

1.1 Senator ..... moves to amend S.F. No. 3035 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 APPROPRIATIONS

1.5 Section 1. APPROPRIATIONS.

1.6 (a) The sums shown in the columns marked "Appropriations" are appropriated to the  
1.7 agencies and for the purposes specified in this article. The appropriations are from the  
1.8 general fund, or another named fund, and are available for the fiscal years indicated for  
1.9 each purpose. The figures "2024" and "2025" used in this article mean that the appropriations  
1.10 listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025,  
1.11 respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The  
1.12 biennium" is fiscal years 2024 and 2025.

1.13 (b) If an appropriation in this article is enacted more than once in the 2023 regular or  
1.14 special legislative session, the appropriation must be given effect only once.

1.15 APPROPRIATIONS

1.16 Available for the Year

1.17 Ending June 30

1.18 2024

2025

1.19 Sec. 2. DEPARTMENT OF EMPLOYMENT  
1.20 AND ECONOMIC DEVELOPMENT.

1.21 Subdivision 1. Total Appropriation \$ 928,298,000 \$ 336,068,000

1.22 Appropriations by Fund

1.23 2024

2025

1.24 General 872,942,000 280,984,000

1.25 Remediation 700,000 700,000

1.26 Workforce

1.27 Development 54,656,000 54,384,000

1.28 The amounts that may be spent for each  
1.29 purpose are specified in the following  
1.30 subdivisions.

1.31 Subd. 2. Business and Community Development 697,699,000 124,279,000

1.32 Appropriations by Fund

1.33 General 695,649,000 122,299,000

2.1	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
2.2	<u>Workforce</u>		
2.3	<u>Development</u>	<u>1,350,000</u>	<u>1,350,000</u>
2.4	<u>(a) \$2,287,000 each year is for the greater</u>		
2.5	<u>Minnesota business development public</u>		
2.6	<u>infrastructure grant program under Minnesota</u>		
2.7	<u>Statutes, section 116J.431. This appropriation</u>		
2.8	<u>is available until June 30, 2027.</u>		
2.9	<u>(b) \$500,000 each year is for grants to small</u>		
2.10	<u>business development centers under Minnesota</u>		
2.11	<u>Statutes, section 116J.68. Money made</u>		
2.12	<u>available under this paragraph may be used to</u>		
2.13	<u>match funds under the federal Small Business</u>		
2.14	<u>Development Center (SBDC) program under</u>		
2.15	<u>United States Code, title 15, section 648, to</u>		
2.16	<u>provide consulting and technical services or</u>		
2.17	<u>to build additional SBDC network capacity to</u>		
2.18	<u>serve entrepreneurs and small businesses.</u>		
2.19	<u>(c) \$5,500,000 each year is for Launch</u>		
2.20	<u>Minnesota. Of this amount: (1) \$1,500,000</u>		
2.21	<u>each year is for innovation grants to eligible</u>		
2.22	<u>Minnesota entrepreneurs or start-up businesses</u>		
2.23	<u>to assist with their operating needs; (2)</u>		
2.24	<u>\$500,000 each year is for administration of</u>		
2.25	<u>Launch Minnesota; (3) \$500,000 each year is</u>		
2.26	<u>for grantee activities at Launch Minnesota;</u>		
2.27	<u>and (4) \$3,000,000 each year is for a grant to</u>		
2.28	<u>MNSBIR, Inc., to support moving scientific</u>		
2.29	<u>excellence and technological innovation from</u>		
2.30	<u>the lab to the market for startups and small</u>		
2.31	<u>businesses by securing federal research and</u>		
2.32	<u>development funding. These are onetime</u>		
2.33	<u>appropriations.</u>		
2.34	<u>(d) \$35,296,000 the first year is for the</u>		
2.35	<u>Minnesota Expanding Opportunity Fund</u>		

3.1 Program under Minnesota Statutes, section  
3.2 116J.8733. This appropriation is onetime and  
3.3 is available until June 30, 2025.

3.4 (e) \$150,000,000 in fiscal year 2024 is for the  
3.5 Minnesota forward fund under Minnesota  
3.6 Statutes, section 116J.8752. Money awarded  
3.7 under this program is made retroactive for  
3.8 applications and projects to February 1, 2023.  
3.9 This appropriation is onetime and is available  
3.10 until June 30, 2027.

3.11 (f) \$100,000,000 the first year is for the  
3.12 purpose of matching \$100,000,000 in existing  
3.13 federal funds made available in the  
3.14 Consolidated Appropriations Act, Public Law  
3.15 117-328, for the purpose of constructing and  
3.16 operating a bioindustrial manufacturing pilot  
3.17 innovation facility, biorefinery, and  
3.18 commercial campus utilizing agricultural  
3.19 feedstocks. This is a onetime appropriation  
3.20 and is available until June 30, 2027.

3.21 (g) \$250,000,000 the first year is for the  
3.22 purpose of matching \$250,000,000 in existing  
3.23 federal funds made available in the Chips and  
3.24 Science Act, Public Law 117-167, for the  
3.25 purpose of (1) constructing, modernizing, or  
3.26 expanding commercial facilities on the front-  
3.27 and back-end fabrication of leading-edge,  
3.28 current-generation, and mature-node  
3.29 semiconductors and (2) funding semiconductor  
3.30 materials and manufacturing equipment  
3.31 facilities, and for research and development  
3.32 facilities. This is a onetime appropriation and  
3.33 is available until June 30, 2027.

3.34 (h) \$8,925,000 each year is for the small  
3.35 business assistance partnerships program

- 4.1 under Minnesota Statutes, section 116J.682.
- 4.2 All grant awards shall be for two consecutive
- 4.3 years. Grants shall be awarded in the first year.
- 4.4 The department may use up to five percent of
- 4.5 the appropriation for administrative purposes.
- 4.6 The base in fiscal year 2026 and beyond is
- 4.7 \$1,425,000
- 4.8 (i) \$2,500,000 each year is transferred from
- 4.9 the general fund to the community energy
- 4.10 transition account for grants under Minnesota
- 4.11 Statutes, section 116J.55. These transfers are
- 4.12 onetime.
- 4.13 (j) \$350,000 each year is for administration
- 4.14 of the community energy transition office.
- 4.15 (k) \$1,772,000 each year is for contaminated
- 4.16 site cleanup and development grants under
- 4.17 Minnesota Statutes, sections 116J.551 to
- 4.18 116J.558. This appropriation is available until
- 4.19 expended.
- 4.20 (l) \$700,000 each year is from the remediation
- 4.21 fund for contaminated site cleanup and
- 4.22 development grants under Minnesota Statutes,
- 4.23 sections 116J.551 to 116J.558. This
- 4.24 appropriation is available until expended.
- 4.25 (m) \$239,000 each year is for the Center for
- 4.26 Rural Policy and Development. The base in
- 4.27 fiscal year 2026 and beyond is \$139,000
- 4.28 (n) \$25,000 each year is for the administration
- 4.29 of state aid for the Destination Medical Center
- 4.30 under Minnesota Statutes, sections 469.40 to
- 4.31 469.47.
- 4.32 (o) \$875,000 each year is for the host
- 4.33 community economic development program

5.1 established in Minnesota Statutes, section  
5.2 116J.548.

5.3 (p) \$6,500,000 each year is appropriated from  
5.4 the general fund to the commissioner of  
5.5 employment and economic development for  
5.6 grants to local communities to increase the  
5.7 number of quality child care providers to  
5.8 support economic development. Fifty percent  
5.9 of grant funds must go to communities located  
5.10 outside the seven-county metropolitan area as  
5.11 defined in Minnesota Statutes, section  
5.12 473.121, subdivision 2. The base in fiscal year  
5.13 2026 and beyond is \$1,500,000.

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

5.30 Within one year of receiving grant funds, grant  
5.31 recipients must report to the commissioner on  
5.32 the outcomes of the grant program, including  
5.33 but not limited to the number of new  
5.34 providers, the number of additional child care  
5.35 provider jobs created, the number of additional

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

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

6.12 (1) \$450,000 each year is for administration  
6.13 of the Office of Child Care Community  
6.14 Partnerships; and

6.15 (2) \$50,000 each year is for the Labor Market  
6.16 Information Office to conduct research and  
6.17 analysis related to the child care industry.

6.18 (r) \$6,000,000 the first year and \$1,000,000  
6.19 the second year is for a grant to the Minnesota  
6.20 Initiative Foundations. This appropriation is  
6.21 available until June 30, 2027. In fiscal year  
6.22 2026 and beyond, the base amount is  
6.23 \$1,000,000. The Minnesota Initiative  
6.24 Foundations must use grant funds under this  
6.25 section to:

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

6.32 (2) engage the private sector to invest local  
6.33 resources to support the community solution  
6.34 action plan and ensure quality child care is a

7.1 vital component of additional regional  
7.2 economic development planning processes;  
7.3 (3) provide locally based training and technical  
7.4 assistance to rural business owners  
7.5 individually or through a learning cohort.  
7.6 Access to financial and business development  
7.7 assistance must prepare child care businesses  
7.8 for quality engagement and improvement by  
7.9 stabilizing operations, leveraging funding from  
7.10 other sources, and fostering business acumen  
7.11 that allows child care businesses to plan for  
7.12 and afford the cost of providing quality child  
7.13 care; and  
7.14 (4) recruit child care programs to participate  
7.15 in quality rating and improvement  
7.16 measurement programs. The Minnesota  
7.17 Initiative Foundations must work with local  
7.18 partners to provide low-cost training,  
7.19 professional development opportunities, and  
7.20 continuing education curricula. The Minnesota  
7.21 Initiative Foundations must fund, through local  
7.22 partners, an enhanced level of coaching to  
7.23 rural child care providers to obtain a quality  
7.24 rating through measurement programs.  
7.25 (s) \$8,000,000 each year is for the Minnesota  
7.26 job creation fund under Minnesota Statutes,  
7.27 section 116J.8748. Of this amount, the  
7.28 commissioner of employment and economic  
7.29 development may use up to three percent for  
7.30 administrative expenses. This appropriation  
7.31 is available until expended. Notwithstanding  
7.32 Minnesota Statutes, section 116J.8748, money  
7.33 appropriated for the job creation fund may be  
7.34 used for redevelopment under Minnesota

8.1 Statutes, sections 116J.575 and 116J.5761, at  
8.2 the discretion of the commissioner.

8.3 (t) \$12,370,000 the first year and \$12,370,000  
8.4 the second year are for the Minnesota  
8.5 investment fund under Minnesota Statutes,  
8.6 section 116J.8731. Of this amount, the  
8.7 commissioner of employment and economic  
8.8 development may use up to three percent for  
8.9 administration and monitoring of the program.

