activities to develop and implement the development  
47.2 plan must comply with applicable state law and regulations and city ordinances, zoning,  
47.3 and planning requirements.

47.4 Subd. 4. Report. Beginning in 2025, by February 15 of each year, the city and authority  
47.5 must submit a joint report to the chairs and ranking minority members of the legislative  
47.6 committees and divisions with jurisdiction over jobs and economic development. The report  
47.7 must include:

47.8 (1) the development plan and any proposed changes to the development plan;

47.9 (2) information on the progress of projects identified in the development plan;

47.10 (3) costs and financing sources for the costs, including the amount paid with state aid  
47.11 and local contributions of projects completed in the previous two years;

47.12 (4) estimated costs and financing sources for projects anticipated to start in the next two  
47.13 years; and

47.14 (5) debt service schedules for all outstanding obligations of the city and authority for  
47.15 debt issued for projects identified in the plan.

47.16 **Sec. 18. PROMISE ACT GRANTS; 2023 APPROPRIATION.**

47.17 The appropriation for the PROMISE grant program in Laws 2023, chapter 53, article  
47.18 20, section 2, subdivision 2, paragraph (z), clause (3), item (ii), includes, in addition to the  
47.19 corridors listed in item (ii), the following designated areas in South Minneapolis:

47.20 (1) Hennepin Avenue Commercial corridor;

47.21 (2) South Hennepin Community corridor; and

47.22 (3) Uptown Special Service District.

47.23 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2023.

47.24 **Sec. 19. PROMISE ACT LOANS; 2023 APPROPRIATION.**

47.25 The appropriation for the PROMISE loan program in Laws 2023, chapter 53, article 20,  
47.26 section 2, subdivision 2, paragraph (aa), clause (3), item (ii), includes, in addition to the  
47.27 corridors listed in item (ii), the following designated areas in South Minneapolis:

47.28 (1) Hennepin Avenue Commercial corridor;

47.29 (2) South Hennepin Community corridor; and

48.1 (3) Uptown Special Service District.

48.2 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2023.

48.3 Sec. 20. **REPEALER.**

48.4 Minnesota Statutes 2022, section 116J.435, subdivision 5, is repealed.

48.5 **ARTICLE 3**

48.6 **WORKFORCE DEVELOPMENT APPROPRIATIONS**

48.7 Section 1. Laws 2023, chapter 53, article 20, section 2, subdivision 4, is amended to read:

48.8	Subd. 4. <b>General Support Services</b>	18,045,000	8,045,000
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48.9 Appropriations by Fund

48.10		2024	2025
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48.11	General Fund	17,950,000	7,950,000
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48.12 Workforce

48.13	Development	95,000	95,000
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48.14 The base for the general support services  
 48.15 division in fiscal year 2026 is \$5,950,000 for  
 48.16 the general fund and \$95,000 for the  
 48.17 workforce development fund.

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

48.21 (b) \$10,000,000 the first year is for the  
 48.22 workforce digital transformation projects. This  
 48.23 appropriation is onetime and is available until  
 48.24 June 30, 2027.

48.25 Sec. 2. Laws 2023, chapter 53, article 20, section 2, subdivision 6, is amended to read:

48.26		45,691,000	
48.27	Subd. 6. <b>Vocational Rehabilitation</b>	45,691,000	<u>40,636,000</u>

48.28 Appropriations by Fund

48.29		2024	2025
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49.1			<del>37,861,000</del>
49.2	General	37,861,000	<u>32,806,000</u>
49.3	Workforce		
49.4	Development	7,830,000	7,830,000

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

49.8 (b) \$11,495,000 each year from the general  
 49.9 fund and \$6,830,000 each year from the  
 49.10 workforce development fund are for extended  
 49.11 employment services for persons with severe  
 49.12 disabilities under Minnesota Statutes, section  
 49.13 268A.15. Of the amounts appropriated from  
 49.14 the general fund, \$4,500,000 each year is for  
 49.15 maintaining prior rate increases to providers  
 49.16 of extended employment services for persons  
 49.17 with severe disabilities under Minnesota  
 49.18 Statutes, section 268A.15.

49.19 (c) ~~\$5,055,000 each year~~ in the first year is for  
 49.20 grants to programs that provide employment  
 49.21 support services to persons with mental illness  
 49.22 under Minnesota Statutes, sections 268A.13  
 49.23 and 268A.14, and is available until June 30,  
 49.24 2025. The base for this appropriation is  
 49.25 \$2,555,000 in fiscal year 2026 and each year  
 49.26 thereafter.

49.27 (d) \$7,011,000 each year is for grants to  
 49.28 centers for independent living under  
 49.29 Minnesota Statutes, section 268A.11. This  
 49.30 appropriation is available until June 30, 2027.  
 49.31 The base for this appropriation is \$3,011,000  
 49.32 in fiscal year 2026 and each year thereafter.

49.33 (e) \$1,000,000 each year is from the workforce  
 49.34 development fund for grants under Minnesota  
 49.35 Statutes, section 268A.16, for employment

50.1 services for persons, including transition-age  
50.2 youth, who are deaf, deafblind, or  
50.3 hard-of-hearing. If the amount in the first year  
50.4 is insufficient, the amount in the second year  
50.5 is available in the first year.

50.6 **Sec. 3. APPROPRIATIONS; DEPARTMENT OF EMPLOYMENT AND**  
50.7 **ECONOMIC DEVELOPMENT.**

50.8 \$16,750,000 in fiscal year 2025 is appropriated from the workforce development fund  
50.9 to the commissioner of employment and economic development. This is a onetime  
50.10 appropriation and is in addition to the amounts appropriated in Laws 2023, chapter 53. Of  
50.11 this amount:

50.12 (1) \$550,000 is for a grant to Sabathani Community Center for specialized community  
50.13 outreach and engagement, a marketing and communication plan, program evaluation,  
50.14 personal empowerment training for men, empowerment and truancy curriculum for youth,  
50.15 wellness training for seniors, a workforce strategies mentorship and jobs training program,  
50.16 a 15-passenger van, and service kiosks for the Sabathani Community Center, including a  
50.17 onetime paid internship to support these programs;

50.18 (2) \$700,000 is for a grant to the Shakopee Chamber Foundation for the Shakopee area  
50.19 workforce development scholarship pilot program;

50.20 (3) \$2,000,000 is for a grant to PFund Foundation for: (i) workforce development and  
50.21 job skills training for LGBTQIA2S+ individuals; and (ii) medical, mental health, social,  
50.22 and other service providers who serve those individuals. Up to five percent of this amount  
50.23 may be used for the grantee's administrative costs;

50.24 (4) \$200,000 is for a grant to Bolder Options Youth Mentoring Program for disadvantaged  
50.25 youth ages 12 to 22 in the Bolder Options program in the Twin Cities and Rochester for  
50.26 providing mentorship, programming, and educational, job placement, and job training  
50.27 services;

50.28 (5) \$200,000 is for a grant to the Greater Minneapolis Council of Churches for a STEM  
50.29 training and career preparation program targeted at the needs of BIPOC youth who are at  
50.30 least 11 years of age and less than 24 years of age. This amount is available until June 30,  
50.31 2027;

50.32 (6) \$255,000 is for a grant to the International Institute of Minnesota to expand their  
50.33 business career pathways for new Americans by paying the costs of adding a new

51.1 employment counselor, a digital literacy instructor, and a professional leadership training  
51.2 instructor, and associated program costs including entrepreneurship training and work  
51.3 readiness training;

51.4 (7) \$350,000 is for a grant to the city of Austin to develop and implement training  
51.5 programs offered by Riverland Community College for water operators and for wastewater  
51.6 operators. This amount is available until June 30, 2027. Of this amount: \$100,000 is to  
51.7 develop training programs for water supply system operators and wastewater treatment  
51.8 facility operators; \$100,000 is for personnel to staff the programs within the Riverland  
51.9 Customized Training and Education division of Riverland Community College; \$65,000 is  
51.10 for marketing the programs; \$35,000 is for the costs of Riverland Community College for  
51.11 administering the programs; \$35,000 is for equipment for the programs; and \$15,000 is for  
51.12 the costs of the city of Austin for administering the programs;

51.13 (8) \$200,000 is for a grant to the Jobs Foundation for direct training, support services,  
51.14 safety enhancements, and economic support for formerly incarcerated individuals  
51.15 participating in the Repowered work readiness program;

51.16 (9) \$280,000 is for a grant to Hired to create services for low-income Minnesotans  
51.17 designed to increase job retention by offering a continuum of employment coaching,  
51.18 navigation, and support services to economically disadvantaged employees leading to a  
51.19 more stable workforce for employers;

51.20 (10) \$100,000 is for a grant to Equaspace for work space, IT support, human resources  
51.21 assistance, accounting, fundraising, and executive director support to be used to provide  
51.22 work space and wrap-around services to small and startup nonprofit organizations;

51.23 (11) \$1,000,000 is for a grant to Lakeview Methodist Health Care Center to expand  
51.24 child care program capacity;

51.25 (12) \$500,000 is for a grant to Change Starts With Community for the Change Starts  
51.26 With Community Violence Prevention Program;

51.27 (13) \$1,000,000 is for a grant to African Immigrants Community Services for workforce  
51.28 development for new Americans;

51.29 (14) \$1,000,000 is for a grant to WomenVenture for supporting child care providers by  
51.30 providing business training, mentorship, services, and educational materials, by facilitating  
51.31 shared administrative staff and pooled management of services such as banking and payroll,  
51.32 by providing child care management software and software training, and by distributing

52.1 subgrants and loans, which may be forgivable at WomenVenture's discretion. This amount  
52.2 is available until June 30, 2027;

52.3 (15) \$1,000,000 is for a grant to the Black Chamber of Commerce for technical support  
52.4 to Black-owned small businesses, for implementing initiatives to address barriers facing  
52.5 the Black business community, and for networking, mentorship, and training programs.  
52.6 This amount is available until June 30, 2027;

52.7 (16) \$375,000 is to provide grants to secondary career and technical education programs  
52.8 for the purpose of offering instruction in meat cutting and butchery, including the costs of  
52.9 faculty training and of obtaining necessary equipment and facilities. The commissioner of  
52.10 employment and economic development may prioritize funding to applicants that are  
52.11 coordinating with Minnesota State Colleges and Universities institutions or with local  
52.12 industry partners and may enter into an interagency agreement with the Department of  
52.13 Agriculture for operation of the program, including agreements to transfer funds. By  
52.14 November 1, 2025, the commissioner of employment and economic development must  
52.15 report to the chairs and ranking minority members of the legislative committees with  
52.16 jurisdiction over agriculture finance, education finance, and workforce development finance  
52.17 regarding all grants issued under this clause by county and the number and amount of grant  
52.18 requests not fulfilled;

52.19 (17) \$75,000 is for a grant to InspireMSP to develop programming to assist  
52.20 middle-school-aged children in Minneapolis and St. Paul to develop an interest in and  
52.21 connect with the creative industry in Minnesota;

52.22 (18) \$150,000 is for a grant to Summit Academy OIC to start and enroll students in a  
52.23 dental assistant program and to work with employers to place students in the field upon  
52.24 successful completion of the program;

52.25 (19) \$250,000 is for a grant to the Karen Organization of Minnesota for job training and  
52.26 financial support and incentives for job training participants;

52.27 (20) \$100,000 is for a grant to Indigenous Roots for soft skills training and career  
52.28 readiness training for youth and dance instructors of the Cypher Side Dance School;

52.29 (21) \$100,000 is for a grant to Ramsey County for a subgrant with Milestone Community  
52.30 Development to provide competitive grants for culturally specific East African-led youth  
52.31 workforce development programs, which must be awarded through at least two requests  
52.32 for proposals, and this amount is available until June 30, 2026;

53.1 (22) \$100,000 is for a grant to Ramsey County for a subgrant with People in Action to  
53.2 provide workforce development programming. This amount is available until June 30, 2026,  
53.3 and 40 percent of the amount must be expended within the city of St. Paul. Grants provided  
53.4 by People in Action must be awarded through at least two requests for proposals;

