

1.1 A bill for an act
1.2 relating to employment and economic development; appropriating money for relief
1.3 payments and grants to businesses impacted by COVID-19-related restrictions
1.4 under Executive Order No. 20-99.

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

1.6 Section 1. **RELIEF PAYMENTS TO RESTAURANTS, BARS, GYMS, AND OTHER**
1.7 **SIMILAR BUSINESSES; APPROPRIATION.**

1.8 (a) \$100,000,000 in fiscal year 2021 is appropriated from the general fund to the
1.9 commissioner of revenue for relief payments to restaurants, bars, gyms, and other similar
1.10 businesses. This is a onetime appropriation.

1.11 (b) The following types of businesses are eligible for payments under this section:
1.12 breweries with taprooms; family wineries with tasting rooms; distilleries with tasting rooms;
1.13 bowling centers; caterers; drinking places; full-service restaurants; limited service restaurants;
1.14 cafeterias and buffets; and gyms and fitness centers, including, but not limited to the
1.15 following businesses that remit sales tax returns to the state: dance, gymnastics, and martial
1.16 arts studios.

1.17 (c) The commissioner shall use the funds to make payments to individual businesses of
1.18 the types listed in paragraph (b) that:

1.19 (1) have a physical presence in the state of Minnesota;

1.20 (2) had at least \$10,000 in sales in 2019;

1.21 (3) were in good standing with the Department of Revenue as of November 1, 2020;

2.1 (4) to the extent possible to determine, were directly impacted due to Executive Order
2.2 No. 20-99, and must not be explicitly exempt from compliance with Executive Order No.
2.3 20-99; and

2.4 (5) can demonstrate financial hardship of at least a 30 percent decline in taxable gross
2.5 receipts from retail sales reported on original returns filed by the business prior to November
2.6 1, 2020, for the period of April 1, 2019, through September 30, 2019.

2.7 (d) A business listed under paragraph (b) that meets all the requirements in paragraph
2.8 (c) may receive a payment in one of five tier levels based on the number of employees,
2.9 including full-time and part-time workers, as follows:

2.10 (1) a business that does not participate in the state unemployment program, but has a
2.11 sales tax account with the Department of Revenue shall receive a payment of \$10,000;

2.12 (2) a business with zero to 20 employees shall receive a payment of \$15,000;

2.13 (3) a business with 21 to 100 employees shall receive a payment of \$25,000;

2.14 (4) a business with 101 to 300 employees shall receive a payment of \$35,000; and

2.15 (5) a business with more than 300 employees shall receive a payment of \$45,000.

2.16 (e) Payment awards under this section shall be awarded on a per owner basis.

2.17 (f) Of the amount appropriated in paragraph (a), the commissioner may use up to
2.18 \$250,000 to administer the payment program under this section.

2.19 (g) Payment funds received by individual businesses shall be used for working capital
2.20 to support payroll expenses, rent, mortgage payments, utility bills, and other similar expenses
2.21 that occur in the regular course of business.

2.22 (h) Payments under this section must be awarded by

2.23 (i) By March 15, 2021, the commissioner of revenue shall report to the legislative
2.24 committees with jurisdiction over economic development policy and finance on the payments
2.25 provided under this section.

2.26 (j) Any unexpended amount from the appropriation in paragraph (a) after March 15,
2.27 2021, is cancelled.

3.1 Sec. 2. **RELIEF GRANTS TO CONVENTION CENTERS AND MOVIE THEATERS;**
3.2 **APPROPRIATION.**

3.3 (a) \$14,000,000 in fiscal year 2021 is appropriated from the general fund to the
3.4 commissioner of employment and economic development for relief grants to convention
3.5 centers and movie theaters as specified in this section. This is a onetime appropriation.

3.6 (b) The commissioner shall use the funds to make grants to the entities specified in this
3.7 section that:

3.8 (1) have a physical presence in the state of Minnesota;

3.9 (2) were in good standing with the Department of Revenue as of November 1, 2020;

3.10 (3) to the extent possible to determine, were directly impacted due to Executive Order
3.11 No. 20-99, and must not be explicitly exempt from compliance with Executive Order No.
3.12 20-99; and

3.13 (4) can demonstrate financial hardship of at least a 30 percent decline in taxable gross
3.14 receipts from retail sales reported on original returns filed by the business prior to November
3.15 1, 2020, for the period of April 1, 2019, through September 30, 2019.

3.16 (c) Of the amount appropriated in paragraph (a), \$9,000,000 is for grants to movie
3.17 theaters, not including drive-in movie theaters. Grants under this paragraph shall be awarded
3.18 based on the number of screens per movie theater business as follows:

3.19 (1) a movie theater having one screen shall receive a grant of \$15,000; and

3.20 (2) a movie theater having more than one screen shall receive \$15,000 for the first screen
3.21 and \$15,000 for the second screen, plus \$10,000 per additional screen. The maximum grant
3.22 amount under this paragraph is \$150,000 per multiscreen movie theater complex.