8.10 In fiscal year 2026 and beyond, the base  
8.11 amount is \$12,370,000. This appropriation is  
8.12 available until expended. Notwithstanding  
8.13 Minnesota Statutes, section 116J.8731, money  
8.14 appropriated to the commissioner for the  
8.15 Minnesota investment fund may be used for  
8.16 the redevelopment program under Minnesota  
8.17 Statutes, sections 116J.575 and 116J.5761, at  
8.18 the discretion of the commissioner. Grants  
8.19 under this paragraph are not subject to the  
8.20 grant amount limitation under Minnesota  
8.21 Statutes, section 116J.8731.

8.22 (u) \$4,246,000 each year is for the  
8.23 redevelopment program under Minnesota  
8.24 Statutes, sections 116J.575 and 116J.5761. In  
8.25 fiscal year 2026 and beyond, the base amount  
8.26 is \$2,246,000. This appropriation is available  
8.27 until expended.

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

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

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

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

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

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

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

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

- 10.1 (1) \$6,500,000 each year is for grants to the  
10.2 Minnesota Initiative Foundations to serve  
10.3 businesses in greater Minnesota; and
- 10.4 (2) \$23,000,000 each year is for grants to the  
10.5 Neighborhood Development Center. Of this  
10.6 amount, the following amounts are designated  
10.7 for the following areas:
- 10.8 (i) \$10,500,000 each year is for North  
10.9 Minneapolis' West Broadway, Camden, or  
10.10 other Northside neighborhoods;
- 10.11 (ii) \$6,500,000 each year is for South  
10.12 Minneapolis' Lake Street, 30th and Chicago,  
10.13 and Riverside corridors; and
- 10.14 (iii) \$6,500,000 each year is for St. Paul's  
10.15 University Avenue, Midway, Eastside, or other  
10.16 St. Paul neighborhoods.
- 10.17 (cc) \$20,000,000 each year is for the  
10.18 PROMISE loan program. This is a onetime  
10.19 appropriation and is available until June 30,  
10.20 2027. Of this amount:
- 10.21 (1) \$4,000,000 each year is for grants to the  
10.22 Minnesota Initiative Foundations to serve  
10.23 businesses in greater Minnesota; and
- 10.24 (2) \$16,000,000 each year is for grants to the  
10.25 Metropolitan Economic Development  
10.26 Association (MEDA). Of this amount, the  
10.27 following amounts are designated for the  
10.28 following areas:
- 10.29 (i) \$8,000,000 each year is for North  
10.30 Minneapolis' West Broadway, Camden, or  
10.31 other Northside neighborhoods;

- 11.1 (ii) \$4,000,000 each year is for South  
11.2 Minneapolis' Lake Street, 30th and Chicago,  
11.3 and Riverside corridors; and
- 11.4 (iii) \$4,000,000 each year is for St. Paul's  
11.5 University Avenue, Midway, Eastside, or other  
11.6 St. Paul neighborhoods.
- 11.7 (dd) \$250,000 each year is for the publication,  
11.8 dissemination, and use of labor market  
11.9 information under Minnesota Statutes, section  
11.10 116J.401.
- 11.11 (ee) \$500,000 each year is for the airport  
11.12 infrastructure renewal (AIR) grant program  
11.13 under Minnesota Statutes, section 116J.439.  
11.14 In awarding grants with this appropriation, the  
11.15 commissioner must prioritize eligible  
11.16 applicants that did not receive a grant pursuant  
11.17 to the appropriation in Laws 2019, First  
11.18 Special Session chapter 7, article 1, section 2,  
11.19 subdivision 2, paragraph (q).
- 11.20 (ff) \$5,000,000 the first year for a grant to the  
11.21 Bloomington Port Authority to provide  
11.22 funding for the Expo 2027 host organization.  
11.23 The Bloomington Port Authority must enter  
11.24 into an agreement with the host organization  
11.25 over the use of funds, which may be used for  
11.26 activities, including but not limited to  
11.27 finalizing the community dossier and staffing  
11.28 the host organization as well as for  
11.29 infrastructure design and planning, financial  
11.30 modeling, development planning and  
11.31 coordination of both real estate and public  
11.32 private partnerships, and reimbursement of  
11.33 the Bloomington Port Authority incurred. The  
11.34 host organization and Bloomington Port  
11.35 Authority may be reimbursed for expenses 90

12.1 days prior to encumbrance. This appropriation  
12.2 is contingent on approval of the project by the  
12.3 Bureau International des Expositions. Any  
12.4 unencumbered balance remaining at the end  
12.5 of the first year does not cancel but is available  
12.6 for the second year.

12.7 (gg) \$5,000,000 the first year for grants to the  
12.8 Neighborhood Development Center. This is a  
12.9 onetime appropriations. Any unencumbered  
12.10 balance remaining at the end of the first year  
12.11 does not cancel but is available for the second  
12.12 year. Of the amount appropriated each year,  
12.13 \$4,200,000 is for small business programs  
12.14 including training, lending, business services,  
12.15 and real estate programming; and \$800,000 is  
12.16 for technical assistance activities for partners  
12.17 located outside the seven-county metropolitan  
12.18 area, as defined in Minnesota Statutes, section  
12.19 473.121, subdivision 2. Of the amount  
12.20 appropriated in fiscal year 2024:

12.21 (1) \$1,000,000 is for development of  
12.22 permanently affordable, concentrated  
12.23 commercial space and wraparound business  
12.24 services outside the seven-county metropolitan  
12.25 area, as defined in Minnesota Statutes, section  
12.26 473.121, subdivision 2;

12.27 (2) \$1,000,000 is for high-risk, character-based  
12.28 loan capital for nonrecourse loans to be used  
12.29 to leverage at least \$10,000,000 in recourse  
12.30 lending capital; and

12.31 (3) \$3,000,000 is for an emerging developers  
12.32 assistance fund to be used as follows:

12.33 (i) \$500,000 for predevelopment grants;

- 13.1 (ii) \$2,000,000 for short-term construction  
13.2 loans to cover up to \$200,000 in construction  
13.3 costs; and
- 13.4 (iii) \$500,000 for specialized technical  
13.5 assistance for participant developers.
- 13.6 (hh) \$2,650,000 the first year is for deposit in  
13.7 the emerging developer fund account in the  
13.8 special revenue fund. Of this amount, up to  
13.9 five percent is for administration and  
13.10 monitoring of the emerging developer fund  
13.11 program under Minnesota Statutes, section  
13.12 116J.9926. This is a onetime appropriation.
- 13.13 (ii) \$5,000,000 the first year is for the  
13.14 Canadian border counties economic relief  
13.15 program under article 5. Of this amount, up  
13.16 to \$2,100,000 is for a grant to the Lake of the  
13.17 Woods County for the forgivable loan program  
13.18 for remote recreational businesses. This is a  
13.19 onetime appropriation and is available until  
13.20 June 30, 2026.
- 13.21 (jj) \$1,250,000 in the first year and \$250,000  
13.22 the second year are for a grant to African  
13.23 Economic Development Solutions. This is a  
13.24 onetime appropriation and is available until  
13.25 June 30, 2026. Of this amount:
- 13.26 (1) \$1,00,000 is for a loan fund that will  
13.27 address pervasive economic inequities by  
13.28 supporting business ventures of entrepreneurs  
13.29 in the African immigrant community; and
- 13.30 (2) \$250,000 each year is for workforce  
13.31 development and technical assistance  
13.32 including, but not limited to, business  
13.33 development, entrepreneur training, business

14.1 technical assistance, loan packing, and  
14.2 community development services.

14.3 (kk) \$500,000 each year is for a grant to the  
14.4 Latino Economic Development Center  
14.5 (LEDC). Grant proceeds may be used to:

14.6 (1) assist, support, finance, and launch  
14.7 micro-entrepreneurs by delivering training,  
14.8 workshops, and one-on-one consultations to  
14.9 businesses;

14.10 (2) offer workshops on a variety of topics  
14.11 throughout the year, including finance,  
14.12 customer service, food-handler training, and  
14.13 food-safety certification; and

14.14 (3) provide lending to business startups.

14.15 (ll) \$627,000 the first year is for a grant to  
14.16 Community and Economic Development  
14.17 Associates (CEDA) to provide funding for  
14.18 economic development technical assistance  
14.19 and economic development project grants to  
14.20 small communities across rural Minnesota and  
14.21 for CEDA to design, implement, market, and  
14.22 administer specific types of basic community  
14.23 and economic development programs tailored  
14.24 to individual community needs. Technical  
14.25 assistance grants shall be based on need and  
14.26 given to communities that are otherwise  
14.27 unable to afford these services. Of the amount  
14.28 appropriated, up to \$270,000 may be used for  
14.29 economic development project implementation  
14.30 in conjunction with the technical assistance  
14.31 received. This is a onetime appropriation. Any  
14.32 unencumbered balance remaining at the end  
14.33 of the first year does not cancel but is available  
14.34 for the second year.

15.1 (mm) \$1,500,000 each year is for a grant to  
15.2 WomenVenture to: support business expansion  
15.3 for women food entrepreneurs throughout  
15.4 Minnesota's food supply chain to help stabilize  
15.5 and strengthen their business operations; create  
15.6 distribution networks; offer technical  
15.7 assistance and support to beginning women  
15.8 food entrepreneurs; develop business plans;  
15.9 develop a workforce; research expansion  
15.10 strategies; and for other related activities.  
15.11 Eligible uses of funds include but are not  
15.12 limited to:  
15.13 (1) leasehold improvements;  
15.14 (2) additions, alterations, remodeling, or  
15.15 renovations to rented space;  
15.16 (3) inventory or supplies;  
15.17 (4) machinery or equipment purchases;  
15.18 (5) working capital; and  
15.19 (6) debt refinancing.  
15.20 Funds distributed to entrepreneurs may be  
15.21 loans, forgivable loans, and grants. Of this  
15.22 amount, up to five percent may be used for  
15.23 the WomenVenture's technical assistance and  
15.24 administrative costs. This appropriation is  
15.25 onetime and available until June 30, 2026. By  
15.26 December 15, 2026, WomenVenture must  
15.27 submit a report to the chairs and ranking  
15.28 members of the legislative committees with  
15.29 jurisdiction over agriculture and employment  
15.30 and economic development. The report must  
15.31 include a summary of the uses of the  
15.32 appropriation, including the amount of the  
15.33 appropriation used for administration. The  
15.34 report must also provide a breakdown of the

16.1 amount of funding used for loans, forgivable  
16.2 loans, and grants, information about the terms  
16.3 of the loans issued, a discussion of how funds  
16.4 from repaid loans will be used, the number of  
16.5 entrepreneurs assisted, and a breakdown of  
16.6 how many entrepreneurs received assistance  
16.7 in each county.