53.5 (23) \$700,000 is for a grant to the Metro Youth Diversion Center to support its  
53.6 Youth-Care Assessment and Readiness Education program to enhance workforce  
53.7 development opportunities for youth with a focus on underrepresented East African students;

53.8 (24) \$174,000 is for a grant to Independent School District No. 709, Duluth, for a software  
53.9 subscription to facilitate the career planning of students;

53.10 (25) \$171,000 is for a grant to Independent School District No. 704, Proctor, to develop  
53.11 a regional career and technical education program to serve Independent School District No.  
53.12 704, Proctor, Independent School District No. 700, Hermantown, and Independent School  
53.13 District No. 99, Esko;

53.14 (26) \$100,000 is for a grant to Lake County Ambulance Service to establish a training  
53.15 program for Cook County and Lake County high school students interested in pursuing  
53.16 careers as emergency medical technicians;

53.17 (27) \$2,000,000 is for a grant to the city of Brooklyn Park for the Brooklyn Park Small  
53.18 Business Center and for the city to expand the workforce development programming of  
53.19 Brooklyn Park and Brooklyn Center through workforce development programs serving  
53.20 primarily underrepresented populations, including such programs as Brooklynk, Career  
53.21 Pathways, Youth Entrepreneurship, and Community Partnership. This appropriation is  
53.22 available until June 30, 2027;

53.23 (28) \$750,000 is for a grant to Riverside Plaza Tenant Association to address employment,  
53.24 economic, and technology access disparities for low-income unemployed or underemployed  
53.25 individuals through training in health care, technology, and construction or skilled trades  
53.26 industries;

53.27 (29) \$150,000 is for a grant to African Career, Education, and Resources, Inc., to develop  
53.28 a program for health care skills training and computer skills training in collaboration with  
53.29 the Organization of Liberians in Minnesota;

53.30 (30) \$150,000 is for a grant to the Organization of Liberians in Minnesota to develop a  
53.31 program for health care skills training and computer skills training in collaboration with the  
53.32 African Career, Education, and Resources, Inc.;

54.1 (31) \$180,000 is for a grant to Equitable Development Action for it to fund programs  
54.2 and provide technical assistance to underserved businesses;

54.3 (32) \$50,000 is to for a grant to Ka Joog to operate a workforce technology training  
54.4 center to provide job readiness, skills training, entrepreneurship training, digital literacy,  
54.5 and ongoing career learning;

54.6 (33) \$50,000 is for a grant to HIRPHA International for use on youth apprenticeships,  
54.7 entrepreneurship training, computer skills, and work readiness training;

54.8 (34) \$300,000 is for a grant to Theater Mu for planning and to design, redesign, renovate,  
54.9 construct, furnish, and equip a building located in the city of St. Paul that will house a  
54.10 workforce development program for working and aspiring BIPOC artists, administrative  
54.11 offices, and a public gathering space for theater art;

54.12 (35) \$100,000 is for a grant to Higher Works Collaborative to act as the fiscal agent for  
54.13 the Center for African Immigrants and Refugees Organization to provide workforce training  
54.14 by enhancing their youth programs that help students gain work experience, earn experience  
54.15 in high-demand fields, and transition into family-sustaining careers;

54.16 (36) \$450,000 is for a grant to YWCA St. Paul for a strategic intervention program  
54.17 designed to target and connect program participants to meaningful, sustainable living wage  
54.18 employment;

54.19 (37) \$50,000 is for a grant to United Senior Lao American Association to provide job  
54.20 and skills training for an underserved population;

54.21 (38) \$100,000 is for a grant to Hmong American Farmers Association for workforce  
54.22 readiness, employment exploration, and skills development;

54.23 (39) \$240,000 is for a grant to MN Zej Zog for workforce readiness, employment  
54.24 exploration, and skills development;

54.25 (40) \$250,000 is for the Minnesota Family Resiliency Partnership under Minnesota  
54.26 Statutes, section 116L.96;

54.27 (41) \$150,000 is for a grant to Ramsey County for a Justice Impact Navigator to support  
54.28 Ramsey County residents who have a justice impact or who are reentering the community  
54.29 after incarceration to connect to resources with a focus on employment and training supports.  
54.30 Funds will be used for a navigator pilot and other administrative expenses such as outreach,  
54.31 marketing, and resources for residents; and

55.1 (42) \$150,000 is for a grant to Ramsey County for a Digital Equity Specialist to support  
 55.2 Ramsey County residents with digital literacy resources and skills to connect to employment  
 55.3 and training supports. Funds must be used for a digital navigator pilot serving in Ramsey  
 55.4 County Career Labs and community-based locations and other administrative expenses,  
 55.5 such as outreach, marketing, and resources for residents.

55.6 Sec. 4. **APPROPRIATION; UNIVERSITY OF MINNESOTA; THE CENTER FOR**  
 55.7 **NURSING EQUITY AND EXCELLENCE.**

55.8 \$250,000 in fiscal year 2025 is appropriated from the workforce development fund to  
 55.9 the Board of Regents of the University of Minnesota to perform the duties required to  
 55.10 establish and carry out the duties of the Center for Nursing Equity and Excellence. This is  
 55.11 a onetime appropriation.

55.12 Sec. 5. **APPROPRIATIONS.**

55.13 \$5,055,000 in fiscal year 2025 is appropriated from the general fund to the commissioner  
 55.14 of employment and economic development for grants to programs that provide employment  
 55.15 support services to persons with mental illness under Minnesota Statutes, sections 268A.13  
 55.16 and 268A.14. This is a onetime appropriation and available until June 30, 2027.

## 55.17 **ARTICLE 4**

### 55.18 **WORKFORCE DEVELOPMENT**

55.19 Section 1. Minnesota Statutes 2022, section 116J.8748, subdivision 1, is amended to read:

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

55.22 (b) "Agreement" or "business subsidy agreement" means a business subsidy agreement  
 55.23 under section 116J.994 that must include, but is not limited to: specification of the duration  
 55.24 of the agreement, job goals and a timeline for achieving those goals over the duration of  
 55.25 the agreement, construction and other investment goals and a timeline for achieving those  
 55.26 goals over the duration of the agreement, and the value of benefits the firm may receive  
 55.27 following achievement of capital investment and employment goals. The local government  
 55.28 and business must report to the commissioner on the business performance using the forms  
 55.29 developed by the commissioner.

55.30 (c) "Business" means an individual, corporation, partnership, limited liability company,  
 55.31 association, or other entity.

56.1 (d) "Capital investment" means money that is expended for the purpose of building or  
56.2 improving real fixed property where employees under paragraphs (g) and (h) are or will be  
56.3 employed and also includes construction materials, services, and supplies, and the purchase  
56.4 and installation of equipment and machinery as provided under subdivision 4, paragraph  
56.5 (b), clause (5).

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

56.7 (f) "Minnesota job creation fund business" means a business that is designated by the  
56.8 commissioner under subdivision 3.

56.9 (g) "Minority person" means a person belonging to a racial or ethnic minority as defined  
56.10 in Code of Federal Regulations, title 49, section 23.5.

56.11 (h) "New full-time equivalent employee" means an employee who:

56.12 (1) begins work at a Minnesota job creation fund business facility noted in a business  
56.13 subsidy agreement and following the designation as a job creation fund business; and

56.14 (2) has expected work hours of at least 2,080 hours annually or the equivalent of  
56.15 annualized expected hours of work equal to 2,080 hours of one or more employees.

56.16 (i) "Persons with disabilities" means an individual with a disability, as defined under  
56.17 the Americans with Disabilities Act, United States Code, title 42, section 12102.

56.18 (j) "Retained job equivalent" means a full-time equivalent position:

56.19 (1) that existed at the facility prior to the designation as a job creation fund business;  
56.20 and

56.21 (2) has expected work hours of at least 2,080 hours annually or the equivalent of  
56.22 annualized expected hours of work equal to 2,080 hours of one or more employees.

56.23 (k) "Veteran" means a veteran as defined in section 197.447.

56.24 (l) "Wages" has the meaning given in section 290.92, subdivision 1, clause (1).

56.25 Sec. 2. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 3, is amended  
56.26 to read:

56.27 Subd. 3. **Minnesota job creation fund business designation; requirements.** (a) To  
56.28 receive designation as a Minnesota job creation fund business, a business must satisfy all  
56.29 of the following conditions:

56.30 (1) the business is or will be engaged in, within Minnesota, one of the following as its  
56.31 primary business activity:



- 57.1 (i) manufacturing;
- 57.2 (ii) warehousing;
- 57.3 (iii) distribution;
- 57.4 (iv) information technology;
- 57.5 (v) finance;
- 57.6 (vi) insurance; or
- 57.7 (vii) professional or technical services;
- 57.8 (2) the business must not be primarily engaged in lobbying; gambling; entertainment;
- 57.9 professional sports; political consulting; leisure; hospitality; or professional services provided
- 57.10 by attorneys, accountants, business consultants, physicians, or health care consultants, or
- 57.11 primarily engaged in making retail sales to purchasers who are physically present at the
- 57.12 business's location;
- 57.13 (3) the business must enter into a binding construction and job creation business subsidy
- 57.14 agreement with the commissioner to expend directly, or ensure expenditure by or in
- 57.15 partnership with a third party constructing or managing the project, at least \$500,000 in
- 57.16 capital investment in a capital investment project that includes a new, expanded, or remodeled
- 57.17 facility within one year following designation as a Minnesota job creation fund business or
- 57.18 \$250,000 if the project is located outside the metropolitan area as defined in section 200.02,
- 57.19 subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans,
- 57.20 women, or persons with a disability; and:
- 57.21 (i) create at least ten new full-time equivalent employee positions within two years of
- 57.22 the benefit date following the designation as a Minnesota job creation fund business or five
- 57.23 new full-time equivalent employee positions within two years of the benefit date if the
- 57.24 project is located outside the metropolitan area as defined in section 200.02, subdivision
- 57.25 24, or if 51 percent of the business is cumulatively owned by minorities, veterans, women,
- 57.26 or persons with a disability; or
- 57.27 (ii) expend at least \$25,000,000, which may include the installation and purchase of
- 57.28 machinery and equipment, in capital investment and retain at least 100 full-time equivalent
- 57.29 employees for projects located in the metropolitan area as defined in section 200.02,
- 57.30 subdivision 24, or expend at least \$10,000,000, which may include the installation and
- 57.31 purchase of machinery and equipment, in capital investment and retain at least 50 full-time
- 57.32 equivalent employees for projects located outside the metropolitan area;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

59.4 Sec. 3. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 4, is amended  
59.5 to read:

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

59.10 (b) A qualified Minnesota job creation fund business may be certified eligible for the  
59.11 benefits in this paragraph for up to five years for projects located in the metropolitan area  
59.12 as defined in section 200.02, subdivision 24, and seven years for projects located outside  
59.13 the metropolitan area, as determined by the commissioner when considering the best interests  
59.14 of the state and local area. Notwithstanding section 16B.98, subdivision 5, paragraph (a),  
59.15 clause (3), or 16B.98, subdivision 5, paragraph (b), grant agreements for projects located  
59.16 outside the metropolitan area may be for up to seven years in length. The eligibility for the  
59.17 following benefits begins the date the commissioner certifies the business as a qualified  
59.18 Minnesota job creation fund business under this subdivision:

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

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

59.25 (3) up to \$1,000,000 in capital investment rebates and \$1,000,000 in job creation awards  
59.26 are allowable for projects that have at least \$25,000,000 in capital investment and 100 new  
59.27 full-time equivalent employees in the metropolitan area as defined in section 200.02,  
59.28 subdivision 24, or at least \$10,000,000 in capital investment and 50 new full-time equivalent  
59.29 employees for projects located outside the metropolitan area;

59.30 (4) up to \$1,000,000 in capital investment rebates and up to \$1,000,000 in job creation  
59.31 awards are allowable for projects that have at least \$25,000,000 in capital investment, which  
59.32 may include the installation and purchase of machinery and equipment, and 100 retained  
59.33 full-time equivalent employees for projects located in the metropolitan area as defined in

60.1 section 200.02, subdivision 24, or at least \$10,000,000 in capital investment, which may  
60.2 include the installation and purchase of machinery and equipment, and 50 retained full-time  
60.3 equivalent employees for projects located outside the metropolitan area; and

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

60.7 (c) The job creation award may be provided in multiple years as long as the qualified  
60.8 Minnesota job creation fund business continues to meet the job creation goals provided for  
60.9 in its agreement under subdivision 3 and the total award does not exceed \$500,000 except  
60.10 as provided under paragraph (b), clauses (3) and (4). Under paragraph (b), clause (4), a job  
60.11 creation award of \$2,000 per full-time equivalent job retained ~~job~~ may be provided one time  
60.12 if the qualified Minnesota job creation fund business meets the minimum capital investment  
60.13 and retained employee requirement as provided in paragraph (b), clause (4), for at least two  
60.14 years.

