

**SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION**

S.F. No. 4009

(SENATE AUTHORS: HAUSCHILD)

DATE	D-PG	OFFICIAL STATUS
02/20/2024	11673	Introduction and first reading Referred to Jobs and Economic Development

1.1 A bill for an act

1.2 relating to economic development; modifying the Canadian border counties

1.3 economic relief program appropriation; amending Laws 2023, chapter 53, article

1.4 20, section 2, subdivision 2.

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

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

1.7	Subd. 2. Business and Community Development	195,061,000	139,929,000
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1.8 Appropriations by Fund

1.9	General	193,011,000	137,879,000
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1.10	Remediation	700,000	700,000
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1.11 Workforce

1.12	Development	1,350,000	1,350,000
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1.13 (a) \$2,287,000 each year is for the greater

1.14 Minnesota business development public

1.15 infrastructure grant program under Minnesota

1.16 Statutes, section 116J.431. This appropriation

1.17 is available until June 30, 2027.

1.18 (b) \$500,000 each year is for grants to small

1.19 business development centers under Minnesota

1.20 Statutes, section 116J.68. Money made

1.21 available under this paragraph may be used to

1.22 match funds under the federal Small Business

1.23 Development Center (SBDC) program under

2.1 United States Code, title 15, section 648, to
2.2 provide consulting and technical services or
2.3 to build additional SBDC network capacity to
2.4 serve entrepreneurs and small businesses.

2.5 (c) \$2,500,000 each year is for Launch
2.6 Minnesota. These are onetime appropriations.
2.7 Of this amount:

2.8 (1) \$1,500,000 each year is for innovation
2.9 grants to eligible Minnesota entrepreneurs or
2.10 start-up businesses to assist with their
2.11 operating needs;

2.12 (2) \$500,000 each year is for administration
2.13 of Launch Minnesota; and

2.14 (3) \$500,000 each year is for grantee activities
2.15 at Launch Minnesota.

2.16 (d)(1) \$500,000 each year is for grants to
2.17 MNSBIR, Inc., to support moving scientific
2.18 excellence and technological innovation from
2.19 the lab to the market for start-ups and small
2.20 businesses by securing federal research and
2.21 development funding. The purpose of the grant
2.22 is to build a strong Minnesota economy and
2.23 stimulate the creation of novel products,
2.24 services, and solutions in the private sector;
2.25 strengthen the role of small business in
2.26 meeting federal research and development
2.27 needs; increase the commercial application of
2.28 federally supported research results; and
2.29 develop and increase the Minnesota
2.30 workforce, especially by fostering and
2.31 encouraging participation by small businesses
2.32 owned by women and people who are Black,
2.33 Indigenous, or people of color. This is a
2.34 onetime appropriation.

3.1 (2) MNSBIR, Inc., shall use the grant money
3.2 to be the dedicated resource for federal
3.3 research and development for small businesses
3.4 of up to 500 employees statewide to support
3.5 research and commercialization of novel ideas,
3.6 concepts, and projects into cutting-edge
3.7 products and services for worldwide economic
3.8 impact. MNSBIR, Inc., shall use grant money
3.9 to:

3.10 (i) assist small businesses in securing federal
3.11 research and development funding, including
3.12 the Small Business Innovation Research and
3.13 Small Business Technology Transfer programs
3.14 and other federal research and development
3.15 funding opportunities;

3.16 (ii) support technology transfer and
3.17 commercialization from the University of
3.18 Minnesota, Mayo Clinic, and federal
3.19 laboratories;

3.20 (iii) partner with large businesses;

3.21 (iv) conduct statewide outreach, education,
3.22 and training on federal rules, regulations, and
3.23 requirements;

3.24 (v) assist with scientific and technical writing;

3.25 (vi) help manage federal grants and contracts;
3.26 and

3.27 (vii) support cost accounting and sole-source
3.28 procurement opportunities.

3.29 (e) \$10,000,000 the first year is for the
3.30 Minnesota Expanding Opportunity Fund
3.31 Program under Minnesota Statutes, section
3.32 116J.8733. This is a onetime appropriation
3.33 and is available until June 30, 2025.