3.23 (d) Of the amount appropriated in paragraph (a), \$5,000,000 is for grants to convention
3.24 centers that are multipurpose facilities having a capacity of 1,500 or more people. The
3.25 maximum grant amount under this paragraph is \$500,000 per eligible convention center.
3.26 Grants under this paragraph do not include the following types of businesses: hotels; facilities
3.27 that are primarily music venues; facilities that are solely theaters or auditoriums; or facilities
3.28 that are part of a hotel, university, college, or retail mall. Grant funds under this paragraph
3.29 must be used to cover direct operations and upkeep of the convention center facility and
3.30 must not be added to the general fund of any local unit of government.

3.31 (e) Of the amount appropriated in paragraph (a), the commissioner may use up to
3.32 \$100,000 to administer the grant program under this section.

4.1 (f) Except as provided in paragraph (d), grant funds shall be used for working capital to
4.2 support payroll expenses, rent, mortgage payments, utility bills, and other similar expenses
4.3 that occur in the regular course of business.

4.4 (g) Grant requests from businesses shall be received and awarded on a rolling basis.
4.5 Grants must be awarded by

4.6 (h) Grants and the process of making grants under this section are exempt from the
4.7 following statutes and related policies: Minnesota Statutes, sections 16A.15, subdivision 3;
4.8 16B.97; and 16B.98, subdivisions 5, 7, and 8. The commissioner of employment and
4.9 economic development shall audit the use of grant funds under this section in accordance
4.10 with standard accounting practices. The exemptions under this paragraph expire on January
4.11 15, 2021.

4.12 (i) By March 15, 2021, the commissioner shall report to the legislative committees with
4.13 jurisdiction over economic development policy and finance on the grants provided under
4.14 this section.

4.15 (j) Any unexpended amount from the appropriation in paragraph (a) after March 15,
4.16 2021, is cancelled.

4.17 **Sec. 3. COUNTY RELIEF GRANTS TO LOCAL BUSINESSES; APPROPRIATION.**

4.18 (a) \$102,500,000 in fiscal year 2021 is appropriated from the general fund to the
4.19 commissioner of revenue for grants to counties for relief grants to local businesses. This is
4.20 a onetime appropriation.

4.21 (b) Counties shall receive grant funds using a per capita formula based on the most
4.22 recently available 2019 population estimate from the state demographer as of August 2020.
4.23 The amount received per county shall be \$200,000 or \$17.30 per capita, whichever is greater.
4.24 A county may contract with a nonprofit lender to administer the grant program on behalf
4.25 of the county. A county or nonprofit lender administering a local business relief grant
4.26 program under this section may use no more than 2.5 percent of the grant for administrative
4.27 costs incurred from making grants under this section.

4.28 (c) Counties shall use the funds to make grants to individual businesses that:

4.29 (1) be located in the applicable county in the state of Minnesota;

4.30 (2) were in good standing with the Department of Revenue as of November 1, 2020;

4.31 and

5.1 (3) were directly or indirectly affected by the restrictions on businesses due to Executive
5.2 Order No. 20-99.

5.3 (d) A county shall determine grant recipients and the grant amount awarded per grant.
5.4 A county may award a grant to a business affected by Executive Order No. 20-99 that did
5.5 not receive a grant under section 1 or 2. A county may award a grant to a business that is
5.6 owned by a tribal government and located on tribal land if the business has voluntarily
5.7 complied with Executive Order No. 20-99. Nonprofits and nonprofit fitness centers that
5.8 earn revenue similar to businesses, including but not limited to through ticket sales and
5.9 membership fees, that had to cease operations due to Executive Order No. 20-99 are eligible
5.10 for grants under this section.

5.11 (e) Grant funds received by individual businesses shall be used for working capital to
5.12 support payroll expenses, rent, mortgage payments, utility bills, and other similar expenses
5.13 that occur in the regular course of business.

5.14 (f) Grant requests from businesses shall be received and awarded on a rolling basis.
5.15 Grants must be awarded by

5.16 (g) Grants and the process of making grants under this section are exempt from the
5.17 following statutes and related policies: Minnesota Statutes, sections 16A.15, subdivision 3;
5.18 16B.97; and 16B.98, subdivisions 5, 7, and 8. The commissioner of employment and
5.19 economic development shall audit the use of grant funds under this section in accordance
5.20 with standard accounting practices. The exemptions under this paragraph expire on March
5.21 15, 2021.

5.22 (h) By April 15, 2021, the commissioner of employment and economic development
5.23 shall report to the legislative committees with jurisdiction over economic development
5.24 policy and finance on the grants provided under this section.

5.25 (i) Any unexpended amount from the appropriation in paragraph (a) after March 15,
5.26 2021, shall be transferred on April 1, 2021, to the general fund.

5.27 **Sec. 4. EFFECTIVE DATE.**

5.28 Sections 1 to 3 are effective the day following final enactment.