60.15 (d) No rebates or award may be provided until the Minnesota job creation fund business  
60.16 or a third party constructing or managing the project has at least \$500,000 in capital  
60.17 investment in the project and at least ten full-time equivalent jobs have been created and  
60.18 maintained for at least one year or the retained employees, as provided in paragraph (b),  
60.19 clause (4), remain for at least one year. The agreement may require additional performance  
60.20 outcomes that need to be achieved before rebates and awards are provided. If fewer retained  
60.21 jobs are maintained, but still above the minimum under this subdivision, the capital  
60.22 investment award shall be reduced on a proportionate basis.

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

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

60.32 (g) A Minnesota job creation fund business must demonstrate reasonable progress on  
60.33 capital investment expenditures within six months following designation as a Minnesota  
60.34 job creation fund business to ensure that the capital investment goal in the agreement under

61.1 subdivision 1 will be met. Businesses not making reasonable progress will not be eligible  
61.2 for benefits under the submitted application and will need to work with the local government  
61.3 unit to resubmit a new application and request to be a Minnesota job creation fund business.  
61.4 Notwithstanding the goals noted in its agreement under subdivision 1, this action shall not  
61.5 be considered a default of the business subsidy agreement.

61.6 Sec. 4. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 6, is amended  
61.7 to read:

61.8 Subd. 6. **Job creation award.** (a) A qualified Minnesota job creation fund business is  
61.9 eligible for an annual award for each new full-time equivalent job created and maintained  
61.10 under subdivision 4, paragraph (b), clauses (2) and (3), by the business using the following  
61.11 schedule: \$1,000 for each job position paying annual wages at least \$26,000 but less than  
61.12 \$35,000; \$2,000 for each job position paying at least \$35,000 but less than \$45,000; \$3,000  
61.13 for each job position paying at least \$45,000 but less than \$55,000; and \$4,000 for each job  
61.14 position paying at least \$55,000; and as noted in the goals under the agreement provided  
61.15 under subdivision 1. These awards are increased by \$1,000 if the business is located outside  
61.16 the metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the  
61.17 business is cumulatively owned by minorities, veterans, women, or persons with a disability.

61.18 (b) A qualified Minnesota job creation fund business is eligible for a onetime \$2,000  
61.19 award for each full-time equivalent job retained and maintained under subdivision 4,  
61.20 paragraph (b), clause (4), provided that each retained job pays total compensation, including  
61.21 benefits not mandated by law, that on an annualized basis is equal to at least 150 percent  
61.22 of the federal poverty level for a family of four.

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

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

61.28 Sec. 5. Minnesota Statutes 2023 Supplement, section 116L.17, subdivision 1, is amended  
61.29 to read:

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

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

62.1 (c) "Dislocated worker" means an individual who is a resident of Minnesota at the time  
62.2 employment ceased or was working in the state at the time employment ceased and:

62.3 (1) has been permanently separated or has received a notice of permanent separation  
62.4 from public or private sector employment and is eligible for or has exhausted entitlement  
62.5 to unemployment benefits, and is unlikely to return to the previous industry or occupation;

62.6 (2) has been long-term unemployed and has limited opportunities for employment or  
62.7 reemployment in the same or a similar occupation in the area in which the individual resides,  
62.8 including older individuals who may have substantial barriers to employment by reason of  
62.9 age;

62.10 (3) has been terminated or has received a notice of termination of employment as a result  
62.11 of a plant closing or a substantial layoff at a plant, facility, or enterprise;

62.12 (4) has been self-employed, including farmers and ranchers, and is unemployed as a  
62.13 result of general economic conditions in the community in which the individual resides or  
62.14 because of natural disasters;

62.15 (5) is a veteran as defined by section 197.447, has been discharged or released from  
62.16 active duty under honorable conditions within the last 36 months, and (i) is unemployed or  
62.17 (ii) is employed in a job verified to be below the skill level and earning capacity of the  
62.18 veteran;

62.19 (6) is an individual determined by the United States Department of Labor to be covered  
62.20 by trade adjustment assistance under United States Code, title 19, sections 2271 to 2331,  
62.21 as amended; ~~or~~

62.22 (7) is a displaced homemaker. A "displaced homemaker" is an individual who has spent  
62.23 a substantial number of years in the home providing homemaking service and (i) has been  
62.24 dependent upon the financial support of another; and due to divorce, separation, death, or  
62.25 disability of that person, must now find employment to self support; or (ii) derived the  
62.26 substantial share of support from public assistance on account of dependents in the home  
62.27 and no longer receives such support. To be eligible under this clause, the support must have  
62.28 ceased while the worker resided in Minnesota;

62.29 (8) is the spouse of a member of the United States armed forces who is on active duty  
62.30 and who meets at least one of the following: (i) has lost employment as a direct result of  
62.31 relocation to accommodate a permanent change in the service member's duty station; or (ii)  
62.32 is unemployed or underemployed and facing barriers to obtaining or upgrading employment;

63.1 (9) is an individual with non-work-related injuries or illnesses who does not have a  
63.2 workers' compensation case but needs support to re-enter or remain in the workforce; or

63.3 (10) is an adult with a low income, is a recipient of public assistance, or is deficient in  
63.4 basic skills.

63.5 For the purposes of this section, "dislocated worker" does not include an individual who  
63.6 was an employee, at the time employment ceased, of a political committee, political fund,  
63.7 principal campaign committee, or party unit, as those terms are used in chapter 10A, or an  
63.8 organization required to file with the federal elections commission.

63.9 (d) "Eligible organization" means a state or local government unit, nonprofit organization,  
63.10 community action agency, business organization or association, or labor organization.

63.11 (e) "Plant closing" means the announced or actual permanent shutdown of a single site  
63.12 of employment, or one or more facilities or operating units within a single site of  
63.13 employment.

63.14 (f) "Substantial layoff" means a permanent reduction in the workforce, which is not a  
63.15 result of a plant closing, and which results in an employment loss at a single site of  
63.16 employment during any 30-day period for at least 50 employees excluding those employees  
63.17 that work less than 20 hours per week.

63.18 Sec. 6. Minnesota Statutes 2023 Supplement, section 116L.43, subdivision 1, is amended  
63.19 to read:

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

63.22 (b) "Community-based organization" means a nonprofit organization that:

63.23 (1) provides workforce development programming or services;

63.24 ~~(2) has an annual organizational budget of no more than \$1,000,000;~~

63.25 ~~(3)~~ (2) has its primary office located in a historically underserved community of color  
63.26 or low-income community; and

63.27 ~~(4)~~ (3) serves a population that generally reflects the demographics of that local  
63.28 community.

63.29 (c) "Entry level jobs" means part-time or full-time jobs that an individual can perform  
63.30 without any prior education or experience.

64.1 (d) "High wage" means the income needed for a family to cover minimum necessary  
64.2 expenses in a given geographic area, including food, child care, health care, housing, and  
64.3 transportation.

64.4 (e) "Industry specific certification" means a credential an individual can earn to show  
64.5 proficiency in a particular area or skill.

64.6 (f) "Remedial training" means additional training provided to staff following the  
64.7 identification of a need and intended to increase proficiency in performing job tasks.

64.8 (g) "Small business" has the same meaning as section 645.445.

64.9 Sec. 7. Minnesota Statutes 2022, section 268.035, subdivision 20, is amended to read:

64.10 Subd. 20. **Noncovered employment.** "Noncovered employment" means:

64.11 (1) employment for the United States government or an instrumentality thereof, including  
64.12 military service;

64.13 (2) employment for a state, other than Minnesota, or a political subdivision or  
64.14 instrumentality thereof;

64.15 (3) employment for a foreign government;

64.16 (4) employment covered under the federal Railroad Unemployment Insurance Act;

64.17 (5) employment for a church or convention or association of churches, or a nonprofit  
64.18 organization operated primarily for religious purposes that is operated, supervised, controlled,  
64.19 or principally supported by a church or convention or association of churches;

64.20 (6) employment for an elementary or secondary school with a curriculum that includes  
64.21 religious education that is operated by a church, a convention or association of churches,  
64.22 or a nonprofit organization that is operated, supervised, controlled, or principally supported  
64.23 by a church or convention or association of churches;

64.24 (7) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
64.25 a duly ordained or licensed minister of a church in the exercise of a ministry or by a member  
64.26 of a religious order in the exercise of duties required by the order;

64.27 (8) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
64.28 an individual receiving rehabilitation of "sheltered" work in a facility conducted for the  
64.29 purpose of carrying out a program of rehabilitation for individuals whose earning capacity  
64.30 is impaired by age or physical or mental deficiency or injury or a program providing  
64.31 "sheltered" work for individuals who because of an impaired physical or mental capacity



65.1 cannot be readily absorbed in the competitive labor market. This clause applies only to  
65.2 services performed in a facility certified by the Rehabilitation Services Branch of the  
65.3 department or in a day training or habilitation program licensed by the Department of Human  
65.4 Services;

65.5 (9) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
65.6 an individual receiving work relief or work training as part of an unemployment work relief  
65.7 or work training program financed in whole or in part by any federal agency or an agency  
65.8 of a state or political subdivision thereof. This clause does not apply to programs that require  
65.9 unemployment benefit coverage for the participants;

65.10 (10) employment for Minnesota or a political subdivision, as an elected official, a member  
65.11 of a legislative body, or a member of the judiciary;

65.12 (11) employment as a member of the Minnesota National Guard or Air National Guard;

65.13 (12) employment for Minnesota or a political subdivision, or instrumentality thereof, of  
65.14 an individual serving on a temporary basis in case of fire, flood, tornado, or similar  
65.15 emergency;

65.16 (13) employment as an election official or election worker for Minnesota or a political  
65.17 subdivision, if the compensation for that employment was less than \$1,000 in a calendar  
65.18 year;

65.19 (14) employment for Minnesota that is a major policy-making or advisory position in  
65.20 the unclassified service;

65.21 (15) employment for Minnesota in an unclassified position established under section  
65.22 43A.08, subdivision 1a;

65.23 (16) employment for a political subdivision of Minnesota that is a nontenured major  
65.24 policy making or advisory position;

65.25 (17) domestic employment in a private household, local college club, or local chapter  
65.26 of a college fraternity or sorority, if the wages paid in any calendar quarter in either the  
65.27 current or prior calendar year to all individuals in domestic employment totaled less than  
65.28 \$1,000.