- 4.1 (f) \$6,425,000 each year is for the small
4.2 business assistance partnerships program
4.3 under Minnesota Statutes, section 116J.682.
4.4 All grant awards shall be for two consecutive
4.5 years. Grants shall be awarded in the first year.
4.6 The department may use up to five percent of
4.7 the appropriation for administrative purposes.
4.8 The base for this appropriation is \$2,725,000
4.9 in fiscal year 2026 and each year thereafter.
- 4.10 (g) \$350,000 each year is for administration
4.11 of the community energy transition office.
- 4.12 (h) \$5,000,000 each year is transferred from
4.13 the general fund to the community energy
4.14 transition account for grants under Minnesota
4.15 Statutes, section 116J.55. This is a onetime
4.16 transfer.
- 4.17 (i) \$1,772,000 each year is for contaminated
4.18 site cleanup and development grants under
4.19 Minnesota Statutes, sections 116J.551 to
4.20 116J.558. This appropriation is available until
4.21 expended.
- 4.22 (j) \$700,000 each year is from the remediation
4.23 fund for contaminated site cleanup and
4.24 development grants under Minnesota Statutes,
4.25 sections 116J.551 to 116J.558. This
4.26 appropriation is available until expended.
- 4.27 (k) \$389,000 each year is for the Center for
4.28 Rural Policy and Development. The base for
4.29 this appropriation is \$139,000 in fiscal year
4.30 2026 and each year thereafter.
- 4.31 (l) \$25,000 each year is for the administration
4.32 of state aid for the Destination Medical Center
4.33 under Minnesota Statutes, sections 469.40 to
4.34 469.47.

5.1 (m) \$875,000 each year is for the host
5.2 community economic development program
5.3 established in Minnesota Statutes, section
5.4 116J.548.

5.5 (n) \$6,500,000 each year is for grants to local
5.6 communities to increase the number of quality
5.7 child care providers to support economic
5.8 development. Fifty percent of grant money
5.9 must go to communities located outside the
5.10 seven-county metropolitan area as defined in
5.11 Minnesota Statutes, section 473.121,
5.12 subdivision 2. The base for this appropriation
5.13 is \$1,500,000 in fiscal year 2026 and each year
5.14 thereafter.

5.15 Grant recipients must obtain a 50 percent
5.16 nonstate match to grant money in either cash
5.17 or in-kind contribution, unless the
5.18 commissioner waives the requirement. Grant
5.19 money available under this subdivision must
5.20 be used to implement projects to reduce the
5.21 child care shortage in the state, including but
5.22 not limited to funding for child care business
5.23 start-ups or expansion, training, facility
5.24 modifications, direct subsidies or incentives
5.25 to retain employees, or improvements required
5.26 for licensing, and assistance with licensing
5.27 and other regulatory requirements. In awarding
5.28 grants, the commissioner must give priority
5.29 to communities that have demonstrated a
5.30 shortage of child care providers.

5.31 Within one year of receiving grant money,
5.32 grant recipients must report to the
5.33 commissioner on the outcomes of the grant
5.34 program, including but not limited to the
5.35 number of new providers, the number of

6.1 additional child care provider jobs created, the
6.2 number of additional child care openings, and
6.3 the amount of cash and in-kind local money
6.4 invested. Within one month of all grant
6.5 recipients reporting on program outcomes, the
6.6 commissioner must report the grant recipients'
6.7 outcomes to the chairs and ranking members
6.8 of the legislative committees with jurisdiction
6.9 over early learning and child care and
6.10 economic development.

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

6.14 (1) \$450,000 each year is for administration
6.15 of the Office of Child Care Community
6.16 Partnerships; and

6.17 (2) \$50,000 each year is for the Labor Market
6.18 Information Office to conduct research and
6.19 analysis related to the child care industry.