16.8 (nn) \$6,000,000 the first year is for grants to  
16.9 initiative foundations to capitalize their  
16.10 revolving loan funds, which address unmet  
16.11 financing needs of for-profit business startups,  
16.12 expansions, and ownership transitions;  
16.13 nonprofit organizations; and developers of  
16.14 housing to support the construction,  
16.15 rehabilitation, and conversion of housing units.

16.16 Of the amount appropriated, \$1,000,000 is for  
16.17 a grant to the Southwest Initiative Foundation;  
16.18 \$1,000,000 is for a grant to the West Central  
16.19 Initiative Foundation; \$1,000,000 is for a grant  
16.20 to the Southern Minnesota Initiative  
16.21 Foundation; \$1,000,000 is for a grant to the  
16.22 Northwest Minnesota Foundation; \$1,000,000  
16.23 is for a grant to the Initiative Foundation; and  
16.24 \$1,000,000 is for a grant to the Northland  
16.25 Foundation. This is a onetime appropriation.

16.26 (oo) \$1,000,000 the first year is for a grant to  
16.27 Enterprise Minnesota, Inc., to reach and  
16.28 deliver talent, leadership, employee retention,  
16.29 continuous improvement, strategy, quality  
16.30 management systems, revenue growth, and  
16.31 manufacturing peer-to-peer advisory services  
16.32 to small manufacturing companies employing  
16.33 35 or fewer full-time equivalent employees.  
16.34 No later than February 1, 2025, and February  
16.35 1, 2026, Enterprise Minnesota, Inc., must

- 17.1 provide a report to the chairs and ranking  
17.2 minority members of the legislative  
17.3 committees with jurisdiction over economic  
17.4 development that includes:  
17.5 (1) the funds awarded during the past 12  
17.6 months;  
17.7 (2) the estimated financial impact of the funds  
17.8 awarded to each company receiving service  
17.9 under the program;  
17.10 (3) the actual financial impact of funds  
17.11 awarded during the past 24 months; and  
17.12 (4) the total amount of federal funds leveraged  
17.13 from the Manufacturing Extension Partnership  
17.14 at the United States Department of Commerce.  
17.15 (pp) \$375,000 each year is for a grant to  
17.16 PFund Foundation to provide grants to  
17.17 LGBTQ+-owned small businesses and  
17.18 entrepreneurs. Money distributed to  
17.19 entrepreneurs and small businesses must be  
17.20 in the form of grants. Of this amount, up to  
17.21 five percent may be used for PFund  
17.22 Foundation's technical assistance and  
17.23 administrative costs. This appropriation is  
17.24 onetime and is available until June 30, 2026.  
17.25 To the extent practicable, money must be  
17.26 distributed by PFund Foundation as follows:  
17.27 (1) 33.3 percent to racial minority-owned  
17.28 businesses; and  
17.29 (2) 33.3 percent to businesses outside of the  
17.30 seven-county metropolitan area as defined in  
17.31 Minnesota Statutes, section 473.121,  
17.32 subdivision 2.

18.1 (qq) \$125,000 each year is for a grant to  
18.2 Quorum to provide business support, training,  
18.3 development, technical assistance, and related  
18.4 activities for LGBTQ+-owned small  
18.5 businesses that are recipients of a PFund  
18.6 Foundation grant. Of this amount, up to five  
18.7 percent may be used for Quorum's technical  
18.8 assistance and administrative costs. This  
18.9 appropriation is onetime and is available until  
18.10 June 30, 2026.

18.11 (rr) \$5,000,000 the first year is for a grant to  
18.12 the Metropolitan Economic Development  
18.13 Association (MEDA) for statewide business  
18.14 development and assistance services to  
18.15 minority-owned businesses. This is a onetime  
18.16 appropriation. Any unencumbered balance  
18.17 remaining at the end of the first year does not  
18.18 cancel but is available the second year. Of this  
18.19 amount:

18.20 (1) \$3,000,000 is for a revolving loan fund to  
18.21 provide additional minority-owned businesses  
18.22 with access to capital; and

18.23 (2) \$2,000,000 is for operating support  
18.24 activities related to business development and  
18.25 assistance services for minority business  
18.26 enterprises.

18.27 (ss) By February 1, 2025, MEDA shall report  
18.28 to the commissioner and the chairs and ranking  
18.29 minority members of the legislative  
18.30 committees with jurisdiction over economic  
18.31 development policy and finance on the loans  
18.32 and operating support activities, including  
18.33 outcomes and expenditures, supported by the  
18.34 appropriation under this paragraph.

19.1 (tt) \$2,500,000 is for a grant to a  
 19.2 Minnesota-based automotive component  
 19.3 manufacturer and distributor specializing in  
 19.4 electric vehicles and sensor technology that  
 19.5 manufactures all of their parts onshore to  
 19.6 expand their manufacturing. This is a onetime  
 19.7 appropriation.

19.8 (uu) \$1,846,500 the first year is for a grant to  
 19.9 the Minneapolis Downtown Council for  
 19.10 infrastructure and associated costs for the  
 19.11 Taste of Minnesota event, including but not  
 19.12 limited to buildout, permits, garbage services,  
 19.13 staffing, security, equipment rentals, signage,  
 19.14 and insurance. This is a onetime appropriation.

19.15 **Subd. 3. Employment and Training Programs** 119,865,000 111,327,000

19.16	<u>Appropriations by Fund</u>		
19.17		<u>2024</u>	<u>2025</u>
19.18	<u>General</u>	<u>104,770,000</u>	<u>96,232,000</u>
19.19	<u>Workforce</u>		
19.20	<u>Development</u>	<u>15,095,000</u>	<u>15,095,000</u>

19.21 (a) \$500,000 each year is for rural career  
 19.22 counseling coordinators in the workforce  
 19.23 service areas and for the purposes specified  
 19.24 under Minnesota Statutes, section 116L.667.

19.25 (b) \$5,000,000 each year is for competitive  
 19.26 grants to organizations providing services to  
 19.27 Minnesota's older workers. Grant awards must  
 19.28 be used to support older individuals to re-enter  
 19.29 the labor force through workforce recruitment  
 19.30 and development, outreach, paid essential  
 19.31 training and upskilling, on-the-job training  
 19.32 through community service assignments, and  
 19.33 assistance for smaller organizations to increase  
 19.34 capacity. Of this amount, up to five percent is

20.1 for administration and monitoring of the  
20.2 program. These are onetime appropriations.

20.3 (c) \$24,054,000 the first year and \$24,554,000  
20.4 the second year are for the targeted population  
20.5 workforce grants under Minnesota Statutes,  
20.6 section 116L.43. The department may use up  
20.7 to five percent of this appropriation for  
20.8 administration, monitoring, and oversight of  
20.9 the program. Of this amount:

20.10 (1) \$17,000,000 is for job and entrepreneurial  
20.11 skills training grants under Minnesota Statutes,  
20.12 section 116L.43, subdivision 2;

20.13 (2) \$1,500,000 is for diversity and inclusion  
20.14 training for small and mid-size employers  
20.15 under Minnesota Statutes, section 116L.43,  
20.16 subdivision 3; and

20.17 (3) \$5,500,000 is for capacity building grants  
20.18 under Minnesota Statutes, section 116L.43,  
20.19 subdivision 4.

20.20 The base funding for this program is  
20.21 \$1,184,000 beginning in fiscal year 2026.

20.22 (d) \$750,000 each year is for the women and  
20.23 high-wage, high-demand, nontraditional jobs  
20.24 grant program under Minnesota Statutes,  
20.25 section 116L.99. Of this amount, up to five  
20.26 percent is for administration and monitoring  
20.27 of the program.

20.28 (e) \$15,000,000 each year is for the Drive for  
20.29 Five Initiative to conduct outreach and provide  
20.30 job skills training, career counseling, case  
20.31 management, and supportive services for  
20.32 careers in (1) technology, (2) labor, (3) the  
20.33 caring professions, (4) manufacturing, and (5)

21.1 educational and professional services. These  
21.2 are onetime appropriations.

21.3 (f) Of the amounts appropriated in paragraph  
21.4 (e), the commissioner must make \$10,000,000  
21.5 each year available through a competitive  
21.6 request for proposal process. The grant awards  
21.7 must be used to provide education and training  
21.8 in the five industries identified in paragraph  
21.9 (e). Education and training may include:

21.10 (1) student tutoring and testing support  
21.11 services;

21.12 (2) training and employment placement in high  
21.13 wage and high growth employment;

21.14 (3) assistance in obtaining industry-specific  
21.15 certifications;

21.16 (4) remedial training leading to enrollment;

21.17 (5) real-time work experience in information;

21.18 (6) career and educational counseling;

21.19 (7) work experience and internships; and

21.20 (8) supportive services.