65.29 "Domestic employment" includes all service in the operation and maintenance of a  
65.30 private household, for a local college club, or local chapter of a college fraternity or sorority  
65.31 as distinguished from service as an employee in the pursuit of an employer's trade or business;

66.1 (18) employment of an individual by a son, daughter, or spouse, and employment of a  
66.2 child under the age of 18 by the child's father or mother;

66.3 (19) employment of an inmate of a custodial or penal institution;

66.4 (20) employment for a school, college, or university, by a student who is enrolled and  
66.5 whose primary relation to the school, college, or university is as a student. This does not  
66.6 include an individual whose primary relation to the school, college, or university is as an  
66.7 employee who also takes courses;

66.8 (21) employment of an individual who is enrolled as a student in a full-time program at  
66.9 a nonprofit or public educational institution that maintains a regular faculty and curriculum  
66.10 and has a regularly organized body of students in attendance at the place where its educational  
66.11 activities are carried on, taken for credit at the institution, that combines academic instruction  
66.12 with work experience, if the employment is an integral part of the program, and the institution  
66.13 has so certified to the employer, except that this clause does not apply to employment in a  
66.14 program established for or on behalf of an employer or group of employers;

66.15 (22) employment of a foreign college or university student who works on a seasonal or  
66.16 temporary basis under the J-1 visa summer work travel program described in Code of Federal  
66.17 Regulations, title 22, section 62.32;

66.18 (23) employment of university, college, or professional school students in an internship  
66.19 or other training program with the city of St. Paul or the city of Minneapolis under Laws  
66.20 1990, chapter 570, article 6, section 3;

66.21 (24) employment for a hospital by a patient of the hospital. "Hospital" means an institution  
66.22 that has been licensed by the Department of Health as a hospital;

66.23 (25) employment as a student nurse for a hospital or a nurses' training school by an  
66.24 individual who is enrolled and is regularly attending classes in an accredited nurses' training  
66.25 school;

66.26 (26) employment as an intern for a hospital by an individual who has completed a  
66.27 four-year course in an accredited medical school;

66.28 (27) employment as an insurance salesperson, by other than a corporate officer, if all  
66.29 the wages from the employment is solely by way of commission. The word "insurance"  
66.30 includes an annuity and an optional annuity;

66.31 (28) employment as an officer of a township mutual insurance company or farmer's  
66.32 mutual insurance company under chapter 67A;

67.1 (29) employment of a corporate officer, if the officer directly or indirectly, including  
 67.2 through a subsidiary or holding company, owns 25 percent or more of the employer  
 67.3 corporation, and employment of a member of a limited liability company, if the member  
 67.4 directly or indirectly, including through a subsidiary or holding company, owns 25 percent  
 67.5 or more of the employer limited liability company;

67.6 (30) employment as a real estate salesperson, other than a corporate officer, if all the  
 67.7 wages from the employment is solely by way of commission;

67.8 (31) employment as a direct seller as defined in United States Code, title 26, section  
 67.9 3508;

67.10 (32) employment of an individual under the age of 18 in the delivery or distribution of  
 67.11 newspapers or shopping news, not including delivery or distribution to any point for  
 67.12 subsequent delivery or distribution;

67.13 (33) casual employment performed for an individual, other than domestic employment  
 67.14 under clause (17), that does not promote or advance that employer's trade or business;

67.15 (34) employment in "agricultural employment" unless it is "covered agricultural  
 67.16 employment" under subdivision 11; ~~or~~

67.17 (35) if employment during one-half or more of any pay period was covered employment,  
 67.18 all the employment for the pay period is covered employment; but if during more than  
 67.19 one-half of any pay period the employment was noncovered employment, then all of the  
 67.20 employment for the pay period is noncovered employment. "Pay period" means a period  
 67.21 of not more than a calendar month for which a payment or compensation is ordinarily made  
 67.22 to the employee by the employer; or

67.23 (36) employment of a foreign agricultural worker who works on a seasonal or temporary  
 67.24 basis under the H-2A visa temporary agricultural employment program described in Code  
 67.25 of Federal Regulations, title 20, part 655.

67.26 Sec. 8. Laws 2023, chapter 53, article 20, section 2, subdivision 3, is amended to read:

67.27	<b>Subd. 3. Employment and Training Programs</b>	112,038,000	104,499,000
67.28	Appropriations by Fund		
67.29		2024	2025
67.30	General	91,036,000	83,497,000
67.31	Workforce		
67.32	Development	21,002,000	21,002,000

68.1 (a) \$500,000 each year from the general fund  
68.2 and \$500,000 each year from the workforce  
68.3 development fund are for rural career  
68.4 counseling coordinators in the workforce  
68.5 service areas and for the purposes specified  
68.6 under Minnesota Statutes, section 116L.667.

68.7 (b) \$25,000,000 each year is for the targeted  
68.8 population workforce grants under Minnesota  
68.9 Statutes, section 116L.43. The department  
68.10 may use up to five percent of this  
68.11 appropriation for administration, monitoring,  
68.12 and oversight of the program. Of this amount:

68.13 (1) \$18,500,000 each year is for job and  
68.14 entrepreneurial skills training grants under  
68.15 Minnesota Statutes, section 116L.43,  
68.16 subdivision 2;

68.17 (2) \$1,500,000 each year is for diversity and  
68.18 inclusion training for small employers under  
68.19 Minnesota Statutes, section 116L.43,  
68.20 subdivision 3; and

68.21 (3) \$5,000,000 each year is for capacity  
68.22 building grants under Minnesota Statutes,  
68.23 section 116L.43, subdivision 4.

68.24 The base for this appropriation is \$1,275,000  
68.25 in fiscal year 2026 and each year thereafter.

68.26 (c) \$750,000 each year is for the women and  
68.27 high-wage, high-demand, nontraditional jobs  
68.28 grant program under Minnesota Statutes,  
68.29 section 116L.99. Of this amount, up to five  
68.30 percent is for administration and monitoring  
68.31 of the program.

68.32 (d) \$10,000,000 each year is for the Drive for  
68.33 Five Initiative to conduct outreach and provide  
68.34 job skills training, career counseling, case

69.1 management, and supportive services for  
69.2 careers in (1) technology, (2) labor, (3) the  
69.3 caring professions, (4) manufacturing, and (5)  
69.4 educational and professional services. This is  
69.5 a onetime appropriation.

69.6 (e) Of the amounts appropriated in paragraph  
69.7 (d), the commissioner must make \$7,000,000  
69.8 each year available through a competitive  
69.9 request for proposal process. The grant awards  
69.10 must be used to provide education and training  
69.11 in the five industries identified in paragraph  
69.12 (d). Education and training may include:

69.13 (1) student tutoring and testing support  
69.14 services;

69.15 (2) training and employment placement in high  
69.16 wage and high growth employment;

69.17 (3) assistance in obtaining industry-specific  
69.18 certifications;

69.19 (4) remedial training leading to enrollment in  
69.20 employment training programs or services;

69.21 (5) real-time work experience;

69.22 (6) career and educational counseling;

69.23 (7) work experience and internships; and

69.24 (8) supportive services.

69.25 (f) Of the amount appropriated in paragraph  
69.26 (d), \$2,000,000 each year must be awarded  
69.27 through competitive grants made to trade  
69.28 associations or chambers of commerce for job  
69.29 placement services. Grant awards must be used  
69.30 to encourage workforce training efforts to  
69.31 ensure that efforts are aligned with employer  
69.32 demands and that graduates are connected with  
69.33 employers that are currently hiring. Trade

70.1 associations or chambers must partner with  
70.2 employers with current or anticipated  
70.3 employment opportunities and nonprofit  
70.4 workforce training partners participating in  
70.5 this program. The trade associations or  
70.6 chambers must work closely with the industry  
70.7 sector training providers in the five industries  
70.8 identified in paragraph (d). Grant awards may  
70.9 be used for:

70.10 (1) employer engagement strategies to align  
70.11 employment opportunities for individuals  
70.12 exiting workforce development training  
70.13 programs. These strategies may include  
70.14 business recruitment, job opening  
70.15 development, employee recruitment, and job  
70.16 matching. Trade associations must utilize the  
70.17 state's labor exchange system;

70.18 (2) diversity, inclusion, and retention training  
70.19 of their members to increase the business'  
70.20 understanding of welcoming and retaining a  
70.21 diverse workforce; and

70.22 (3) industry-specific training.

70.23 (g) Of the amount appropriated in paragraph  
70.24 (d), \$1,000,000 each year is to hire, train, and  
70.25 deploy business services representatives in  
70.26 local workforce development areas throughout  
70.27 the state. Business services representatives  
70.28 must work with an assigned local workforce  
70.29 development area to address the hiring needs  
70.30 of Minnesota's businesses by connecting job  
70.31 seekers and program participants in the  
70.32 CareerForce system. Business services  
70.33 representatives serve in the classified service  
70.34 of the state and operate as part of the agency's  
70.35 Employment and Training Office. The

71.1 commissioner shall develop and implement  
71.2 training materials and reporting and evaluation  
71.3 procedures for the activities of the business  
71.4 services representatives. The business services  
71.5 representatives must:

71.6 (1) serve as the primary contact for businesses  
71.7 in that area;

71.8 (2) actively engage employers by assisting  
71.9 with matching employers to job seekers by  
71.10 referring candidates, convening job fairs, and  
71.11 assisting with job announcements; and

71.12 (3) work with the local area board and its  
71.13 partners to identify candidates for openings in  
71.14 small and midsize companies in the local area.

71.15 (h) \$2,546,000 each year from the general fund  
71.16 and \$4,604,000 each year from the workforce  
71.17 development fund are for the pathways to  
71.18 prosperity competitive grant program. Of this  
71.19 amount, up to five percent is for administration  
71.20 and monitoring of the program.

71.21 (i) \$500,000 each year is from the workforce  
71.22 development fund for current Minnesota  
71.23 affiliates of OIC of America, Inc. This  
71.24 appropriation shall be divided equally among  
71.25 the eligible centers.

71.26 (j) \$1,000,000 each year is for competitive  
71.27 grants to organizations providing services to  
71.28 relieve economic disparities in the Southeast  
71.29 Asian community through workforce  
71.30 recruitment, development, job creation,  
71.31 assistance of smaller organizations to increase  
71.32 capacity, and outreach. Of this amount, up to  
71.33 five percent is for administration and  
71.34 monitoring of the program.

72.1 (k) \$1,000,000 each year is for a competitive  
72.2 grant program to provide grants to  
72.3 organizations that provide support services for  
72.4 individuals, such as job training, employment  
72.5 preparation, internships, job assistance to  
72.6 parents, financial literacy, academic and  
72.7 behavioral interventions for low-performing  
72.8 students, and youth intervention. Grants made  
72.9 under this section must focus on low-income  
72.10 communities, young adults from families with  
72.11 a history of intergenerational poverty, and  
72.12 communities of color. Of this amount, up to  
72.13 five percent is for administration and  
72.14 monitoring of the program.

72.15 (l) \$750,000 each year from the general fund  
72.16 and \$6,698,000 each year from the workforce  
72.17 development fund are for the youth-at-work  
72.18 competitive grant program under Minnesota  
72.19 Statutes, section 116L.562. Of this amount,  
72.20 up to five percent is for administration and  
72.21 monitoring of the youth workforce  
72.22 development competitive grant program. All  
72.23 grant awards shall be for two consecutive  
72.24 years. Grants shall be awarded in the first year.  
72.25 The base for this appropriation is \$750,000  
72.26 from the general fund and \$3,348,000 from  
72.27 the workforce development fund beginning in  
72.28 fiscal year 2026 and each year thereafter.

72.29 (m) \$1,093,000 each year is from the general  
72.30 fund and \$1,000,000 each year is from the  
72.31 workforce development fund for the  
72.32 youthbuild program under Minnesota Statutes,  
72.33 sections 116L.361 to 116L.366. The base for  
72.34 this appropriation is \$1,000,000 from the



73.1 workforce development fund in fiscal year  
73.2 2026 and each year thereafter.

73.3 (n) \$4,511,000 each year from the general fund  
73.4 and \$4,050,000 each year from the workforce  
73.5 development fund are for the Minnesota youth  
73.6 program under Minnesota Statutes, sections  
73.7 116L.56 and 116L.561. The base for this  
73.8 appropriation is \$0 from the general fund and  
73.9 \$4,050,000 from the workforce development  
73.10 fund in fiscal year 2026 and each year  
73.11 thereafter.

73.12 (o) \$750,000 each year is for the Office of  
73.13 New Americans under Minnesota Statutes,  
73.14 section 116J.4231.