6.20 (p) \$3,500,000 each year is for grants in equal
6.21 amounts to each of the Minnesota Initiative
6.22 Foundations. This appropriation is available
6.23 until June 30, 2027. The base for this
6.24 appropriation is \$1,000,000 in fiscal year 2026
6.25 and each year thereafter. The Minnesota
6.26 Initiative Foundations must use grant money
6.27 under this section to:

6.28 (1) facilitate planning processes for rural
6.29 communities resulting in a community solution
6.30 action plan that guides decision making to
6.31 sustain and increase the supply of quality child
6.32 care in the region to support economic
6.33 development;

7.1 (2) engage the private sector to invest local
7.2 resources to support the community solution
7.3 action plan and ensure quality child care is a
7.4 vital component of additional regional
7.5 economic development planning processes;

7.6 (3) provide locally based training and technical
7.7 assistance to rural business owners
7.8 individually or through a learning cohort.
7.9 Access to financial and business development
7.10 assistance must prepare child care businesses
7.11 for quality engagement and improvement by
7.12 stabilizing operations, leveraging funding from
7.13 other sources, and fostering business acumen
7.14 that allows child care businesses to plan for
7.15 and afford the cost of providing quality child
7.16 care; and

7.17 (4) recruit child care programs to participate
7.18 in quality rating and improvement
7.19 measurement programs. The Minnesota
7.20 Initiative Foundations must work with local
7.21 partners to provide low-cost training,
7.22 professional development opportunities, and
7.23 continuing education curricula. The Minnesota
7.24 Initiative Foundations must fund, through local
7.25 partners, an enhanced level of coaching to
7.26 rural child care providers to obtain a quality
7.27 rating through measurement programs.

7.28 (q) \$8,000,000 each year is for the Minnesota
7.29 job creation fund under Minnesota Statutes,
7.30 section 116J.8748. Of this amount, the
7.31 commissioner of employment and economic
7.32 development may use up to three percent for
7.33 administrative expenses. This appropriation
7.34 is available until expended. Notwithstanding
7.35 Minnesota Statutes, section 116J.8748, money

8.1 appropriated for the job creation fund may be
8.2 used for redevelopment under Minnesota
8.3 Statutes, sections 116J.575 and 116J.5761, at
8.4 the discretion of the commissioner.

8.5 (r) \$12,370,000 each year is for the Minnesota
8.6 investment fund under Minnesota Statutes,
8.7 section 116J.8731. Of this amount, the
8.8 commissioner of employment and economic
8.9 development may use up to three percent for
8.10 administration and monitoring of the program.
8.11 This appropriation is available until expended.
8.12 Notwithstanding Minnesota Statutes, section
8.13 116J.8731, money appropriated to the
8.14 commissioner for the Minnesota investment
8.15 fund may be used for the redevelopment
8.16 program under Minnesota Statutes, sections
8.17 116J.575 and 116J.5761, at the discretion of
8.18 the commissioner. Grants under this paragraph
8.19 are not subject to the grant amount limitation
8.20 under Minnesota Statutes, section 116J.8731.

8.21 (s) \$4,246,000 each year is for the
8.22 redevelopment program under Minnesota
8.23 Statutes, sections 116J.575 and 116J.5761.
8.24 The base for this appropriation is \$2,246,000
8.25 in fiscal year 2026 and each year thereafter.
8.26 This appropriation is available until expended.

8.27 (t) \$1,000,000 each year is for the Minnesota
8.28 emerging entrepreneur loan program under
8.29 Minnesota Statutes, section 116M.18. Money
8.30 available under this paragraph is for transfer
8.31 into the emerging entrepreneur program
8.32 special revenue fund account created under
8.33 Minnesota Statutes, chapter 116M, and are
8.34 available until expended. Of this amount, up

9.1 to four percent is for administration and
9.2 monitoring of the program.

9.3 (u) \$325,000 each year is for the Minnesota
9.4 Film and TV Board. The appropriation each
9.5 year is available only upon receipt by the
9.6 board of \$1 in matching contributions of
9.7 money or in-kind contributions from nonstate
9.8 sources for every \$3 provided by this
9.9 appropriation, except that each year up to
9.10 \$50,000 is available on July 1 even if the
9.11 required matching contribution has not been
9.12 received by that date.

9.13 (v) \$12,000 each year is for a grant to the
9.14 Upper Minnesota Film Office.

9.15 (w) \$500,000 each year is for a grant to the
9.16 Minnesota Film and TV Board for the film
9.17 production jobs program under Minnesota
9.18 Statutes, section 116U.26. This appropriation
9.19 is available until June 30, 2027.