21.21 (g) Of the amount appropriated in paragraph  
21.22 (e), \$3,250,000 each year must be awarded  
21.23 through competitive grants made to trade  
21.24 associations or chambers of commerce for job  
21.25 placement services. Grant awards must be used  
21.26 to encourage workforce training efforts to  
21.27 ensure that efforts are aligned with employer  
21.28 demands and that graduates are connected with  
21.29 employers looking to hire. Trade associations  
21.30 or chambers must partner with employers with  
21.31 current or anticipated employment  
21.32 opportunities and nonprofit workforce training  
21.33 partners participating in this program. The

22.1 trade associations or chambers must work  
22.2 closely with the industry sector training  
22.3 providers in the five industries identified in  
22.4 paragraph (e). Grant awards may be used for:  
22.5 (1) employer engagement strategies to align  
22.6 employment opportunities for individuals  
22.7 exiting workforce development training  
22.8 programs. These strategies may include  
22.9 business recruitment, job opening  
22.10 development, employee recruitment, and job  
22.11 matching. Trade associations must utilize the  
22.12 state's labor exchange system;  
22.13 (2) diversity, inclusion, and retention training  
22.14 to their members to increase the business  
22.15 understanding of welcoming and retaining a  
22.16 diverse workforce; and  
22.17 (3) industry-specific training.  
22.18 (h) Of the amount appropriated in paragraph  
22.19 (e), \$1,750,000 each year is to hire, train, and  
22.20 deploy business services representatives in  
22.21 local workforce development areas throughout  
22.22 the state. Business services representatives  
22.23 must work with an assigned local workforce  
22.24 development area to address the hiring needs  
22.25 of Minnesota's businesses by connecting job  
22.26 seekers and program participants in the  
22.27 CareerForce system. Business services  
22.28 representatives serve in the classified service  
22.29 of the state and operate as part of the agency's  
22.30 Employment and Training Office. The  
22.31 commissioner shall develop and implement  
22.32 training materials and reporting and evaluation  
22.33 procedures for the activities of the business  
22.34 services representatives. The business services  
22.35 representatives must:

- 23.1 (1) serve as the primary contact for businesses  
23.2 in that area;
- 23.3 (2) actively engage employers by assisting  
23.4 with matching employers to job seekers  
23.5 through referring candidates, convening job  
23.6 fairs, and assisting with job announcements;  
23.7 and
- 23.8 (3) work with the local area board and its  
23.9 partners to identify candidates for openings in  
23.10 small and mid-size companies in the local  
23.11 area.
- 23.12 (i) \$2,546,000 each year from the general fund  
23.13 and \$4,604,000 each year from the workforce  
23.14 development fund are for the pathways to  
23.15 prosperity competitive grant program. Of this  
23.16 amount, up to five percent is for administration  
23.17 and monitoring of the program.
- 23.18 (j) \$500,000 each year is from the workforce  
23.19 development fund for current Minnesota  
23.20 affiliates of OIC of America, Inc. This  
23.21 appropriation shall be divided equally among  
23.22 the eligible centers.
- 23.23 (k) \$1,000,000 each year is for competitive  
23.24 grants to organizations providing services to  
23.25 relieve economic disparities in the Southeast  
23.26 Asian community through workforce  
23.27 recruitment, development, job creation,  
23.28 assistance of smaller organizations to increase  
23.29 capacity, and outreach. Of this amount, up to  
23.30 five percent is for administration and  
23.31 monitoring of the program.
- 23.32 (l) \$1,000,000 each year is for a competitive  
23.33 grant program to provide grants to  
23.34 organizations that provide support services for

24.1 individuals, such as job training, employment  
24.2 preparation, internships, job assistance to  
24.3 parents, financial literacy, academic and  
24.4 behavioral interventions for low-performing  
24.5 students, and youth intervention. Grants made  
24.6 under this section must focus on low-income  
24.7 communities, young adults from families with  
24.8 a history of intergenerational poverty, and  
24.9 communities of color. Of this amount, up to  
24.10 five percent is for administration and  
24.11 monitoring of the program.

24.12 (m) \$5,230,000 each year from the general  
24.13 fund and \$3,348,000 each year from the  
24.14 workforce development fund are for the  
24.15 youth-at-work competitive grant program  
24.16 under Minnesota Statutes, section 116L.562.  
24.17 Of this amount, up to five percent is for  
24.18 administration and monitoring of the youth  
24.19 workforce development competitive grant  
24.20 program. All grant awards shall be for two  
24.21 consecutive years. Grants shall be awarded in  
24.22 the first year. The base funding for this  
24.23 program is \$750,000 each year from the  
24.24 general fund and \$3,348,000 each year from  
24.25 the workforce development fund beginning in  
24.26 fiscal year 2026.

24.27 (n) \$2,093,000 each year is from the  
24.28 workforce development fund for the  
24.29 Minnesota Youthbuild program under  
24.30 Minnesota Statutes, sections 116L.361 and  
24.31 116L.336. The base funding for this program  
24.32 is \$1,000,000 per year from the workforce  
24.33 development fund beginning in fiscal year  
24.34 2026.

25.1 (o) \$4,511,000 each year from the general fund  
25.2 and \$4,050,000 each year from the workforce  
25.3 development fund are for the Minnesota youth  
25.4 program under Minnesota Statutes, sections  
25.5 116L.56 and 116L.561. Beginning in fiscal  
25.6 year 2026, the base funding for this program  
25.7 is \$0 from the general fund and \$4,050,000  
25.8 from the workforce development fund.

25.9 (p) \$750,000 each year is for the Office of  
25.10 New Americans under Minnesota Statutes,  
25.11 section 116J.4231.

25.12 (q) \$1,000,000 each year is for a grant to the  
25.13 Minnesota Technology Association to support  
25.14 the SciTech internship program, a program  
25.15 that supports science, technology, engineering,  
25.16 and math (STEM) internship opportunities for  
25.17 two- and four-year college students and  
25.18 graduate students in their fields of study. The  
25.19 internship opportunities must match students  
25.20 with paid internships within STEM disciplines  
25.21 at small, for-profit companies located in  
25.22 Minnesota having fewer than 250 employees  
25.23 worldwide. At least 325 students must be  
25.24 matched each year. No more than 15 percent  
25.25 of the hires may be graduate students. Selected  
25.26 hiring companies shall receive from the grant  
25.27 50 percent of the wages paid to the intern,  
25.28 capped at \$3,000 per intern. The program must  
25.29 work toward increasing the participation  
25.30 among women or other underserved  
25.31 populations. This is a onetime appropriation.

25.32 (r) \$750,000 each year is for grants to the  
25.33 Minneapolis Park and Recreation Board's Teen  
25.34 Teamworks youth employment and training  
25.35 programs. This appropriation is onetime,

26.1 available in either year of the biennium, and  
26.2 available until June 30, 2027.

26.3 (s) \$900,000 the first year and \$900,000 the  
26.4 second year are for a grant to Avivo to provide  
26.5 low-income individuals with career education  
26.6 and job skills training that is fully integrated  
26.7 with chemical and mental health services. Of  
26.8 this amount, up to \$250,000 each year is for  
26.9 a grant to Avivo to provide resources and  
26.10 support services to survivors of sex trafficking  
26.11 and domestic abuse in the greater St. Cloud  
26.12 area as they search for employment. Program  
26.13 resources include but are not limited to costs  
26.14 for day care, transportation, housing, legal  
26.15 advice, procuring documents required for  
26.16 employment, interview clothing, technology,  
26.17 and Internet access. The program shall also  
26.18 include public outreach and corporate training  
26.19 component to communicate to the public and  
26.20 potential employers about the specific  
26.21 struggles faced by survivors as they reenter  
26.22 the workforce. These are onetime  
26.23 appropriations.

26.24 (t) \$1,000,000 each year is for the getting to  
26.25 work grant program under Minnesota Statutes,  
26.26 section 116J.545. Of this amount, up to five  
26.27 percent is for administration and monitoring  
26.28 of the program. These are onetime  
26.29 appropriations.

26.30 (u) \$375,000 each year is for a grant to 30,000  
26.31 Feet, a nonprofit organization, to fund youth  
26.32 apprenticeship jobs, wraparound services,  
26.33 after-school programming, and summer  
26.34 learning loss prevention efforts targeted at

27.1 African American youth. This is a onetime  
27.2 appropriation.

27.3 (v) \$463,000 the first year is for a grant to the  
27.4 Boys and Girls Club of Central Minnesota.  
27.5 This is a onetime appropriation. Of this  
27.6 amount:

27.7 (1) \$313,000 is to fund one year of free  
27.8 full-service programming for a new program  
27.9 in Waite Park that will employ part-time youth  
27.10 development staff and provide community  
27.11 volunteer opportunities for people of all ages.  
27.12 Career exploration and life skills programming  
27.13 will be a significant dimension of  
27.14 programming at this new site; and

27.15 (2) \$150,000 is for planning and design for a  
27.16 new multiuse facility for the Boys and Girls  
27.17 Club of Waite Park and other community  
27.18 partners, including the Waite Park Police  
27.19 Department and the Whitney Senior Center.

27.20 (w) \$1,000,000 each year is for a grant to the  
27.21 Minnesota Alliance of Boys and Girls Clubs  
27.22 to administer a statewide project of youth job  
27.23 skills and career development. This project,  
27.24 which may have career guidance components  
27.25 including health and life skills, must be  
27.26 designed to encourage, train, and assist youth  
27.27 in early access to education and job-seeking  
27.28 skills, work-based learning experience,  
27.29 including career pathways in STEM learning,  
27.30 career exploration and matching, and first job  
27.31 placement through local community  
27.32 partnerships and on-site job opportunities. This  
27.33 grant requires a 25 percent match from  
27.34 nonstate resources. This is a onetime  
27.35 appropriation.

28.1 (x) \$1,050,000 the first year is for a grant to  
28.2 the Owatonna Area Chamber of Commerce  
28.3 Foundation for the Learn and Earn Initiative  
28.4 to help the Owatonna and Steele County  
28.5 region grow and retain a talented workforce.  
28.6 This is a onetime appropriation and is  
28.7 available until June 30, 2025. Of this amount:  
28.8 (1) \$950,000 is to develop an advanced  
28.9 manufacturing career pathway program for  
28.10 youth and adult learners with shared learning  
28.11 spaces, state-of-the-art equipment, and  
28.12 instructional support to grow and retain talent  
28.13 in Owatonna; and  
28.14 (2) \$100,000 is to create the "Owatonna  
28.15 Opportunity" scholarship model for the Learn  
28.16 and Earn Initiative for students and employers.  
28.17 (y) \$250,000 each year is for a grant to the  
28.18 White Bear Center for the Arts for establishing  
28.19 a paid internship program for high school  
28.20 students to learn professional development  
28.21 skills through an arts perspective. This is a  
28.22 onetime appropriation.  
28.23 (z) \$946,000 each year is for the Minnesota  
28.24 Family Resiliency Partnership under  
28.25 Minnesota Statutes, section 116L.96. The  
28.26 commissioner, through the adult career  
28.27 pathways program, shall distribute the funds  
28.28 to existing nonprofit and state displaced  
28.29 homemaker programs. The base is \$446,000  
28.30 beginning in fiscal year 2026.  
28.31 (aa) \$1,500,000 each year is for a grant to the  
28.32 Center for Economic Inclusion for strategic,  
28.33 data-informed investments in job creation  
28.34 strategies that respond to the needs of

29.1 underserved populations statewide. This may  
29.2 include pay-for-performance contracts with  
29.3 nonprofit organizations to provide outreach,  
29.4 training, and support services for dislocated  
29.5 and chronically underemployed people, as  
29.6 well as forgivable loans, revenue-based  
29.7 financing, and equity investments for  
29.8 entrepreneurs with barriers to growth. Of this  
29.9 amount, up to five percent may be used for  
29.10 the center's technical assistance and  
29.11 administrative costs. These are onetime  
29.12 appropriations.