73.15 (p) \$1,000,000 each year from the workforce  
73.16 development fund is for a grant to the  
73.17 Minnesota Technology Association to support  
73.18 the SciTech internship program, a program  
73.19 that supports science, technology, engineering,  
73.20 and math (STEM) internship opportunities for  
73.21 two- and four-year college students and  
73.22 graduate students in their fields of study. The  
73.23 internship opportunities must match students  
73.24 with paid internships within STEM disciplines  
73.25 at small, for-profit companies located in  
73.26 Minnesota having fewer than 250 employees  
73.27 worldwide. At least 325 students must be  
73.28 matched each year. No more than 15 percent  
73.29 of the hires may be graduate students. Selected  
73.30 hiring companies shall receive from the grant  
73.31 50 percent of the wages paid to the intern,  
73.32 capped at \$3,000 per intern. The program must  
73.33 work toward increasing the participation  
73.34 among women or other underserved  
73.35 populations. This is a onetime appropriation.

74.1 (q) \$750,000 each year is for grants to the  
74.2 Minneapolis Park and Recreation Board's Teen  
74.3 Teamworks youth employment and training  
74.4 programs. This is a onetime appropriation and  
74.5 available until June 30, 2027. Any  
74.6 unencumbered balance remaining at the end  
74.7 of the first year does not cancel but is available  
74.8 in the second year.

74.9 (r) \$900,000 each year is for a grant to Avivo  
74.10 to provide low-income individuals with career  
74.11 education and job skills training that is fully  
74.12 integrated with chemical and mental health  
74.13 services. Of this amount, up to \$250,000 each  
74.14 year is for a grant to Avivo to provide  
74.15 resources and support services to survivors of  
74.16 sex trafficking and domestic abuse in the  
74.17 greater St. Cloud area as they search for  
74.18 employment. Program resources include but  
74.19 are not limited to costs for day care,  
74.20 transportation, housing, legal advice, procuring  
74.21 documents required for employment, interview  
74.22 clothing, technology, and Internet access. The  
74.23 program shall also include public outreach and  
74.24 corporate training components to communicate  
74.25 to the public and potential employers about  
74.26 the specific struggles faced by survivors as  
74.27 they re-enter the workforce. This is a onetime  
74.28 appropriation.

74.29 (s) \$1,000,000 each year is for the getting to  
74.30 work grant program under Minnesota Statutes,  
74.31 section 116J.545. Of this amount, up to five  
74.32 percent is for administration and monitoring  
74.33 of the program. This is a onetime  
74.34 appropriation.

75.1 (t) \$400,000 each year is for a grant to the  
75.2 nonprofit 30,000 Feet to fund youth  
75.3 apprenticeship jobs, wraparound services,  
75.4 after-school programming, and summer  
75.5 learning loss prevention efforts targeted at  
75.6 African American youth. This is a onetime  
75.7 appropriation.

75.8 (u) \$463,000 the first year is for a grant to the  
75.9 Boys and Girls Club of Central Minnesota.  
75.10 This is a onetime appropriation. Of this  
75.11 amount:

75.12 (1) \$313,000 is to fund one year of free  
75.13 full-service programming for a new program  
75.14 in Waite Park that will employ part-time youth  
75.15 development staff and provide community  
75.16 volunteer opportunities for people of all ages.  
75.17 Career exploration and life skills programming  
75.18 will be a significant dimension of  
75.19 programming at this new site; and

75.20 (2) \$150,000 is for planning and design for a  
75.21 new multiuse facility for the Boys and Girls  
75.22 Club of Waite Park and other community  
75.23 partners, including the Waite Park Police  
75.24 Department and the Whitney Senior Center.

75.25 (v) \$1,000,000 each year is for a grant to the  
75.26 Minnesota Alliance of Boys and Girls Clubs  
75.27 to administer a statewide project of youth job  
75.28 skills and career development. This project,  
75.29 which may have career guidance components  
75.30 including health and life skills, must be  
75.31 designed to encourage, train, and assist youth  
75.32 in early access to education and job-seeking  
75.33 skills, work-based learning experience,  
75.34 including career pathways in STEM learning,  
75.35 career exploration and matching, and first job

76.1 placement through local community  
76.2 partnerships and on-site job opportunities. This  
76.3 grant requires a 25 percent match from  
76.4 nonstate resources. This is a onetime  
76.5 appropriation.

76.6 (w) \$1,000,000 the first year is for a grant to  
76.7 the Owatonna Area Chamber of Commerce  
76.8 Foundation for the Learn and Earn Initiative  
76.9 to help the Owatonna and Steele County  
76.10 region grow and retain a talented workforce.  
76.11 This is a onetime appropriation and is  
76.12 available until June 30, 2025. Of this amount:

76.13 (1) \$900,000 is to develop an advanced  
76.14 manufacturing career pathway program for  
76.15 youth and adult learners with shared learning  
76.16 spaces, state-of-the-art equipment, and  
76.17 instructional support to grow and retain talent  
76.18 in Owatonna; and

76.19 (2) \$100,000 is to create the Owatonna  
76.20 Opportunity scholarship model for the Learn  
76.21 and Earn Initiative for students and employers.

76.22 (x) \$250,000 each year from the workforce  
76.23 development fund is for a grant to the White  
76.24 Bear Center for the Arts for establishing a paid  
76.25 internship program for high school students  
76.26 to learn professional development skills  
76.27 through an arts perspective. This is a onetime  
76.28 appropriation.

76.29 (y) \$250,000 each year is for the Minnesota  
76.30 Family Resiliency Partnership under  
76.31 Minnesota Statutes, section 116L.96. The  
76.32 commissioner, through the adult career  
76.33 pathways program, shall distribute the money  
76.34 to existing nonprofit and state displaced

77.1 homemaker programs. This is a onetime  
77.2 appropriation.

77.3 (z) \$600,000 each year is for a grant to East  
77.4 Side Neighborhood Services. This is a onetime  
77.5 appropriation of which:

77.6 (1) \$300,000 each year is for the senior  
77.7 community service employment program,  
77.8 which provides work readiness training to  
77.9 low-income adults ages 55 and older to  
77.10 provide ongoing support and mentoring  
77.11 services to the program participants as well as  
77.12 the transition period from subsidized wages  
77.13 to unsubsidized wages; and

77.14 (2) \$300,000 each year is for the nursing  
77.15 assistant plus program to serve the increased  
77.16 need for growth of medical talent pipelines  
77.17 through expansion of the existing program and  
77.18 development of in-house training.

77.19 The amounts specified in clauses (1) and (2)  
77.20 may also be used to enhance employment  
77.21 programming for youth and young adults, ages  
77.22 14 to 24, to introduce them to work culture,  
77.23 develop essential work readiness skills, and  
77.24 make career plans through paid internship  
77.25 experiences and work readiness training.

77.26 (aa) \$1,500,000 each year from the workforce  
77.27 development fund is for a grant to Ujamaa  
77.28 Place to assist primarily African American  
77.29 men with job training, employment  
77.30 preparation, internships, education, vocational  
77.31 housing, and organizational capacity building.  
77.32 This is a onetime appropriation.

77.33 (bb) \$500,000 each year is for a grant to  
77.34 Comunidades Organizando el Poder y la

78.1 Acción Latina (COPAL) for worker center  
78.2 programming that supports primarily  
78.3 low-income, migrant, and Latinx workers with  
78.4 career planning, workforce training and  
78.5 education, workers' rights advocacy, health  
78.6 resources and navigation, and wealth creation  
78.7 resources. This is a onetime appropriation.

78.8 (cc) \$2,000,000 each year is for a grant to  
78.9 Propel Nonprofits to provide capacity-building  
78.10 grants and related technical assistance to small,  
78.11 culturally specific organizations that primarily  
78.12 serve historically underserved cultural  
78.13 communities. Propel Nonprofits may only  
78.14 award grants to nonprofit organizations that  
78.15 have an annual organizational budget of less  
78.16 than \$1,000,000. These grants may be used  
78.17 for:

78.18 (1) organizational infrastructure  
78.19 improvements, including developing database  
78.20 management systems and financial systems,  
78.21 or other administrative needs that increase the  
78.22 organization's ability to access new funding  
78.23 sources;

78.24 (2) organizational workforce development,  
78.25 including hiring culturally competent staff,  
78.26 training and skills development, and other  
78.27 methods of increasing staff capacity; or

78.28 (3) creating or expanding partnerships with  
78.29 existing organizations that have specialized  
78.30 expertise in order to increase capacity of the  
78.31 grantee organization to improve services to  
78.32 the community.

79.1 Of this amount, up to five percent may be used  
79.2 by Propel Nonprofits for administrative costs.  
79.3 This is a onetime appropriation.

79.4 (dd) \$1,000,000 each year is for a grant to  
79.5 Goodwill Easter Seals Minnesota and its  
79.6 partners. The grant must be used to continue  
79.7 the FATHER Project in Rochester, St. Cloud,  
79.8 St. Paul, Minneapolis, and the surrounding  
79.9 areas to assist fathers in overcoming barriers  
79.10 that prevent fathers from supporting their  
79.11 children economically and emotionally,  
79.12 including with community re-entry following  
79.13 confinement. This is a onetime appropriation.

79.14 (ee) \$250,000 the first year is for a grant to  
79.15 the ProStart and Hospitality Tourism  
79.16 Management Program for a well-established,  
79.17 proven, and successful education program that  
79.18 helps young people advance careers in the  
79.19 hospitality industry and addresses critical  
79.20 long-term workforce shortages in that industry.

79.21 (ff) \$450,000 each year is for grants to  
79.22 Minnesota Diversified Industries to provide  
79.23 inclusive employment opportunities and  
79.24 services for people with disabilities. This is a  
79.25 onetime appropriation.

79.26 (gg) \$1,000,000 the first year is for a grant to  
79.27 Minnesota Diversified Industries to assist  
79.28 individuals with disabilities through the  
79.29 unified work model by offering virtual and  
79.30 in-person career skills classes augmented with  
79.31 virtual reality tools. Minnesota Diversified  
79.32 Industries shall submit a report on the number  
79.33 and demographics of individuals served, hours  
79.34 of career skills programming delivered,  
79.35 outreach to employers, and recommendations

80.1 for future career skills delivery methods to the  
80.2 chairs and ranking minority members of the  
80.3 legislative committees with jurisdiction over  
80.4 labor and workforce development policy and  
80.5 finance by January 15, 2026. This is a onetime  
80.6 appropriation and is available until June 30,  
80.7 2025.

80.8 (hh) \$1,264,000 each year is for a grant to  
80.9 Summit Academy OIC to expand employment  
80.10 placement, GED preparation and  
80.11 administration, and STEM programming in  
80.12 the Twin Cities, Saint Cloud, and Bemidji.  
80.13 This is a onetime appropriation.

80.14 (ii) \$500,000 each year is for a grant to  
80.15 Minnesota Independence College and  
80.16 Community to provide employment  
80.17 preparation, job placement, job retention, and  
80.18 service coordination services to adults with  
80.19 autism and learning differences. This is a  
80.20 onetime appropriation.

80.21 (jj) \$1,000,000 the first year and \$2,000,000  
80.22 the second year are for a clean economy  
80.23 equitable workforce grant program. Money  
80.24 must be used for grants to support partnership  
80.25 development, planning, and implementation  
80.26 of workforce readiness programs aimed at  
80.27 workers who are Black, Indigenous, and  
80.28 People of Color. Programs must include  
80.29 workforce training, career development,  
80.30 workers' rights training, employment  
80.31 placement, and culturally appropriate job  
80.32 readiness and must prepare workers for careers  
80.33 in the high-demand fields of construction,  
80.34 clean energy, and energy efficiency. Grants  
80.35 must be given to nonprofit organizations that



81.1 serve historically disenfranchised  
81.2 communities, including new Americans, with  
81.3 preference for organizations that are new  
81.4 providers of workforce programming or which  
81.5 have partnership agreements with registered  
81.6 apprenticeship programs. This is a onetime  
81.7 appropriation.