9.20 (x) \$4,195,000 each year is for the Minnesota
9.21 job skills partnership program under
9.22 Minnesota Statutes, sections 116L.01 to
9.23 116L.17. If the appropriation for either year
9.24 is insufficient, the appropriation for the other
9.25 year is available. This appropriation is
9.26 available until expended.

9.27 (y) \$1,350,000 each year from the workforce
9.28 development fund is for jobs training grants
9.29 under Minnesota Statutes, section 116L.41.

9.30 (z) \$47,475,000 each year is for the PROMISE
9.31 grant program. This is a onetime appropriation
9.32 and is available until June 30, 2027. Of this
9.33 amount:

- 10.1 (1) \$475,000 each year is for administration
10.2 of the PROMISE grant program;
- 10.3 (2) \$7,500,000 each year is for grants in equal
10.4 amounts to each of the Minnesota Initiative
10.5 Foundations to serve businesses in greater
10.6 Minnesota. Of this amount, \$600,000 each
10.7 year is for grants to businesses with less than
10.8 \$100,000 in revenue in the prior year; and
- 10.9 (3) \$39,500,000 each year is for grants to the
10.10 Neighborhood Development Center. Of this
10.11 amount, the following amounts are designated
10.12 for the following areas:
- 10.13 (i) \$16,000,000 each year is for North
10.14 Minneapolis' West Broadway, Camden, or
10.15 other Northside neighborhoods. Of this
10.16 amount, \$1,000,000 each year is for grants to
10.17 businesses with less than \$100,000 in revenue
10.18 in the prior year;
- 10.19 (ii) \$13,500,000 each year is for South
10.20 Minneapolis' Lake Street, 38th and Chicago,
10.21 Franklin, Nicollet, and Riverside corridors.
10.22 Of this amount, \$750,000 each year is for
10.23 grants to businesses with less than \$100,000
10.24 in revenue in the prior year; and
- 10.25 (iii) \$10,000,000 each year is for St. Paul's
10.26 University Avenue, Midway, Eastside, or other
10.27 St. Paul neighborhoods. Of this amount,
10.28 \$750,000 each year is for grants to businesses
10.29 with less than \$100,000 in revenue in the prior
10.30 year.
- 10.31 (aa) \$15,150,000 each year is for the
10.32 PROMISE loan program. This is a onetime
10.33 appropriation and is available until June 30,
10.34 2027. Of this amount:

- 11.1 (1) \$150,000 each year is for administration
11.2 of the PROMISE loan program;
- 11.3 (2) \$3,000,000 each year is for grants in equal
11.4 amounts to each of the Minnesota Initiative
11.5 Foundations to serve businesses in greater
11.6 Minnesota; and
- 11.7 (3) \$12,000,000 each year is for grants to the
11.8 Metropolitan Economic Development
11.9 Association (MEDA). Of this amount, the
11.10 following amounts are designated for the
11.11 following areas:
- 11.12 (i) \$4,500,000 each year is for North
11.13 Minneapolis' West Broadway, Camden, or
11.14 other Northside neighborhoods;
- 11.15 (ii) \$4,500,000 each year is for South
11.16 Minneapolis' Lake Street, 38th and Chicago,
11.17 Franklin, Nicollet, and Riverside corridors;
11.18 and
- 11.19 (iii) \$3,000,000 each year is for St. Paul's
11.20 University Avenue, Midway, Eastside, or other
11.21 St. Paul neighborhoods.
- 11.22 (bb) \$1,500,000 each year is for a grant to the
11.23 Metropolitan Consortium of Community
11.24 Developers for the community wealth-building
11.25 grant program pilot project. Of this amount,
11.26 up to two percent is for administration and
11.27 monitoring of the community wealth-building
11.28 grant program pilot project. This is a onetime
11.29 appropriation.
- 11.30 (cc) \$250,000 each year is for the publication,
11.31 dissemination, and use of labor market
11.32 information under Minnesota Statutes, section
11.33 116J.401.