29.13 (bb) \$600,000 each year is for a grant to East  
29.14 Side Neighborhood Services. These are  
29.15 onetime appropriations. Of this amount:

29.16 (1) \$300,000 each year is for the senior  
29.17 community service employment program,  
29.18 which provides work readiness training to  
29.19 low-income adults 55 and older, to provide  
29.20 ongoing support and mentoring needs to the  
29.21 program participants as well as the transition  
29.22 period from subsidized wages to unsubsidized  
29.23 wages; and

29.24 (2) \$300,000 each year is for the nursing  
29.25 assistant plus program to serve the increased  
29.26 need for growth of medical talent pipelines  
29.27 through expansion of the existing program and  
29.28 development of in-house training.

29.29 These amounts may also be used to enhance  
29.30 the organization's youth employment  
29.31 programming for youth and young adults, ages  
29.32 14 to 24, to introduce them to work culture,  
29.33 develop essential work readiness skills, and  
29.34 make career plans through paid internship  
29.35 experiences and work readiness training.

- 30.1 (cc) \$1,500,000 each year is for a grant to  
30.2 Ujamaa Place to assist primarily  
30.3 African-American men with job training,  
30.4 employment preparation, internships,  
30.5 education, vocational housing, and  
30.6 organizational capacity building. This is a  
30.7 onetime appropriation.
- 30.8 (dd) \$500,000 each year is for a grant to  
30.9 Comunidades Organizando el Poder y la  
30.10 Acción Latina (COPAL) for its worker center  
30.11 programming that supports primarily  
30.12 low-income, migrant, and Latinx workers with  
30.13 career planning, workforce training and  
30.14 education, workers' rights advocacy, health  
30.15 resources and navigation, and wealth creation  
30.16 resources. This is a onetime appropriation.
- 30.17 (ee) \$3,000,000 each year is for a grant to  
30.18 Propel Nonprofits to provide capacity-building  
30.19 grants and related technical assistance to small,  
30.20 culturally specific organizations that primarily  
30.21 serve historically underserved cultural  
30.22 communities. Propel Nonprofits may only  
30.23 award grants to nonprofit organizations that  
30.24 have an annual organizational budget of less  
30.25 than \$1,000,000. These grants may be used  
30.26 for:
- 30.27 (1) organizational infrastructure  
30.28 improvements, including developing database  
30.29 management systems and financial systems,  
30.30 or other administrative needs that increase the  
30.31 organization's ability to access new funding  
30.32 sources;
- 30.33 (2) organizational workforce development,  
30.34 including hiring culturally competent staff,

31.1 training and skills development, and other  
31.2 methods of increasing staff capacity; or  
31.3 (3) creating or expanding partnerships with  
31.4 existing organizations that have specialized  
31.5 expertise in order to increase capacity of the  
31.6 grantee organization to improve services to  
31.7 the community.

31.8 Of this amount, up to five percent may be used  
31.9 by Propel Nonprofits for administrative costs.  
31.10 This is a onetime appropriation.

31.11 (ff) \$1,000,000 each year is for a grant to  
31.12 Goodwill Easter Seals Minnesota and its  
31.13 partners. The grant must be used to continue  
31.14 the FATHER Project in Rochester, St. Cloud,  
31.15 St. Paul, Minneapolis, and the surrounding  
31.16 areas to assist fathers in overcoming barriers  
31.17 that prevent fathers from supporting their  
31.18 children economically and emotionally,  
31.19 including with community re-entry following  
31.20 confinement. This is a onetime appropriation.

31.21 (gg) \$250,000 the first year is for a grant to  
31.22 the ProStart and Hospitality Tourism  
31.23 Management Program for a well-established,  
31.24 proven, and successful education program that  
31.25 helps young people advance careers in the  
31.26 hospitality industry and addresses critical  
31.27 long-term workforce shortages in that industry.

31.28 (hh) \$1,400,000 the first year and \$450,000  
31.29 the second year are for grants to Minnesota  
31.30 Diversified Industries to provide inclusive  
31.31 employment opportunities and services for  
31.32 people with disabilities. This is a onetime  
31.33 appropriation.

- 32.1 (ii) \$1,000,000 the first year is for a grant to  
32.2 Minnesota Diversified Industries to assist  
32.3 individuals with disabilities through the  
32.4 unified work model by offering virtual, online,  
32.5 and in-person career skills classes augmented  
32.6 with virtual reality tools. Minnesota  
32.7 Diversified Industries shall submit a report on  
32.8 the number and demographics of individuals  
32.9 served, hours of career skills programming  
32.10 delivered, outreach to employers, and  
32.11 recommendations for future career skills  
32.12 delivery methods to the chairs and ranking  
32.13 minority members of the legislative  
32.14 committees with jurisdiction over labor and  
32.15 workforce development policy and finance by  
32.16 January 15, 2026. This is a onetime  
32.17 appropriation and is available until June 30,  
32.18 2025.
- 32.19 (jj) \$1,175,000 each year is for a grant to  
32.20 Summit Academy OIC to expand employment  
32.21 placement, GED preparation and  
32.22 administration, and STEM programming in  
32.23 the Twin Cities, Saint Cloud, and Bemidji.  
32.24 This is a onetime appropriation.
- 32.25 (kk) \$500,000 each year is a grant to MICC  
32.26 to provide employment preparation, job  
32.27 placement, job retention, and service  
32.28 coordination services to adults with autism  
32.29 and learning differences. This is a onetime  
32.30 appropriation.
- 32.31 (ll) \$350,000 the first year and \$25,000 the  
32.32 second year are for a grant to the University  
32.33 of Minnesota Tourism Center for the creation  
32.34 and operation of an online hospitality training  
32.35 program in partnership with Explore

- 33.1 Minnesota Tourism. This training program  
33.2 must be made available at no cost to  
33.3 Minnesota residents in an effort to address  
33.4 critical workforce shortages in the hospitality  
33.5 and tourism industries and assist in career  
33.6 development. In fiscal year 2026 and beyond,  
33.7 the base amount is \$25,000 for ongoing system  
33.8 maintenance, management, and content  
33.9 updates.
- 33.10 (mm) \$3,000,000 the first year is for  
33.11 competitive grants to support competitive  
33.12 robotics teams and prepare youth for careers  
33.13 in science, technology, engineering, and math  
33.14 (STEM) fields. Of this amount, \$2,000,000 is  
33.15 for creating internships for high school  
33.16 students to work at private companies in  
33.17 STEM fields, including the payment of student  
33.18 stipends.
- 33.19 (nn) \$1,500,000 the first year is for a grant to  
33.20 the Sanneh Foundation, a nonprofit  
33.21 organization, to fund out-of-school summer  
33.22 programs focused on mentoring and  
33.23 behavioral, social, and emotional learning  
33.24 interventions and enrichment activities  
33.25 directed toward low-income students of color.  
33.26 This appropriation is onetime and available  
33.27 until June 30, 2026.
- 33.28 (oo) \$1,000,000 each year is for a grant to the  
33.29 Hmong American Partnership to expand job  
33.30 training and placement programs primarily  
33.31 servicing the Southeast Asian community. These  
33.32 are onetime appropriations.
- 33.33 (pp) \$1,000,000 each year is for a grant to  
33.34 Comunidades Latinas Unidas En Servicio  
33.35 (CLUES) to address employment, economic,

34.1 and technology access disparities for  
34.2 low-income unemployed or underemployed  
34.3 individuals. Funds must support short-term  
34.4 certifications and transferable skills in  
34.5 high-demand fields, workforce readiness,  
34.6 customized financial capability, and  
34.7 employment supports. At least 50 percent of  
34.8 this amount must be used for programming  
34.9 targeted at greater Minnesota. This is a  
34.10 onetime appropriation.

34.11 (qq) \$300,000 each year is for a grant to All  
34.12 Square. The grant must be used to support the  
34.13 operations of All Square's Fellowship and  
34.14 Prison to Law Pipeline programs which  
34.15 operate in Minneapolis, St. Paul, and  
34.16 surrounding correctional facilities to assist  
34.17 incarcerated and formerly incarcerated  
34.18 Minnesotans in overcoming employment  
34.19 barriers that prevent economic and emotional  
34.20 freedom. This is a onetime appropriation.

34.21 (rr) \$1,000,000 each year is for a grant to the  
34.22 Redemption Project to provide employment  
34.23 services to adults leaving incarceration,  
34.24 including recruiting, educating, training, and  
34.25 retaining employment mentors and partners.  
34.26 This is a onetime appropriation.