81.8 (kk) \$350,000 the first year and \$25,000 the  
81.9 second year are for a grant to the University  
81.10 of Minnesota Tourism Center for the creation  
81.11 and operation of an online hospitality training  
81.12 program in partnership with Explore  
81.13 Minnesota Tourism. This training program  
81.14 must be made available at no cost to  
81.15 Minnesota residents in an effort to address  
81.16 critical workforce shortages in the hospitality  
81.17 and tourism industries and assist in career  
81.18 development. The base for this appropriation  
81.19 is \$25,000 in fiscal year 2026 and each year  
81.20 thereafter for ongoing system maintenance,  
81.21 management, and content updates.

81.22 (ll) \$3,000,000 the first year is for competitive  
81.23 grants to support high school robotics teams  
81.24 and prepare youth for careers in STEM fields.  
81.25 Of this amount, \$2,000,000 is for creating  
81.26 internships for high school students to work  
81.27 at private companies in STEM fields,  
81.28 including the payment of student stipends.  
81.29 This is a onetime appropriation and is  
81.30 available until June 30, 2028.

81.31 (mm) \$750,000 each year is for grants to the  
81.32 nonprofit Sanneh Foundation to fund  
81.33 out-of-school and summer programs focused  
81.34 on mentoring and behavioral, social, and  
81.35 emotional learning interventions and

- 82.1 enrichment activities directed toward  
82.2 low-income students of color. This is a  
82.3 onetime appropriation and available until June  
82.4 30, ~~2026~~ 2027.
- 82.5 (nn) \$1,000,000 each year is for a grant to the  
82.6 Hmong American Partnership to expand job  
82.7 training and placement programs primarily  
82.8 serving the Southeast Asian community. This  
82.9 is a onetime appropriation.
- 82.10 (oo) \$1,000,000 each year is for a grant to  
82.11 Comunidades Latinas Unidas En Servicio  
82.12 (CLUES) to address employment, economic,  
82.13 and technology access disparities for  
82.14 low-income unemployed or underemployed  
82.15 individuals. Grant money must support  
82.16 short-term certifications and transferable skills  
82.17 in high-demand fields, workforce readiness,  
82.18 customized financial capability, and  
82.19 employment supports. At least 50 percent of  
82.20 this amount must be used for programming  
82.21 targeted at greater Minnesota. This is a  
82.22 onetime appropriation.
- 82.23 (pp) \$300,000 each year is for a grant to All  
82.24 Square. The grant must be used to support the  
82.25 operations of All Square's Fellowship and  
82.26 Prison to Law Pipeline programs which  
82.27 operate in Minneapolis, St. Paul, and  
82.28 surrounding correctional facilities to assist  
82.29 incarcerated and formerly incarcerated  
82.30 Minnesotans in overcoming employment  
82.31 barriers that prevent economic and emotional  
82.32 freedom. This is a onetime appropriation.
- 82.33 (qq) \$1,000,000 each year is for a grant to the  
82.34 Redemption Project to provide employment  
82.35 services to adults leaving incarceration,

- 83.1 including recruiting, educating, training, and  
83.2 retaining employment mentors and partners.  
83.3 This is a onetime appropriation.
- 83.4 (rr) \$500,000 each year is for a grant to  
83.5 Greater Twin Cities United Way to make  
83.6 grants to partner organizations to provide  
83.7 workforce training using the career pathways  
83.8 model that helps students gain work  
83.9 experience, earn experience in high-demand  
83.10 fields, and transition into family-sustaining  
83.11 careers. This is a onetime appropriation.
- 83.12 (ss) \$3,000,000 each year is for a grant to  
83.13 Community Action Partnership of Hennepin  
83.14 County. This is a onetime appropriation. Of  
83.15 this amount:
- 83.16 (1) \$1,500,000 each year is for grants to 21  
83.17 Days of Peace for social equity building and  
83.18 community engagement activities; and
- 83.19 (2) \$1,500,000 each year is for grants to A  
83.20 Mother's Love for community outreach,  
83.21 empowerment training, and employment and  
83.22 career exploration services.
- 83.23 (tt) \$750,000 each year is for a grant to Mind  
83.24 the G.A.P.P. (Gaining Assistance to Prosperity  
83.25 Program) to improve the quality of life of  
83.26 unemployed and underemployed individuals  
83.27 by improving their employment outcomes and  
83.28 developing individual earnings potential. This  
83.29 is a onetime appropriation. Any unencumbered  
83.30 balance remaining at the end of the first year  
83.31 does not cancel but is available in the second  
83.32 year.
- 83.33 (uu) \$550,000 each year is for a grant to the  
83.34 International Institute of Minnesota. Grant

84.1 money must be used for workforce training  
84.2 for new Americans in industries in need of a  
84.3 trained workforce. This is a onetime  
84.4 appropriation.

84.5 (vv) \$400,000 each year from the workforce  
84.6 development fund is for a grant to Hired to  
84.7 expand their career pathway job training and  
84.8 placement program that connects lower-skilled  
84.9 job seekers to entry-level and gateway jobs in  
84.10 high-growth sectors. This is a onetime  
84.11 appropriation.

84.12 (ww) \$500,000 each year is for a grant to the  
84.13 American Indian Opportunities and  
84.14 Industrialization Center for workforce  
84.15 development programming, including reducing  
84.16 academic disparities for American Indian  
84.17 students and adults. This is a onetime  
84.18 appropriation.

84.19 (xx) \$500,000 each year from the workforce  
84.20 development fund is for a grant to the Hmong  
84.21 Chamber of Commerce to train ethnically  
84.22 Southeast Asian business owners and  
84.23 operators in better business practices. Of this  
84.24 amount, up to \$5,000 may be used for  
84.25 administrative costs. This is a onetime  
84.26 appropriation.

84.27 (yy) \$275,000 each year is for a grant to  
84.28 Southeast Minnesota Workforce Development  
84.29 Area 8 and Workforce Development, Inc., to  
84.30 provide career planning, career pathway  
84.31 training and education, wraparound support  
84.32 services, and job skills advancement in  
84.33 high-demand careers to individuals with  
84.34 barriers to employment in Steele County, and  
84.35 to help families build secure pathways out of

85.1 poverty and address worker shortages in the  
85.2 Owatonna and Steele County area, as well as  
85.3 supporting Employer Outreach Services that  
85.4 provide solutions to workforce challenges and  
85.5 direct connections to workforce programming.  
85.6 Money may be used for program expenses,  
85.7 including but not limited to hiring instructors  
85.8 and navigators; space rental; and supportive  
85.9 services to help participants attend classes,  
85.10 including assistance with course fees, child  
85.11 care, transportation, and safe and stable  
85.12 housing. Up to five percent of grant money  
85.13 may be used for Workforce Development,  
85.14 Inc.'s administrative costs. This is a onetime  
85.15 appropriation and is available until June 30,  
85.16 2027.

85.17 (zz) \$589,000 the first year and \$588,000 the  
85.18 second year are for grants to the Black  
85.19 Women's Wealth Alliance to provide  
85.20 low-income individuals with job skills  
85.21 training, career counseling, and job placement  
85.22 assistance. This is a onetime appropriation.

85.23 (aaa) \$250,000 each year is for a grant to  
85.24 Abijahs on the Backside to provide equine  
85.25 experiential mental health therapy to first  
85.26 responders suffering from job-related trauma  
85.27 and post-traumatic stress disorder. For  
85.28 purposes of this paragraph, a "first responder"  
85.29 is a peace officer as defined in Minnesota  
85.30 Statutes, section 626.84, subdivision 1,  
85.31 paragraph (c); a full-time firefighter as defined  
85.32 in Minnesota Statutes, section 299N.03,  
85.33 subdivision 5; or a volunteer firefighter as  
85.34 defined in Minnesota Statutes, section  
85.35 299N.03, subdivision 7.

86.1 Abijahs on the Backside must report to the  
86.2 commissioner of employment and economic  
86.3 development and the chairs and ranking  
86.4 minority members of the legislative  
86.5 committees with jurisdiction over employment  
86.6 and economic development policy and finance  
86.7 on the equine experiential mental health  
86.8 therapy provided to first responders under this  
86.9 paragraph. The report must include an  
86.10 overview of the program's budget, a detailed  
86.11 explanation of program expenditures, the  
86.12 number of first responders served by the  
86.13 program, and a list and explanation of the  
86.14 services provided to and benefits received by  
86.15 program participants. An initial report is due  
86.16 by January 15, 2024, and a final report is due  
86.17 by January 15, 2026. This is a onetime  
86.18 appropriation.

86.19 (bbb) \$500,000 each year is for a grant to  
86.20 Ramsey County to provide job training and  
86.21 workforce development for underserved  
86.22 communities. Grant money may be subgranted  
86.23 to Milestone Community Development for the  
86.24 Milestone Tech program. This is a onetime  
86.25 appropriation.

86.26 (ccc) \$500,000 each year is for a grant to  
86.27 Ramsey County for a technology training  
86.28 pathway program focused on intergenerational  
86.29 community tech work for residents who are  
86.30 at least 18 years old and no more than 24 years  
86.31 old and ~~who live in a census tract that has a~~  
86.32 ~~poverty rate of at least 20 percent as reported~~  
86.33 ~~in the most recently completed decennial~~  
86.34 ~~census published by the United States Bureau~~  
86.35 ~~of the Census~~ whose household income is at

87.1 or below 200 percent of the federal poverty  
87.2 level. Grant money may be used for program  
87.3 administration, training, training stipends,  
87.4 wages, and support services. This is a onetime  
87.5 appropriation.

87.6 (ddd) \$200,000 each year is for a grant to  
87.7 Project Restore Minnesota for the Social  
87.8 Kitchen project, a pathway program for careers  
87.9 in the culinary arts. This is a onetime  
87.10 appropriation and is available until June 30,  
87.11 2027.

87.12 (eee) \$100,000 each year is for grants to the  
87.13 Minnesota Grocers Association Foundation  
87.14 for Carts to Careers, a statewide initiative to  
87.15 promote careers, conduct outreach, provide  
87.16 job skills training, and award scholarships for  
87.17 students pursuing careers in the food industry.  
87.18 This is a onetime appropriation.

87.19 (fff) \$1,200,000 each year is for a grant to  
87.20 Twin Cities R!SE. Of this amount, \$700,000  
87.21 each year is for performance grants under  
87.22 Minnesota Statutes, section 116J.8747, to  
87.23 Twin Cities R!SE to provide training to  
87.24 individuals facing barriers to employment;  
87.25 and \$500,000 each year is to increase the  
87.26 capacity of the Empowerment Institute through  
87.27 employer partnerships across Minnesota and  
87.28 expansion of the youth personal empowerment  
87.29 curriculum. This is a onetime appropriation  
87.30 and available until June 30, 2026.

87.31 (ggg) \$750,000 each year is for a grant to  
87.32 Bridges to Healthcare to provide career  
87.33 education, wraparound support services, and  
87.34 job skills training in high-demand health care  
87.35 fields to low-income parents, nonnative

88.1 speakers of English, and other hard-to-train  
88.2 individuals, helping families build secure  
88.3 pathways out of poverty while also addressing  
88.4 worker shortages in one of Minnesota's most  
88.5 innovative industries. Grants may be used for  
88.6 program expenses, including but not limited  
88.7 to hiring instructors and navigators; space  
88.8 rental; and supportive services to help  
88.9 participants attend classes, including assistance  
88.10 with course fees, child care, transportation,  
88.11 and safe and stable housing. In addition, up to  
88.12 five percent of grant money may be used for  
88.13 Bridges to Healthcare's administrative costs.  
88.14 This is a onetime appropriation.

88.15 (hhh) \$500,000 each year is for a grant to Big  
88.16 Brothers Big Sisters of the Greater Twin Cities  
88.17 to provide disadvantaged youth ages 12 to 21  
88.18 with job-seeking skills, connections to job  
88.19 training and education opportunities, and  
88.20 mentorship while exploring careers. The grant  
88.21 shall serve youth in the Big Brothers Big  
88.22 Sisters chapters in the Twin Cities, central  
88.23 Minnesota, and southern Minnesota. This is a  
88.24 onetime appropriation.