12.1 (dd) \$5,000,000 the first year is for a grant to
12.2 the Bloomington Port Authority to provide
12.3 funding for the Expo 2027 host organization.
12.4 The Bloomington Port Authority must enter
12.5 into an agreement with the host organization
12.6 over the use of money, which may be used for
12.7 activities, including but not limited to
12.8 finalizing the community dossier and staffing
12.9 the host organization and for infrastructure
12.10 design and planning, financial modeling,
12.11 development planning and coordination of
12.12 both real estate and public private partnerships,
12.13 and reimbursement of costs the Bloomington
12.14 Port Authority incurred. In selecting vendors
12.15 and exhibitors for Expo 2027, the host
12.16 organization shall prioritize outreach to,
12.17 collaboration with, and inclusion of businesses
12.18 that are majority owned by people of color,
12.19 women, and people with disabilities. The host
12.20 organization and Bloomington Port Authority
12.21 may be reimbursed for expenses 90 days prior
12.22 to encumbrance. This appropriation is
12.23 contingent on approval of the project by the
12.24 Bureau International des Expositions. If the
12.25 project is not approved by the Bureau
12.26 International des Expositions, the money shall
12.27 transfer to the Minnesota investment fund
12.28 under Minnesota Statutes, section 116J.8731.
12.29 Any unencumbered balance remaining at the
12.30 end of the first year does not cancel but is
12.31 available for the second year.

12.32 (ee) \$5,000,000 the first year is for a grant to
12.33 the Neighborhood Development Center for
12.34 small business programs, including training,
12.35 lending, business services, and real estate
12.36 programming; small business incubator

13.1 development in the Twin Cities and outside
13.2 the seven-county metropolitan area; and
13.3 technical assistance activities for partners
13.4 outside the seven-county metropolitan area;
13.5 and for high-risk, character-based loan capital
13.6 for nonrecourse loans. This is a onetime
13.7 appropriation. Any unencumbered balance
13.8 remaining at the end of the first year does not
13.9 cancel but is available for the second year.

13.10 (ff) \$5,000,000 the first year is for transfer to
13.11 the emerging developer fund account in the
13.12 special revenue fund. Of this amount, up to
13.13 five percent is for administration and
13.14 monitoring of the emerging developer fund
13.15 program under Minnesota Statutes, section
13.16 116J.9926, and the remainder is for a grant to
13.17 the Local Initiatives Support Corporation -
13.18 Twin Cities to serve as a partner organization
13.19 under the program. This is a onetime
13.20 appropriation.

13.21 (gg) \$5,000,000 the first year is for the
13.22 Canadian border counties economic relief
13.23 program under article 5. Of this amount, up
13.24 to \$1,000,000 is for Tribal economic
13.25 development and \$2,100,000 is for a grant to
13.26 Lake of the Woods County for the forgivable
13.27 loan program for remote recreational
13.28 businesses. Any unspent amounts remaining
13.29 as of June 30, 2024, shall be transferred to the
13.30 Northland Foundation's existing small business
13.31 loan program. The Northland Foundation may
13.32 use up to four percent of this appropriation for
13.33 administration. This is a onetime appropriation
13.34 and is available until June 30, 2026.

- 14.1 (hh) \$1,000,000 each year is for a grant to
14.2 African Economic Development Solutions.
14.3 This is a onetime appropriation and is
14.4 available until June 30, 2026. Of this amount:
- 14.5 (1) \$500,000 each year is for a loan fund that
14.6 must address pervasive economic inequities
14.7 by supporting business ventures of
14.8 entrepreneurs in the African immigrant
14.9 community; and
- 14.10 (2) \$250,000 each year is for workforce
14.11 development and technical assistance,
14.12 including but not limited to business
14.13 development, entrepreneur training, business
14.14 technical assistance, loan packing, and
14.15 community development services.
- 14.16 (ii) \$1,500,000 each year is for a grant to the
14.17 Latino Economic Development Center. This
14.18 is a onetime appropriation and is available
14.19 until June 30, 2025. Of this amount:
- 14.20 (1) \$750,000 each year is to assist, support,
14.21 finance, and launch microentrepreneurs by
14.22 delivering training, workshops, and
14.23 one-on-one consultations to businesses; and
- 14.24 (2) \$750,000 each year is to guide prospective
14.25 entrepreneurs in their start-up process by
14.26 introducing them to key business concepts,
14.27 including business start-up readiness. Grant
14.28 proceeds must be used to offer workshops on
14.29 a variety of topics throughout the year,
14.30 including finance, customer service,
14.31 food-handler training, and food-safety
14.32 certification. Grant proceeds may also be used
14.33 to provide lending to business startups.