34.27 (ss) \$3,000,000 each year is for a grant to  
34.28 Community Action Partnership of Hennepin  
34.29 County. These are onetime appropriations. Of  
34.30 this amount:

34.31 (1) \$1,500,000 each year is for grants to 21  
34.32 Days of Peace for social equity building and  
34.33 community engagement activities; and

- 35.1 (2) \$1,500,000 each year is for grants to A  
35.2 Mother's Love for community outreach,  
35.3 empowerment training, and employment and  
35.4 career exploration services.
- 35.5 (tt) \$750,000 each year is for a grant to Mind  
35.6 the G.A.P.P. (Gaining Assistance to Prosperity  
35.7 Program) to improve the quality of life of  
35.8 unemployed and underemployed individuals  
35.9 by improving their employment outcome and  
35.10 developing individual earnings potential. This  
35.11 is a onetime appropriation and money is  
35.12 available either year of the biennium.
- 35.13 (uu) \$550,000 each year is for a grant to the  
35.14 International Institute of Minnesota. Grant  
35.15 funds must be used for workforce training for  
35.16 New Americans in industries in need of trained  
35.17 workforce. These are onetime appropriations.
- 35.18 (vv) \$400,000 each year is to Hired to expand  
35.19 their career pathway job training and  
35.20 placement program that connects lower-skilled  
35.21 job seekers to entry-level and gateway jobs in  
35.22 high-growth sectors. These are onetime  
35.23 appropriations.
- 35.24 (ww) \$500,000 each year for a grant to the  
35.25 American Indian Opportunities and  
35.26 Industrialization Center for workforce  
35.27 development programming, including reducing  
35.28 academic disparities for American Indian  
35.29 students and adults. This is a onetime  
35.30 appropriation.
- 35.31 (xx) \$275,000 each year is to Southeast  
35.32 Minnesota Workforce Development Area  
35.33 #8/Workforce Development, Inc. to provide  
35.34 career planning, career pathway training and

36.1 education, wraparound support services, and  
36.2 job skills advancement in high-demand careers  
36.3 to individuals with barriers to employment in  
36.4 Steele County, helping families build secure  
36.5 pathways out of poverty while also addressing  
36.6 worker shortages in the Owatonna and Steele  
36.7 County area. Funding will also support  
36.8 Employer Outreach Services to include  
36.9 providing solutions to workforce challenges  
36.10 and direct connections to workforce  
36.11 programming. Funds may be used for program  
36.12 expenses, including but not limited to hiring  
36.13 instructors and navigators; space rental; and  
36.14 supportive services to help participants attend  
36.15 classes, including assistance with course fees,  
36.16 child care, transportation, and safe and stable  
36.17 housing. In addition, up to five percent of  
36.18 grant funds may be used for Workforce  
36.19 Development, Inc.'s administrative costs. This  
36.20 is a onetime appropriation and is available  
36.21 until June 30, 2027.

36.22 (yy) \$500,000 each year is for a grant to the  
36.23 Black Women's Wealth Alliance to provide  
36.24 economically eligible individuals with job  
36.25 skills training, career counseling, and job  
36.26 placement assistance. This is a onetime  
36.27 appropriation.

36.28 (zz) \$250,000 each year is for a grant to  
36.29 Abijahs on the Backside to provide equine  
36.30 experiential mental health therapy to first  
36.31 responders suffering from job-related trauma  
36.32 and post-traumatic stress disorder. For  
36.33 purposes of this paragraph, a "first responder"  
36.34 is a peace officer as defined in Minnesota  
36.35 Statutes, section 626.84, subdivision 1,

37.1 paragraph (c); a full-time firefighter as defined  
37.2 in Minnesota Statutes, section 299N.03,  
37.3 subdivision 5; or a volunteer firefighter as  
37.4 defined in Minnesota Statutes, section  
37.5 299N.03, subdivision 7.

37.6 Abijahs on the Backside must report to the  
37.7 commissioner of employment and economic  
37.8 development and the chairs and ranking  
37.9 minority members of the house of  
37.10 representatives and senate committees  
37.11 overseeing employment and economic  
37.12 development policy and finance on the equine  
37.13 experiential mental health therapy provided  
37.14 to first responders under this section. The  
37.15 report must include an overview of the  
37.16 program's budget, a detailed explanation of  
37.17 program expenditures, the number of first  
37.18 responders served by the program, and a list  
37.19 and explanation of the services provided to  
37.20 and benefits received by program participants.  
37.21 An initial report is due by January 15, 2024,  
37.22 and a final report is due by January 15, 2025.

37.23 This is a onetime appropriation.

37.24 (aaa) \$200,000 each year is for a grant to  
37.25 Project Restore Minnesota for the Social  
37.26 Kitchen project, a pathway program for careers  
37.27 in the culinary arts. This is a onetime  
37.28 appropriation and is available until June 30,  
37.29 2027.

37.30 (bbb) \$100,000 each year is for grants to the  
37.31 Minnesota Grocers Association Foundation  
37.32 for Carts to Careers, a statewide initiative to  
37.33 promote careers, conduct outreach, provide  
37.34 job skills training, and award scholarships for

38.1 students pursuing careers in the food industry.

38.2 This is a onetime appropriation.

38.3 (ccc) \$1,200,000 each year is for a grant to

38.4 Twin Cities R!SE. Of this amount, \$700,000

38.5 each year is for performance grants under

38.6 Minnesota Statutes, section 116J.8747, to

38.7 Twin Cities R!SE to provide training to

38.8 individuals facing barriers to employment;

38.9 and \$500,000 each year is to increase the

38.10 capacity of their Empowerment Institute

38.11 through employer partnerships across

38.12 Minnesota and expansion of the youth

38.13 personal empowerment curriculum. This

38.14 appropriation is onetime and available until

38.15 June 30, 2026.

38.16 (ddd) \$750,000 each year is for a grant to

38.17 Bridges to Healthcare to provide career

38.18 education, wraparound support services, and

38.19 job skills training in high-demand health care

38.20 fields to low-income parents, nonnative

38.21 speakers of English, and other hard-to-train

38.22 individuals, helping families build secure

38.23 pathways out of poverty while also addressing

38.24 worker shortages in one of Minnesota's most

38.25 innovative industries. Funds may be used for

38.26 program expenses, including but not limited

38.27 to hiring instructors and navigators; space

38.28 rental; and supportive services to help

38.29 participants attend classes, including assistance

38.30 with course fees, child care, transportation,

38.31 and safe and stable housing. In addition, up to

38.32 five percent of grant funds may be used for

38.33 Bridges to Healthcare's administrative costs.

38.34 This is a onetime appropriation.

- 39.1 (eee) \$500,000 each year is for a grant to Big  
39.2 Brothers Big Sisters of the Greater Twin Cities  
39.3 to provide disadvantaged youth ages 12 to 21  
39.4 with job-seeking skills, connections to job  
39.5 training and education opportunities, and  
39.6 mentorship while exploring careers. The grant  
39.7 shall serve youth in the Big Brothers Big  
39.8 Sisters chapters in the Twin Cities, central  
39.9 Minnesota, and southern Minnesota. This is a  
39.10 onetime appropriation.
- 39.11 (fff) \$1,500,000 each year is for a grant to  
39.12 Youthprise to provide economic development  
39.13 services designed to enhance long-term  
39.14 economic self-sufficiency in communities with  
39.15 concentrated African populations statewide.  
39.16 Of these amounts, 50 percent is for subgrants  
39.17 to Ka Joog and 50 percent is for competitive  
39.18 subgrants to community organizations. These  
39.19 are onetime appropriations.
- 39.20 (ggg) \$350,000 each year is for a grant to the  
39.21 YWCA Minneapolis to provide training to  
39.22 eligible individuals, including job skills  
39.23 training, career counseling, and job placement  
39.24 assistance necessary to secure a child  
39.25 development associate credential and to have  
39.26 a career path in early education. These are  
39.27 onetime appropriations.
- 39.28 (hhh) \$500,000 each year is for a grant to  
39.29 Emerge Community Development for support  
39.30 and reinforce critical workforce at the Emerge  
39.31 Career and Technical Center, Cedar Riverside  
39.32 Opportunity Center, and Emerge Second  
39.33 Chance programs in the city of Minneapolis.  
39.34 This is a onetime appropriation.

40.1 (iii) \$425,000 each year is for a grant to Better  
40.2 Futures Minnesota to provide job skills  
40.3 training to individuals who have been released  
40.4 from incarceration for a felony-level offense  
40.5 and are no more than 12 months from the date  
40.6 of release. This is a onetime appropriation.

40.7 Better Futures Minnesota shall annually report  
40.8 to the commissioner on how the money was  
40.9 spent and what results were achieved. The  
40.10 report must include, at a minimum,  
40.11 information and data about the number of  
40.12 participants; participant homelessness,  
40.13 employment, recidivism, and child support  
40.14 compliance; and job skills training provided  
40.15 to program participants.

40.16 (jjj) \$500,000 each year is for a grant to  
40.17 Pillsbury United Communities to provide job  
40.18 training and workforce development services  
40.19 for underserved communities. This is a  
40.20 onetime appropriation.

40.21 (kkk) \$500,000 each year is for a grant to  
40.22 Project for Pride in Living for job training and  
40.23 workforce development services for  
40.24 underserved communities. This is a onetime  
40.25 appropriation.

40.26 (lll) \$300,000 each year is for a grant to  
40.27 YMCA of the North to provide career  
40.28 exploration, job training, and workforce  
40.29 development services for underserved youth  
40.30 and young adults. This is a onetime  
40.31 appropriation.

40.32 (mmm) \$500,000 in the first year is for a grant  
40.33 to Al Maa'uun for a strategic intervention  
40.34 program designed to target and connect

- 41.1 program participants to meaningful,  
41.2 sustainable living wage employment. This is  
41.3 a onetime appropriation.
- 41.4 (nnn) \$500,000 each year is for a grant to  
41.5 CAIRO to provide workforce development  
41.6 services in health care, technology, and  
41.7 transportation (CDL) industries. This is a  
41.8 onetime appropriation.
- 41.9 (ooo) \$500,000 each year is for competitive  
41.10 grants to organizations providing services to  
41.11 relieve economic disparities in the African  
41.12 immigrant community through workforce  
41.13 recruitment, development, job creation,  
41.14 assistance of smaller organizations to increase  
41.15 capacity, and outreach. Of this amount, up to  
41.16 five percent is for administration and  
41.17 monitoring of the program. This is a onetime  
41.18 appropriation.
- 41.19 (ppp) \$270,000 each year is for a grant to  
41.20 Stairstep to help community members  
41.21 understand possibilities for improving  
41.22 employment opportunities. This is a onetime  
41.23 appropriation.
- 41.24 (qqq) \$400,000 each year is for a grant to  
41.25 Building Strong Communities, Inc. for a  
41.26 statewide apprenticeship readiness program  
41.27 to prepare women, BIPOC community  
41.28 members, and veterans to enter the building  
41.29 and construction trades. These are onetime  
41.30 appropriations.
- 41.31 (rrr) \$150,000 each year is for prevailing wage  
41.32 staff under Minnesota Statutes, section  
41.33 116J.871, subdivision 2.

