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State of Minnesota

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HOUSE OF REPRESENTATIVES

Unofficial Engrossment

House Engrossment of a Senate File

NINETY-THIRD SESSION

S. F. No. 5289

- 04/30/2024 Companion to House File No. 5205. (Authors:Hassan)
Read First Time and Sent for Comparison
- 05/01/2024 Substituted for H. F. No. 5205
- 05/03/2024 Calendar for the Day, Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments
- 05/07/2024 Refused to concur and a Conference Committee was appointed

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:

ARTICLE 1

ECONOMIC DEVELOPMENT APPROPRIATIONS

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

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

1.21	Appropriations by Fund		
1.22		2024	2025
1.23			<u>279,854,000</u>
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			139,929,000
2.6	Subd. 2. Business and Community Development	195,061,000	<u>136,104,000</u>

2.7 Appropriations by Fund

2.8			137,879,000
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			40,954,000	
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.

ARTICLE 2

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. General Support Services	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. Vocational Rehabilitation	45,691,000	<u>40,636,000</u>

48.28 Appropriations by Fund

48.29		2024	2025
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49.1			37,861,000
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;

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.