15.1 (jj) \$627,000 the first year is for a grant to
15.2 Community and Economic Development
15.3 Associates (CEDA) to provide funding for
15.4 economic development technical assistance
15.5 and economic development project grants to
15.6 small communities across rural Minnesota and
15.7 for CEDA to design, implement, market, and
15.8 administer specific types of basic community
15.9 and economic development programs tailored
15.10 to individual community needs. Technical
15.11 assistance grants shall be based on need and
15.12 given to communities that are otherwise
15.13 unable to afford these services. Of the amount
15.14 appropriated, up to \$270,000 may be used for
15.15 economic development project implementation
15.16 in conjunction with the technical assistance
15.17 received. This is a onetime appropriation. Any
15.18 unencumbered balance remaining at the end
15.19 of the first year does not cancel but is available
15.20 the second year.

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

15.23 (1) support child care providers through
15.24 business training and shared services programs
15.25 and to create materials that could be used, free
15.26 of charge, for start-up, expansion, and
15.27 operation of child care businesses statewide,
15.28 with the goal of helping new and existing child
15.29 care businesses in underserved areas of the
15.30 state become profitable and sustainable; and

15.31 (2) support business expansion for women
15.32 food entrepreneurs throughout Minnesota's
15.33 food supply chain to help stabilize and
15.34 strengthen their business operations, create
15.35 distribution networks, offer technical

- 16.1 assistance and support to beginning women
- 16.2 food entrepreneurs, develop business plans,
- 16.3 develop a workforce, research expansion
- 16.4 strategies, and for other related activities.
- 16.5 Eligible uses of the money include but are not
- 16.6 limited to:
- 16.7 (i) leasehold improvements;
- 16.8 (ii) additions, alterations, remodeling, or
- 16.9 renovations to rented space;
- 16.10 (iii) inventory or supplies;
- 16.11 (iv) machinery or equipment purchases;
- 16.12 (v) working capital; and
- 16.13 (vi) debt refinancing.
- 16.14 Money distributed to entrepreneurs may be
- 16.15 loans, forgivable loans, and grants. Of this
- 16.16 amount, up to five percent may be used for
- 16.17 the WomenVenture's technical assistance and
- 16.18 administrative costs. This is a onetime
- 16.19 appropriation and is available until June 30,
- 16.20 2026.
- 16.21 By December 15, 2026, WomenVenture must
- 16.22 submit a report to the chairs and ranking
- 16.23 minority members of the legislative
- 16.24 committees with jurisdiction over agriculture
- 16.25 and employment and economic development.
- 16.26 The report must include a summary of the uses
- 16.27 of the appropriation, including the amount of
- 16.28 the appropriation used for administration. The
- 16.29 report must also provide a breakdown of the
- 16.30 amount of funding used for loans, forgivable
- 16.31 loans, and grants; information about the terms
- 16.32 of the loans issued; a discussion of how money
- 16.33 from repaid loans will be used; the number of

17.1 entrepreneurs assisted; and a breakdown of
17.2 how many entrepreneurs received assistance
17.3 in each county.

17.4 (ll) \$2,000,000 the first year is for a grant to
17.5 African Career, Education, and Resource, Inc.,
17.6 for operational infrastructure and technical
17.7 assistance to small businesses. This
17.8 appropriation is available until June 30, 2025.

17.9 (mm) \$5,000,000 the first year is for a grant
17.10 to the African Development Center to provide
17.11 loans to purchase commercial real estate and
17.12 to expand organizational infrastructure. This
17.13 appropriation is available until June 30, 2025.
17.14 Of this amount:

17.15 (1) \$2,800,000 is for loans to purchase
17.16 commercial real estate targeted at African
17.17 immigrant small business owners;

17.18 (2) \$364,000 is for loan loss reserves to
17.19 support loan volume growth and attract
17.20 additional capital;

17.21 (3) \$836,000 is for increasing organizational
17.22 capacity;

17.23 (4) \$300,000 is for the safe 2 eat project of
17.24 inclusive assistance with required restaurant
17.25 licensing examinations; and

17.26 (5) \$700,000 is for a center for community
17.27 resources for language and technology
17.28 assistance for small businesses.