42.1 (sss) \$250,000 each year is for the purpose of  
 42.2 awarding a grant to Minnesota Community of  
 42.3 African People with Disabilities (MNCAPD),  
 42.4 Roots Connect, and Fortune Relief and Youth  
 42.5 Empowerment Organization (FRAYEO). This  
 42.6 is a onetime appropriation. MNCAPD, Roots  
 42.7 Connect, and FRAYEO must use grant  
 42.8 proceeds to provide funding for workforce  
 42.9 development activities for at-risk youth from  
 42.10 low-income families and unengaged young  
 42.11 adults experiencing disabilities, including:  
 42.12 (1) job readiness training for at-risk youth,  
 42.13 including resume building, interview skills,  
 42.14 and job search strategies;  
 42.15 (2) on-the-job training opportunities with local  
 42.16 businesses;  
 42.17 (3) support services such as transportation  
 42.18 assistance and child care to help youth attend  
 42.19 job training programs; and  
 42.20 (4) mentorship and networking opportunities  
 42.21 to connect youth with professionals in the  
 42.22 youth's desired fields.  
 42.23 (ttt) \$500,000 the first year is to the Legislative  
 42.24 Coordinating Commission for the Take Force  
 42.25 on Youth Interventions. This is a onetime  
 42.26 appropriation.

42.27 **Subd. 4. General Support Services** 18,031,000 8,059,000

	<u>Appropriations by Fund</u>	
	<u>2024</u>	<u>2025</u>
42.29 <u>General Fund</u>	<u>17,950,000</u>	<u>7,950,000</u>
42.31 <u>Workforce</u>		
42.32 <u>Development</u>	<u>81,000</u>	<u>109,000</u>

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

43.4 (b) \$10,000,000 the first year is for the  
 43.5 workforce digital transformation projects. This  
 43.6 appropriation is onetime and is available until  
 43.7 June 30, 2027.

43.8 (c) \$600,000 each year is for an audit software  
 43.9 to protect program integrity and provide fraud  
 43.10 solutions. This is a onetime appropriation.

43.11	<u>Subd. 5. <b>Minnesota Trade Office</b></u>	<u>2,242,000</u>	<u>2,242,000</u>
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43.12 (a) \$300,000 each year is for the STEP grants  
 43.13 in Minnesota Statutes, section 116J.979. The  
 43.14 base for this purpose in fiscal year 2024 and  
 43.15 beyond is \$300,000.

43.16 (b) \$180,000 each year is for the Invest  
 43.17 Minnesota marketing initiative in Minnesota  
 43.18 Statutes, section 116J.9781.

43.19 (c) \$270,000 each year is for the Minnesota  
 43.20 Trade Offices under Minnesota Statutes,  
 43.21 section 116J.978.

43.22	<u>Subd. 6. <b>Vocational Rehabilitation</b></u>	<u>49,136,000</u>	<u>49,136,000</u>
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43.23	<u>Appropriations by Fund</u>		
43.24		<u>2024</u>	<u>2025</u>
43.25	<u>General</u>	<u>41,306,000</u>	<u>41,306,000</u>
43.26	<u>Workforce</u>		
43.27	<u>Development</u>	<u>7,830,000</u>	<u>7,830,000</u>

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

43.31 (b) \$11,495,000 each year from the general  
 43.32 fund and \$6,830,000 each year from the  
 43.33 workforce development fund are for extended

44.1 employment services for persons with severe  
 44.2 disabilities under Minnesota Statutes, section  
 44.3 268A.15. Of the amounts appropriated from  
 44.4 the general fund, \$4,500,000 each year is for  
 44.5 maintaining prior rate increases to providers  
 44.6 of extended employment services for persons  
 44.7 with severe disabilities under Minnesota  
 44.8 Statutes, section 268A.15.

44.9 (c) \$6,500,000 each year is for grants to  
 44.10 programs that provide employment support  
 44.11 services to persons with mental illness under  
 44.12 Minnesota Statutes, sections 268A.13 and  
 44.13 268A.14.

44.14 (d) \$9,011,000 each year is for grants to  
 44.15 centers for independent living under  
 44.16 Minnesota Statutes, section 268A.11.

44.17 (e) \$1,000,000 each year is from the workforce  
 44.18 development fund for grants under Minnesota  
 44.19 Statutes, section 268A.16, for employment  
 44.20 services for persons, including transition-age  
 44.21 youth, who are deaf, deafblind, or  
 44.22 hard-of-hearing. If the amount in the first year  
 44.23 is insufficient, the amount in the second year  
 44.24 is available in the first year.

44.25 **Subd. 7. Services for the Blind** 10,425,000 10,425,000

44.26 (a) \$500,000 each year is for senior citizens  
 44.27 who are becoming blind. At least one-half of  
 44.28 the funds for this purpose must be used to  
 44.29 provide training services for seniors who are  
 44.30 becoming blind. Training services must  
 44.31 provide independent living skills to seniors  
 44.32 who are becoming blind to allow them to  
 44.33 continue to live independently in their homes.



46.1 (e) Money for marketing grants is available  
 46.2 either year of the biennium. Unexpended grant  
 46.3 money from the first year is available in the  
 46.4 second year.

## 46.5 **ARTICLE 2**

### 46.6 **EXPLORE MINNESOTA**

46.7 Section 1. Minnesota Statutes 2022, section 116U.05, is amended to read:

#### 46.8 **116U.05 EXPLORE MINNESOTA TOURISM.**

46.9 Explore Minnesota ~~Tourism~~ is ~~created~~ as an office in the executive branch with a director  
 46.10 appointed by the governor. The director is under the supervision of the commissioner of  
 46.11 employment and economic development and oversees Explore Minnesota Tourism and  
 46.12 Explore Minnesota for Business divisions. The director serves in the unclassified service  
 46.13 and must be qualified by experience and training in ~~travel and tourism~~ related fields.

#### 46.14 Sec. 2. **116U.06] EXPLORE MINNESOTA TOURISM.**

46.15 Explore Minnesota Tourism is a division of Explore Minnesota and exists to support  
 46.16 Minnesota's economy through promotion and facilitation of travel to and within the state  
 46.17 of Minnesota.

#### 46.18 Sec. 3. **116U.07] EXPLORE MINNESOTA FOR BUSINESS.**

46.19 Explore Minnesota for Business is a division of Explore Minnesota. Its mission is to  
 46.20 promote overall livability and workforce and economic opportunity in Minnesota. Explore  
 46.21 Minnesota for Business works in conjunction with the department of employment and  
 46.22 economic development to establish and meet statewide goals in these areas.

46.23 Sec. 4. Minnesota Statutes 2022, section 116U.10, is amended to read:

#### 46.24 **116U.10 DEFINITIONS.**

46.25 Subdivision 1. **Scope.** ~~As used in~~ For the purposes of this chapter, the terms defined in  
 46.26 this section have the meanings given them.

46.27 Subd. 2. **Director.** "Director" means the executive director of Explore Minnesota  
 46.28 ~~Tourism.~~

46.29 Subd. 3. **Office.** "Office" means Explore Minnesota ~~Tourism.~~

47.1 Sec. 5. Minnesota Statutes 2022, section 116U.15, is amended to read:

47.2 **116U.15 MISSION.**

47.3 (a) The mission of Explore Minnesota ~~Tourism~~ is to promote and facilitate increased  
47.4 travel to and within the state of Minnesota, promote overall livability, and promote workforce  
47.5 and economic opportunity in Minnesota. To further the mission of Explore Minnesota, the  
47.6 office is advised by councils focused on tourism and talent attraction and business marketing.

47.7 Its goals are to:

47.8 (1) expand public and private partnerships through increased interagency efforts and  
47.9 increased tourism and business industry participation;

47.10 (2) increase productivity through enhanced flexibility and options; and

47.11 (3) use innovative fiscal and human resource practices to manage the state's resources  
47.12 and operate the office as efficiently as possible.

47.13 (b) The director shall report to the legislature on the performance of the office's operations  
47.14 and the accomplishment of its goals in the office's biennial budget according to section  
47.15 16A.10, subdivision 1.

47.16 Sec. 6. Minnesota Statutes 2022, section 116U.20, is amended to read:

47.17 **116U.20 ORGANIZATION.**

47.18 The director shall:

47.19 (1) employ assistants and other officers, employees, and agents that the director considers  
47.20 necessary to discharge the functions of the office; ~~and~~

47.21 (2) define the duties of the officers, employees, and agents, and delegate to them any of  
47.22 the director's powers, duties, and responsibilities, subject to the director's control and under  
47.23 conditions prescribed by the director;

47.24 (3) oversee the overall strategy and budgets of the Tourism and Business divisions; and

47.25 (4) chair or cochair and oversee the Tourism and Business councils.

47.26 Sec. 7. **[116U.24] EXPLORE MINNESOTA COUNCILS.**

47.27 (a) The director shall be advised by the Explore Minnesota Tourism Council and Explore  
47.28 Minnesota for Business Council each consisting of voting members appointed by the governor  
47.29 for four-year terms. The director of Explore Minnesota serves as the chair or cochair of

48.1 each council. The director may assign employees of the office to participate in oversight of  
48.2 council operations.

48.3 (b) Each council shall act to serve the broader interests of the council's divisions by  
48.4 promoting activities and programs of the office that support, maintain, and expand the state's  
48.5 domestic and international travel and trade markets, thereby generating increased visitor  
48.6 expenditures, revenue, and employment.

48.7 (c) Filling of membership vacancies is as provided in section 15.059. The terms of  
48.8 one-half of the members shall be coterminous with the governor and the terms of the  
48.9 remaining one-half of the members shall end on the first Monday in January one year after  
48.10 the terms of the other members. Members may serve until their successors are appointed  
48.11 and qualify. Members are not compensated. A member may be reappointed.

48.12 (d) The council shall meet at least four times per year and at other times determined by  
48.13 each council.

48.14 (e) If compliance with section 13D.02 is impractical, the Explore Minnesota councils  
48.15 may conduct a meeting of their members by telephone or other electronic means so long as  
48.16 the following conditions are met:

48.17 (1) all members of each council participating in the meeting, wherever their physical  
48.18 location, can hear one another and can hear all discussion and testimony;

48.19 (2) members of the public present at the regular meeting location of the council can hear  
48.20 clearly all discussion and testimony and all votes of members of each council and, if needed,  
48.21 receive those services required by sections 15.44 and 15.441;

48.22 (3) at least one member of each council is physically present at the regular meeting  
48.23 location; and

48.24 (4) all votes are conducted by roll call, so each member's vote on each issue can be  
48.25 identified and recorded.