88.25 (iii) \$3,000,000 each year is for a grant to  
88.26 Youthprise to provide economic development  
88.27 services designed to enhance long-term  
88.28 economic self-sufficiency in communities with  
88.29 concentrated African populations statewide.  
88.30 Of these amounts, 50 percent is for subgrants  
88.31 to Ka Joog and 50 percent is for competitive  
88.32 subgrants to community organizations. This  
88.33 is a onetime appropriation.

88.34 (jjj) \$350,000 each year is for a grant to the  
88.35 YWCA Minneapolis to provide training to



89.1 eligible individuals, including job skills  
89.2 training, career counseling, and job placement  
89.3 assistance necessary to secure a child  
89.4 development associate credential and to have  
89.5 a career path in early education. This is a  
89.6 onetime appropriation.

89.7 (kkk) \$500,000 each year is for a grant to  
89.8 Emerge Community Development to support  
89.9 and reinforce critical workforce training at the  
89.10 Emerge Career and Technical Center, Cedar  
89.11 Riverside Opportunity Center, and Emerge  
89.12 Second Chance programs in the city of  
89.13 Minneapolis. This is a onetime appropriation.

89.14 (lll) \$425,000 each year is for a grant to Better  
89.15 Futures Minnesota to provide job skills  
89.16 training to individuals who have been released  
89.17 from incarceration for a felony-level offense  
89.18 and are no more than 12 months from the date  
89.19 of release. This is a onetime appropriation.

89.20 Better Futures Minnesota shall annually report  
89.21 to the commissioner on how the money was  
89.22 spent and what results were achieved. The  
89.23 report must include, at a minimum,  
89.24 information and data about the number of  
89.25 participants; participant homelessness,  
89.26 employment, recidivism, and child support  
89.27 compliance; and job skills training provided  
89.28 to program participants.

89.29 (mmm) \$500,000 each year is for a grant to  
89.30 Pillsbury United Communities to provide job  
89.31 training and workforce development services  
89.32 for underserved communities. This is a  
89.33 onetime appropriation.

90.1 (nnn) \$500,000 each year is for a grant to  
90.2 Project for Pride in Living for job training and  
90.3 workforce development services for  
90.4 underserved communities. This is a onetime  
90.5 appropriation.

90.6 (ooo) \$300,000 each year is for a grant to  
90.7 YMCA of the North to provide career  
90.8 exploration, job training, and workforce  
90.9 development services for underserved youth  
90.10 and young adults. This is a onetime  
90.11 appropriation.

90.12 (ppp) \$500,000 each year is for a grant to Al  
90.13 Maa'uun, formerly the North at Work program,  
90.14 for a strategic intervention program designed  
90.15 to target and connect program participants to  
90.16 meaningful, sustainable living wage  
90.17 employment. This is a onetime appropriation.

90.18 (qqq) \$500,000 each year is for a grant to  
90.19 CAIRO to provide workforce development  
90.20 services in health care, technology, and  
90.21 transportation (CDL) industries. This is a  
90.22 onetime appropriation.

90.23 (rrr) \$500,000 each year is for a grant to the  
90.24 Central Minnesota Community Empowerment  
90.25 Organization for providing services to relieve  
90.26 economic disparities in the African immigrant  
90.27 community through workforce recruitment,  
90.28 development, job creation, assistance of  
90.29 smaller organizations to increase capacity, and  
90.30 outreach. Of this amount, up to five percent  
90.31 is for administration and monitoring of the  
90.32 program. This is a onetime appropriation.

90.33 (sss) \$270,000 each year is for a grant to the  
90.34 Stairstep Foundation for community-based

91.1 workforce development efforts. This is a  
91.2 onetime appropriation.

91.3 (ttt) \$400,000 each year is for a grant to  
91.4 Building Strong Communities, Inc, for a  
91.5 statewide apprenticeship readiness program  
91.6 to prepare women, BIPOC community  
91.7 members, and veterans to enter the building  
91.8 and construction trades. This is a onetime  
91.9 appropriation.

91.10 (uuu) \$150,000 each year is for prevailing  
91.11 wage staff under Minnesota Statutes, section  
91.12 116J.871, subdivision 2.

91.13 (vvv) \$250,000 each year is for the purpose  
91.14 of awarding a grant to Minnesota Community  
91.15 of African People with Disabilities  
91.16 (MNCAPD), Roots Connect, and Fortune  
91.17 Relief and Youth Empowerment Organization  
91.18 (FRAYEO). This is a onetime appropriation.  
91.19 MNCAPD, Roots Connect, and FRAYEO  
91.20 must use grant proceeds to provide funding  
91.21 for workforce development activities for  
91.22 at-risk youth from low-income families and  
91.23 unengaged young adults experiencing  
91.24 disabilities, including:

91.25 (1) job readiness training for at-risk youth,  
91.26 including resume building, interview skills,  
91.27 and job search strategies;

91.28 (2) on-the-job training opportunities with local  
91.29 businesses;

91.30 (3) support services such as transportation  
91.31 assistance and child care to help youth attend  
91.32 job training programs; and

92.1 (4) mentorship and networking opportunities  
92.2 to connect youth with professionals in the  
92.3 youth's desired fields.

92.4 (www)(1) \$250,000 each year is for a grant  
92.5 to Greater Rochester Advocates for  
92.6 Universities and Colleges (GRAUC), a  
92.7 collaborative organization representing health  
92.8 care, business, workforce development, and  
92.9 higher education institutions, for expenses  
92.10 relating to starting up a state-of-the-art  
92.11 simulation center for training health care  
92.12 workers in southeast Minnesota. Once  
92.13 established, this center must be self-sustaining  
92.14 through user fees. Eligible expenses include  
92.15 leasing costs, developing and providing  
92.16 training, and operational costs. This is a  
92.17 onetime appropriation.

92.18 (2) By January 15, 2025, GRAUC must submit  
92.19 a report, including an independent financial  
92.20 audit of the use of grant money, to the chairs  
92.21 and ranking minority members of the  
92.22 legislative committees having jurisdiction over  
92.23 higher education and economic development.  
92.24 This report must include details on the training  
92.25 provided at the simulation center, including  
92.26 the names of all organizations that use the  
92.27 center for training, the number of individuals  
92.28 each organization trained, and the type of  
92.29 training provided.

92.30 (xxx)(1) \$350,000 each year is for a grant to  
92.31 the Minnesota Association of Black Lawyers  
92.32 for a pilot program supporting black  
92.33 undergraduate students pursuing admission to  
92.34 law school. This is a onetime appropriation.

92.35 (2) The program must:

- 93.1 (i) enroll an initial cohort of ten to 20 black  
93.2 Minnesota resident students attending a  
93.3 baccalaureate degree-granting postsecondary  
93.4 institution in Minnesota full time;
- 93.5 (ii) support each of the program's students with  
93.6 an academic scholarship in the amount of  
93.7 \$4,000 per academic year;
- 93.8 (iii) organize events and programming,  
93.9 including but not limited to one-on-one  
93.10 mentoring, to familiarize enrolled students  
93.11 with law school and legal careers; and
- 93.12 (iv) provide the program's students free test  
93.13 preparation materials, academic support, and  
93.14 registration for the Law School Admission  
93.15 Test (LSAT) examination.
- 93.16 (3) The Minnesota Association of Black  
93.17 Lawyers may use grant funds under clause (1)  
93.18 for costs related to:
- 93.19 (i) student scholarships;
- 93.20 (ii) academic events and programming,  
93.21 including food and transportation costs for  
93.22 students;
- 93.23 (iii) LSAT preparation materials, courses, and  
93.24 registrations; and
- 93.25 (iv) hiring staff for the program.
- 93.26 (4) By January 30, 2024, and again by January  
93.27 30, 2025, the Minnesota Association of Black  
93.28 Lawyers must submit a report to the  
93.29 commissioner and to the chairs and ranking  
93.30 minority members of legislative committees  
93.31 with jurisdiction over workforce development  
93.32 finance and policy and higher education  
93.33 finance and policy. The report must include

94.1 an accurate and detailed account of the pilot  
94.2 program, its outcomes, and its revenues and  
94.3 expenses, including the use of all state funds  
94.4 appropriated in clause (1).

94.5 (yyy) \$2,000,000 the first year is for a grant  
94.6 to the Power of People Leadership Institute  
94.7 (POPLI) to expand pre- and post-release  
94.8 personal development and leadership training  
94.9 and community reintegration services, to  
94.10 reduce recidivism, and increase access to  
94.11 employment. This is a onetime appropriation  
94.12 and is available until June 30, 2025.

94.13 (zzz) \$500,000 the first year is to the  
94.14 Legislative Coordinating Commission for the  
94.15 Working Group on Youth Interventions. This  
94.16 is a onetime appropriation.

94.17 Sec. 9. Laws 2023, chapter 53, article 21, section 6, is amended to read:

94.18 Sec. 6. **TRANSFERS.**

94.19 (a) In the biennium ending on June 30, 2025, the commissioner of management and  
94.20 budget must transfer \$400,000,000 from the general fund to the Minnesota forward fund  
94.21 account established in Minnesota Statutes, section 116J.8752, subdivision 2. The base for  
94.22 this transfer is \$0.

94.23 (b) In the biennium ending on June 30, 2025, the commissioner of management and  
94.24 budget shall transfer \$25,000,000 from the general fund to the Minnesota climate innovation  
94.25 authority account established in Minnesota Statutes, section 216C.441, subdivision 11. The  
94.26 base for this transfer is \$0.

94.27 (c) In the biennium ending on June 30, 2025, the commissioner of management and  
94.28 budget must transfer \$75,000,000 from the general fund to the state competitiveness fund  
94.29 account established in Minnesota Statutes, section 216C.391, subdivision 2. Notwithstanding  
94.30 Minnesota Statutes, section 216C.391, subdivision 2, the commissioner of commerce must  
94.31 use this transfer for grants to eligible entities for projects receiving federal loans or tax  
94.32 credits where the benefits are in disadvantaged communities. The base for this transfer is  
94.33 \$0. Up to three percent of money transferred under this paragraph is for administrative costs.

95.1 (d) ~~In the biennium ending on June 30, 2027,~~ The commissioners of management and  
95.2 budget, in consultation with the commissioners of employment and economic development  
95.3 and commerce, may transfer money between the Minnesota forward fund account, the  
95.4 Minnesota climate innovation authority account, and the state competitiveness fund account.  
95.5 The commissioner of management and budget must notify the Legislative Advisory  
95.6 Commission within 15 days of making transfers under this paragraph.

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

95.8 Sec. 10. **CHANGE STARTS WITH COMMUNITY VIOLENCE PREVENTION**  
95.9 **PROGRAM.**

95.10 Subdivision 1. **Objectives.** Change Starts With Community must:

95.11 (1) develop and implement year-round job training programs for at-risk youth and adults  
95.12 and provide trusted adult mentorship for at-risk BIPOC youth, providing them with the  
95.13 skills needed for gainful employment and career opportunities; and

95.14 (2) create on-site job opportunities at Shiloh Cares Food Shelf, promoting community  
95.15 engagement and economic development.

95.16 Subd. 2. **Partnerships.** (a) Change Starts With Community shall partner with the Cargill  
95.17 Foundation to support at-risk youth educational career field trips and mental health check-ins,  
95.18 exposing participants to multiple career paths and preventing further trauma through mental  
95.19 health check-ins for youth.

95.20 (b) Change Starts With Community shall partner with Hennepin County juvenile  
95.21 corrections and the Minneapolis Police Department to receive referrals for at-risk youth  
95.22 who would benefit from enrollment in the program to prevent risky behaviors and community  
95.23 violence.

95.24 Subd. 3. **At-risk youth and adult job program positions.** Change Starts With  
95.25 Community must use grant proceeds to add positions to the program's complement, including  
95.26 but not limited to youth mentorships, food service workers, an executive director, a director,  
95.27 and a program director.