17.29 (nn) \$7,000,000 the first year is for grants to
17.30 the Minnesota Initiative Foundations to
17.31 capitalize their revolving loan funds, which
17.32 address unmet financing needs of for-profit
17.33 business start-ups, expansions, and ownership

18.1 transitions; nonprofit organizations; and
18.2 developers of housing to support the
18.3 construction, rehabilitation, and conversion
18.4 of housing units. Of the amount appropriated:
18.5 (1) \$1,000,000 is for a grant to the Southwest
18.6 Initiative Foundation;
18.7 (2) \$1,000,000 is for a grant to the West
18.8 Central Initiative Foundation;
18.9 (3) \$1,000,000 is for a grant to the Southern
18.10 Minnesota Initiative Foundation;
18.11 (4) \$1,000,000 is for a grant to the Northwest
18.12 Minnesota Foundation;
18.13 (5) \$2,000,000 is for a grant to the Initiative
18.14 Foundation of which \$1,000,000 is for
18.15 redevelopment of the St. Cloud Youth and
18.16 Family Center; and
18.17 (6) \$1,000,000 is for a grant to the Northland
18.18 Foundation.
18.19 (oo) \$500,000 each year is for a grant to
18.20 Enterprise Minnesota, Inc., to reach and
18.21 deliver talent, leadership, employee retention,
18.22 continuous improvement, strategy, quality
18.23 management systems, revenue growth, and
18.24 manufacturing peer-to-peer advisory services
18.25 to small manufacturing companies employing
18.26 35 or fewer full-time equivalent employees.
18.27 This is a onetime appropriation. No later than
18.28 February 1, 2025, and February 1, 2026,
18.29 Enterprise Minnesota, Inc., must provide a
18.30 report to the chairs and ranking minority
18.31 members of the legislative committees with
18.32 jurisdiction over economic development that
18.33 includes:

- 19.1 (1) the grants awarded during the past 12
19.2 months;
- 19.3 (2) the estimated financial impact of the grants
19.4 awarded to each company receiving services
19.5 under the program;
- 19.6 (3) the actual financial impact of grants
19.7 awarded during the past 24 months; and
- 19.8 (4) the total amount of federal funds leveraged
19.9 from the Manufacturing Extension Partnership
19.10 at the United States Department of Commerce.
- 19.11 (pp) \$375,000 each year is for a grant to
19.12 PFund Foundation to provide grants to
19.13 LGBTQ+-owned small businesses and
19.14 entrepreneurs. Of this amount, up to five
19.15 percent may be used for PFund Foundation's
19.16 technical assistance and administrative costs.
19.17 This is a onetime appropriation and is
19.18 available until June 30, 2026. To the extent
19.19 practicable, money must be distributed by
19.20 PFund Foundation as follows:
- 19.21 (1) at least 33.3 percent to businesses owned
19.22 by members of racial minority communities;
19.23 and
- 19.24 (2) at least 33.3 percent to businesses outside
19.25 of the seven-county metropolitan area as
19.26 defined in Minnesota Statutes, section
19.27 473.121, subdivision 2.
- 19.28 (qq) \$125,000 each year is for a grant to
19.29 Quorum to provide business support, training,
19.30 development, technical assistance, and related
19.31 activities for LGBTQ+-owned small
19.32 businesses that are recipients of a PFund
19.33 Foundation grant. Of this amount, up to five
19.34 percent may be used for Quorum's technical

20.1 assistance and administrative costs. This is a
20.2 onetime appropriation and is available until
20.3 June 30, 2026.

20.4 (rr) \$5,000,000 the first year is for a grant to
20.5 the Metropolitan Economic Development
20.6 Association (MEDA) for statewide business
20.7 development and assistance services to
20.8 minority-owned businesses. This is a onetime
20.9 appropriation. Any unencumbered balance
20.10 remaining at the end of the first year does not
20.11 cancel but is available the second year. Of this
20.12 amount:

20.13 (1) \$3,000,000 is for a revolving loan fund to
20.14 provide additional minority-owned businesses
20.15 with access to capital; and

20.16 (2) \$2,000,000 is for operating support
20.17 activities related to business development and
20.18 assistance services for minority business
20.19 enterprises.

20.20 By February 1, 2025, MEDA shall report to
20.21 the commissioner and the chairs and ranking
20.22 minority members of the legislative
20.23 committees with jurisdiction over economic
20.24 development policy and finance on the loans
20.25 and operating support activities, including
20.26 outcomes and expenditures, supported by the
20.27 appropriation under this paragraph.

20.28 (ss) \$2,500,000 each year is for a grant to a
20.29 Minnesota-based automotive component
20.30 manufacturer and distributor specializing in
20.31 electric vehicles and sensor technology that
20.32 manufactures all of their parts onshore to
20.33 expand their manufacturing. The grant
20.34 recipient under this paragraph shall submit

21.1 reports on the uses of the money appropriated,
21.2 the number of jobs created due to the
21.3 appropriation, wage information, and the city
21.4 and state in which the additional
21.5 manufacturing activity was located to the
21.6 chairs and ranking minority members of the
21.7 legislative committees with jurisdiction over
21.8 economic development. An initial report shall
21.9 be submitted by December 15, 2023, and a
21.10 final report is due by December 15, 2025. This
21.11 is a onetime appropriation.

21.12 (tt)(1) \$125,000 each year is for grants to the
21.13 Latino Chamber of Commerce Minnesota to
21.14 support the growth and expansion of small
21.15 businesses statewide. Funds may be used for
21.16 the cost of programming, outreach, staffing,
21.17 and supplies. This is a onetime appropriation.

21.18 (2) By January 15, 2026, the Latino Chamber
21.19 of Commerce Minnesota must submit a report
21.20 to the legislative committees with jurisdiction
21.21 over economic development that details the
21.22 use of grant funds and the grant's economic
21.23 impact.

21.24 (uu) \$175,000 the first year is for a grant to
21.25 the city of South St. Paul for repurposing the
21.26 1927 American Legion Memorial Library after
21.27 the property is no longer used as a library. This
21.28 appropriation is available until the project is
21.29 completed or abandoned, subject to Minnesota
21.30 Statutes, section 16A.642.

21.31 (vv) \$250,000 the first year is for a grant to
21.32 LatinoLEAD for organizational
21.33 capacity-building.

22.1 (ww) \$80,000 the first year is for a grant to
22.2 the Neighborhood Development Center for
22.3 small business competitive grants to software
22.4 companies working to improve employee
22.5 engagement and workplace culture and to
22.6 reduce turnover.

22.7 (xx)(1) \$3,000,000 in the first year is for a
22.8 grant to the Center for Economic Inclusion for
22.9 strategic, data-informed investments in job
22.10 creation strategies that respond to the needs
22.11 of underserved populations statewide. This
22.12 may include forgivable loans, revenue-based
22.13 financing, and equity investments for
22.14 entrepreneurs with barriers to growth. Of this
22.15 amount, up to five percent may be used for
22.16 the center's technical assistance and
22.17 administrative costs. This appropriation is
22.18 available until June 30, 2025.

22.19 (2) By January 15, 2026, the Center for
22.20 Economic Inclusion shall submit a report on
22.21 the use of grant funds, including any loans
22.22 made, to the legislative committees with
22.23 jurisdiction over economic development.

22.24 (yy) \$500,000 each year is for a grant to the
22.25 Asian Economic Development Association
22.26 for asset building and financial empowerment
22.27 for entrepreneurs and small business owners,
22.28 small business development and technical
22.29 assistance, and cultural placemaking. This is
22.30 a onetime appropriation.

22.31 (zz) \$500,000 each year is for a grant to
22.32 Isuroon to support primarily African
22.33 immigrant women with entrepreneurial
22.34 training to start, manage, and grow
22.35 self-sustaining microbusinesses, develop

- 23.1 incubator space for these businesses, and
- 23.2 provide support with financial and language
- 23.3 literacy, systems navigation to eliminate
- 23.4 capital access disparities, marketing, and other
- 23.5 technical assistance. This is a onetime
- 23.6 appropriation.
- 23.7 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2023.