95.28 Subd. 4. **Report.** Change Starts With Community shall report to the commissioner of  
95.29 employment and economic development, outlining the utilization of grant money, program  
95.30 outcomes, and the impact on the targeted population. The report shall be submitted no later  
95.31 than six months after the end of fiscal year 2025.

96.1 Sec. 11. CENTER FOR NURSING EQUITY AND EXCELLENCE.

96.2 Subdivision 1. Establishment. The Center for Nursing Equity and Excellence is  
96.3 established within the University of Minnesota, in collaboration with Minnesota State  
96.4 Colleges and Universities, to address nursing workforce needs, including issues of health  
96.5 equity, recruitment, retention, and utilization of nursing workforce resources that are within  
96.6 the current scope of the practice of nurses.

96.7 Subd. 2. Duties. The center shall:

96.8 (1) develop a strategic statewide plan for nursing workforce supply based on a detailed  
96.9 analysis of workforce needs by conducting a statistically valid biennial data-driven gap  
96.10 analysis of the supply and demand of the health care workforce. The center shall:

96.11 (i) establish and maintain a database on nursing supply and demand in the state, including  
96.12 current supply and demand; and

96.13 (ii) analyze the current and future supply and demand in the state;

96.14 (2) establish and maintain a database on nursing workforce needs, including current data  
96.15 and future projections;

96.16 (3) develop recommendations to increase nurse faculty and clinical preceptors, support  
96.17 nurse faculty development, and promote advanced nurse education;

96.18 (4) develop best practices in the academic preparation and continuing education needs  
96.19 of qualified nurse educators, nurse faculty, and clinical preceptors;

96.20 (5) collect data on nurse faculty, employment, distribution, and retention;

96.21 (6) pilot innovative projects to support the recruitment, development, and retention of  
96.22 qualified nurse faculty and clinical preceptors;

96.23 (7) encourage and coordinate the development of academic practice partnerships,  
96.24 including partnerships with hospitals that provide opportunities for nursing students to  
96.25 obtain clinical experience to support nurse faculty employment and advancement;

96.26 (8) develop distance learning infrastructure for advancing faculty competencies in the  
96.27 pedagogy of teaching and the evidence-based use of technology, simulation, and distance  
96.28 learning techniques;

96.29 (9) enhance and promote recognition, reward, and renewal activities for nurses in the  
96.30 state by:



97.1 (i) promoting nursing excellence programs such as magnet recognition by the American  
97.2 Nurses Credentialing Center;

97.3 (ii) proposing and creating additional reward, recognition, and renewal activities for  
97.4 nurses; and

97.5 (iii) promoting media and positive image-building efforts for nursing; and

97.6 (10) routinely convene various groups representative of nurses, health care professionals,  
97.7 business and industry consumers, lawmakers, and educators to:

97.8 (i) review and comment on data analysis prepared for the center;

97.9 (ii) recommend systemic changes, including strategies for implementation of  
97.10 recommended changes; and

97.11 (iii) evaluate and report the results of these efforts to the legislature and other entities.

97.12 Subd. 3. **Report.** Beginning in 2025, by no later than January 15 of each year, the center  
97.13 shall submit a report to the governor and the chairs and ranking minority members of the  
97.14 legislative committees having jurisdiction over higher education, health care, and workforce  
97.15 development, providing details of the center's activities during the preceding calendar year  
97.16 in pursuit of its goals and in the execution of its duties.

97.17 Sec. 12. **SHAKOPEE AREA WORKFORCE DEVELOPMENT SCHOLARSHIPS**  
97.18 **PILOT.**

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

97.21 (b) "Employer-sponsored applicant" means a student applicant with a local employer  
97.22 scholarship equal to or greater than 25 percent of the workforce development scholarship.

97.23 (c) "Local employer" means an employer with a physical location in a county within the  
97.24 service area of the foundation as listed in paragraph (d).

97.25 (d) "Shakopee Chamber Foundation" or "foundation" means a nonprofit organization  
97.26 which provides workforce and charitable services to Scott County as well as the Shakopee  
97.27 Mdewakanton Sioux Community.

97.28 Subd. 2. **Grants and administration.** (a) The commissioner of employment and  
97.29 economic development must award appropriated grant funds to the foundation to administer  
97.30 the Shakopee area workforce development scholarship pilot program. The foundation may  
97.31 use up to ten percent of grant funds for administrative costs.

98.1 (b) The foundation and participating college or university from the Minnesota State  
98.2 Colleges and Universities system must establish an application process and other guidelines  
98.3 for implementing this program.

98.4 Subd. 3. **Scholarship recipient requirements.** (a) To be eligible for a scholarship from  
98.5 the foundation, a student must:

98.6 (1) be enrolling or enrolled at least half-time in a program at a college or university from  
98.7 the Minnesota State Colleges and Universities system approved by the Dakota-Scott  
98.8 Workforce Development Board under subdivision 4; and

98.9 (2) complete the Free Application for Federal Student Aid (FAFSA), if applicable to  
98.10 the program for which they are enrolling or enrolled.

98.11 (b) A recipient of a scholarship awarded under this section must:

98.12 (1) adhere to any applicable participating local employer program requirements; and

98.13 (2) sign a contract agreeing to fulfill the employment obligation under paragraph (c).

98.14 (c) A scholarship recipient must fulfill a three-year full-time employment commitment  
98.15 within the service area of the foundation as listed in subdivision 1, paragraph (d). The  
98.16 employment may be with the local employer sponsoring the student or any qualified local  
98.17 employer in a high-demand occupation as defined by the Dakota-Scott Workforce  
98.18 Development Board. If a recipient of a scholarship fails to fulfill the requirements of this  
98.19 paragraph, the foundation may convert the scholarship to a loan. Amounts repaid from a  
98.20 loan must be used to fund scholarship awards under this section.

98.21 Subd. 4. **Program eligibility.** (a) The Dakota-Scott Workforce Development Board  
98.22 must annually identify eligible undergraduate degree, diploma, or certificate or  
98.23 industry-recognized credential programs in advanced manufacturing, health care, law  
98.24 enforcement, hospitality, or other high-demand occupations. The Dakota-Scott Workforce  
98.25 Development Board must consider data based on a workforce shortage for full-time  
98.26 employment requiring postsecondary education that is unique to the region, as reported in  
98.27 the most recent Department of Employment and Economic Development job vacancy survey  
98.28 data for the economic development region. A workforce shortage area is one in which the  
98.29 job vacancy rate for full-time employment in a specific occupation in the region is higher  
98.30 than the state average vacancy rate for that same occupation.

98.31 (b) By December 1, 2024, and annually through December 1, 2029, the Dakota-Scott  
98.32 Workforce Development Board must provide a list of eligible programs administered by

99.1 each Minnesota state college and university that are eligible for scholarships in the subsequent  
99.2 year.

99.3 Subd. 5. **Employer partnerships.** The foundation and Minnesota State Colleges and  
99.4 Universities must establish partnerships with qualified local employers to ensure that 25  
99.5 percent of the Shakopee area workforce development scholarship is matched with employer  
99.6 or foundation funds.

99.7 Subd. 6. **Scholarship awards.** (a) The foundation must coordinate available funds and  
99.8 award scholarships to Minnesota state colleges and universities with programs approved  
99.9 by the Dakota-Scott Workforce Development Board. Scholarships must be coordinated by  
99.10 the individual colleges approved by the Dakota-Scott Workforce Development Board and  
99.11 applied only after all other available tuition waivers and grant and scholarship funding  
99.12 through a last-dollar-in model. Scholarships are intended to supplement all other tuition  
99.13 waivers and grant and scholarship opportunities and to cover the full cost of attendance to  
99.14 the eligible students.

99.15 (b) If the appropriated grant is insufficient to award scholarships to all eligible applicants,  
99.16 priority must first be given to applicants that are program continuing applicants. Priority  
99.17 must then be given to employer-sponsored applicants.

99.18 Subd. 7. **Renewal; cap.** A student who has been awarded a scholarship may apply in  
99.19 subsequent academic years until the student completes a qualifying program. A student who  
99.20 successfully completes an eligible program and the subsequent work period requirement is  
99.21 eligible for a scholarship for a second program, but total lifetime awards must not exceed  
99.22 scholarships for two programs.

99.23 Subd. 8. **Report required.** The foundation must submit an annual report by December  
99.24 31 of each year regarding the scholarship program to the chairs and ranking minority  
99.25 members of the legislative committees with jurisdiction over employment and economic  
99.26 development policy. The first report is due no later than December 31, 2025. The annual  
99.27 report must describe the following:

99.28 (1) the number of students receiving a scholarship at each participating college during  
99.29 the previous calendar year;

99.30 (2) the number of scholarships awarded for each program and the type of each program  
99.31 during the previous calendar year;

99.32 (3) the number of scholarship recipients who completed a program of study or  
99.33 certification;

100.1 (4) the number of scholarship recipients who secured employment by their graduation  
100.2 date and those who secured employment within three months of their graduation date;

100.3 (5) a list of the colleges that received funding, the amount of funding each institution  
100.4 received, and whether all withheld funds were distributed;

100.5 (6) a list of occupations scholarship recipients are entering;

100.6 (7) the number of students who were denied a scholarship;

100.7 (8) a list of participating local employers and amounts of any applicable employer  
100.8 contributions; and

100.9 (9) a list of recommendations to the legislature regarding potential program improvements.

100.10 Sec. 13. **REVISOR INSTRUCTION.**

100.11 The revisor of statutes shall codify Laws 2023, chapter 53, article 21, section 6, paragraph  
100.12 (d), as Minnesota Statutes, section 116J.8752, subdivision 4a. The revisor may make any  
100.13 technical, grammatical, or cross-reference changes necessary to effectuate this recodification.

100.14 Sec. 14. **REPEALER.**

100.15 Minnesota Statutes 2022, section 116L.17, subdivision 5, is repealed.

**116J.435 INNOVATIVE BUSINESS DEVELOPMENT PUBLIC INFRASTRUCTURE GRANT PROGRAM.**

Subd. 5. **Priorities.** (a) If applications for grants exceed the available appropriations, grants must be made for public infrastructure that, in the commissioner's judgment, provides the highest return in public benefits for the public costs incurred. "Public benefits" include job creation, environmental benefits to the state and region, efficient use of public transportation, efficient use of existing infrastructure, provision of affordable housing, multiuse development that constitutes community rebuilding rather than single-use development, crime reduction, blight reduction, community stabilization, and property tax base maintenance or improvement. In making this judgment, the commissioner shall give priority to eligible projects with one or more of the following characteristics:

(1) the potential of the local governmental unit to attract viable innovative businesses;

(2) proximity to public transit if located in a metropolitan county, as defined in section 473.121, subdivision 4;

(3) multijurisdictional eligible projects that take into account the need for affordable housing, transportation, and environmental impact;

(4) the eligible project is not relocating substantially the same operation from another location in the state, unless the commissioner determines the eligible project cannot be reasonably accommodated within the local governmental unit in which the business is currently located, or the business would otherwise relocate to another state or country; and

(5) the number of jobs that will be created.

(b) The factors in paragraph (a) are not listed in a rank order of priority; rather, the commissioner may weigh each factor, depending upon the facts and circumstances, as the commissioner considers appropriate.

**116L.17 STATE DISLOCATED WORKER PROGRAM.**

Subd. 5. **Cost limitations.** (a) Funds allocated to a grantee are subject to the following cost limitations:

(1) no more than ten percent may be allocated for administration;

(2) at least 50 percent must be allocated for training assistance as provided in subdivision 4, clause (4); and

(3) no more than 15 percent may be allocated for support services as provided in subdivision 4, clause (2).

(b) A waiver of the training assistance minimum in clause (4) may be sought, but no waiver shall allow less than 30 percent of the grant to be spent on training assistance. A waiver of the support services maximum in clause (2) may be sought, but no waiver shall allow more than 20 percent of the grant to be spent on support services. A waiver may be granted below the minimum and above the maximum otherwise allowed by this paragraph if funds other than state funds appropriated for the dislocated worker program are used to fund training assistance.