48.26 (f) Each member of each council participating in a meeting by telephone or other  
48.27 electronic means is considered present at the meeting for purposes of determining a quorum  
48.28 and participating in all proceedings.

48.29 (g) If telephone or other electronic means is used to conduct a meeting, each council, to  
48.30 the extent practicable, shall allow a person to monitor the meeting electronically from a  
48.31 remote location. Each council may require the person making such a connection to pay for  
48.32 documented marginal costs that each council incurs as a result of the additional connection.

49.1 (h) If telephone or other electronic means is used to conduct a regular, special, or  
49.2 emergency meeting, the council shall provide notice of the regular meeting location, of the  
49.3 fact that some members may participate by telephone or other electronic means, and whether  
49.4 a cost will be incurred under paragraph (f). The timing and method of providing notice is  
49.5 governed by section 13D.04.

49.6 Sec. 8. [116U.242] EXPLORE MINNESOTA FOR BUSINESS COUNCIL.

49.7 (a) The director shall be advised by the Explore Minnesota for Business Council  
49.8 consisting of up to 28 voting members appointed by the governor for four-year terms,  
49.9 including:

49.10 (1) the director of Explore Minnesota and the commissioner of employment and economic  
49.11 development who serve as cochairs;

49.12 (2) three representatives in marketing, human resources, or executive leadership from  
49.13 Minnesota-based companies with more than 100 employees representing Minnesota's key  
49.14 industries, including health care, technology, food and agriculture, manufacturing, retail,  
49.15 energy, and support services;

49.16 (3) two representatives from statewide or regional marketing or business association  
49.17 leadership, the Iron Range, and nonprofits focused on economic development or human  
49.18 resource management;

49.19 (4) one representative from a Minnesota college or university staff, faculty, leadership,  
49.20 student leadership, or alumni association;

49.21 (5) one member representing Minnesota's start-up and entrepreneurial industry who has  
49.22 started at least one Minnesota-based business in the last five years and has at least 20  
49.23 employees;

49.24 (6) two representatives from the Minnesota Indian Affairs Council and Minnesota Tribal  
49.25 leadership, including casino management;

49.26 (7) two representatives from Minnesota's Ethnic Chambers of Commerce Leadership  
49.27 and the Minnesota Chamber of Commerce; and

49.28 (8) one at-large representative in the field of general marketing, talent attraction, or  
49.29 economic development.

49.30 (b) The council shall act to serve the broader interest of promoting overall livability and  
49.31 workforce and economic opportunity in Minnesota. Members shall advise Explore Minnesota

50.1 for Business's marketing efforts by emphasizing and prioritizing diversity, equity, inclusion,  
50.2 and accessibility and providing professional marketing insights.

50.3 Sec. 9. Minnesota Statutes 2022, section 116U.30, is amended to read:

50.4 **116U.30 DUTIES OF DIRECTOR.**

50.5 (a) The director shall:

50.6 (1) publish, disseminate, and distribute informational and promotional materials;

50.7 (2) promote and encourage the coordination of Minnesota travel, tourism, overall  
50.8 livability, and workforce and economic opportunity promotion efforts with other state  
50.9 agencies and develop multiagency marketing strategies when appropriate;

50.10 (3) promote and encourage the expansion and development of international tourism,  
50.11 trade, and Minnesota livability marketing;

50.12 (4) advertise and disseminate information about Minnesota travel, tourism, and workforce  
50.13 and economic development opportunities;

50.14 (5) aid various local communities to improve their travel, tourism, and overall livability  
50.15 marketing programs;

50.16 (6) coordinate and implement a comprehensive state travel, tourism, workforce and  
50.17 economic development, and overall livability marketing ~~program~~ programs that ~~takes~~ take  
50.18 into consideration public and private businesses and attractions;

50.19 (7) contract, in accordance with section 16C.08, for professional services if the work or  
50.20 services cannot be satisfactorily performed by employees of the agency or by any other  
50.21 state agency;

50.22 (8) provide local, regional, and statewide ~~tourism~~ organizations with information,  
50.23 technical assistance, training, and advice on using state tourism and livability information  
50.24 and programs; and

50.25 (9) generally gather, compile, and make available statistical information relating to  
50.26 Minnesota travel, tourism, workforce and economic development, overall livability, and  
50.27 related areas in this state, ~~with~~. The director has the authority to call upon other state agencies  
50.28 for statistical data and results obtained by them and to arrange and compile that statistical  
50.29 information.

50.30 (b) The director may:

51.1 (1) apply for, receive, and spend money for travel, tourism, workforce and economic  
51.2 development, and overall livability development and marketing from other agencies ~~and~~  
51.3 ~~tourism~~, organizations, and businesses;

51.4 (2) apply for, accept, and disburse grants and other aids for tourism development and  
51.5 marketing from the federal government and other sources;

51.6 (3) enter into joint powers or cooperative agreements with agencies of the federal  
51.7 government, local governmental units, regional development commissions, other state  
51.8 agencies, the University of Minnesota and other educational institutions, other states,  
51.9 Canadian provinces, and local, statewide, and regional ~~tourism~~ organizations as necessary  
51.10 to perform the director's duties;

51.11 (4) enter into interagency agreements and agree to share net revenues with the contributing  
51.12 agencies;

51.13 (5) make grants;

51.14 (6) conduct market research and analysis to improve marketing techniques in the area  
51.15 of travel, tourism, workforce and economic development, and overall livability;

51.16 (7) monitor and study trends in the ~~tourism industry~~ related industries and provide  
51.17 resources and training to address change;

51.18 (8) annually convene conferences of Minnesota ~~tourism~~ providers for the purposes of  
51.19 exchanging information on tourism development, coordinating marketing activities, and  
51.20 formulating tourism, overall livability, and workforce and economic opportunity promotion  
51.21 development strategies; and

51.22 (9) enter into ~~tourism~~ promotion contracts or other agreements with private persons and  
51.23 public entities, including agreements to establish and maintain offices and other types of  
51.24 representation in foreign countries; to promote international travel and to implement this  
51.25 chapter.

51.26 (c) Contracts for goods and nonprofessional technical services made under paragraph  
51.27 (b), clauses (3) and (9), are not subject to the provisions of sections 16C.03, subdivision 3,  
51.28 and 16C.06 concerning competitive bidding and section 16C.055 concerning barter  
51.29 arrangements. ~~Unless otherwise determined by the commissioner of administration, all other~~  
51.30 ~~provisions of chapter 16C apply to this section, including section 16C.08, relating to~~  
51.31 ~~professional and technical services.~~ Contracts may be negotiated and are not subject to the  
51.32 provisions of chapter 16C relating to competitive bidding.

52.1 Sec. 10. Minnesota Statutes 2022, section 116U.35, is amended to read:

52.2 **116U.35 PROMOTIONAL EXPENSES.**

52.3 To promote travel, tourism, workforce and economic development, and overall livability  
 52.4 of the state, the director may expend money appropriated by the legislature for these purposes  
 52.5 in the same manner as private persons, firms, corporations, and associations make  
 52.6 expenditures for these purposes. Policies on promotional expenses must be approved by ~~the~~  
 52.7 ~~Explore Minnesota Tourism Council~~ and the commissioner of administration. A policy for  
 52.8 expenditures on food, lodging, and travel must be approved by the commissioner of  
 52.9 management and budget. No money may be expended for the appearance in radio or  
 52.10 television broadcasts by an elected public official.

52.11 **ARTICLE 3**

52.12 **PROVIDING RESOURCES, OPPORTUNITY, AND MAXIMIZING INVESTMENT**  
 52.13 **IN STRIVING ENTREPRENEURS**

52.14 Section 1. **TITLE.**

52.15 This act shall be known as the "Providing Resources, Opportunity, and Maximizing  
 52.16 Investments in Striving Entrepreneurs (PROMISE) Act."

52.17 Sec. 2. **PROMISE GRANT PROGRAM.**

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

52.20 (b) "Business" means both for-profit businesses and nonprofit organizations that earn  
 52.21 revenue in ways similar to businesses.

52.22 (c) "Commissioner" means the commissioner of employment and economic development.

52.23 (d) "Partner organization" or "partner" means the Minnesota Initiative Foundations and  
 52.24 nonprofit corporations receiving grants to provide grants to businesses under this section.

52.25 (e) "Program" means the PROMISE grant program under this section.

52.26 Subd. 2. **Establishment.** The commissioner shall establish the PROMISE grant program  
 52.27 to make grants to partner organizations to make grants to businesses in communities that  
 52.28 have been adversely affected by structural racial discrimination, civil unrest, lack of access  
 52.29 to capital, loss of population or an aging population, or lack of regional economic  
 52.30 diversification.

53.1 Subd. 3. Grants to partner organizations. (a) The commissioner shall make grants to  
53.2 partner organizations to provide grants to businesses under subdivision 4 using criteria,  
53.3 forms, applications, and reporting requirements developed by the commissioner.

53.4 (b) Up to five percent of a grant under this subdivision may be used by the partner  
53.5 organization for administration and monitoring of the program, and up to three percent of  
53.6 a grant may be used by the partner organization for technical assistance to grantees.

53.7 (c) Any funds not spent by partner organizations by June 30, 2027, must be returned to  
53.8 the commissioner and canceled back to the general fund.

53.9 Subd. 4. Grants to businesses. (a) Partners shall make grants to businesses using criteria,  
53.10 forms, applications, and reporting requirements developed by the commissioner.

53.11 (b) To be eligible for a grant under this subdivision, a business must:

53.12 (1) have primary business operations located in the state of Minnesota;

53.13 (2) be located in a community that has been adversely affected by structural racial  
53.14 discrimination, civil unrest, lack of access to capital, a loss of population or an aging  
53.15 population, or a lack of regional economic diversification; and

53.16 (3) have a gross annual revenue of \$350,000 or less based on 2021 taxes.

53.17 (c) Preference shall be given to businesses that did not receive previous assistance from  
53.18 the state under:

53.19 (1) the governor's Executive Order No. 20-15;

53.20 (2) Laws 2020, First Special Session chapter 1, section 4;

53.21 (3) Laws 2020, Seventh Special Session chapter 2, article 4 or 5; or

53.22 (4) Laws 2021, First Special Session chapter 10, article 2, section 22.

53.23 (d) Preference may be given to businesses that are able to demonstrate financial hardship.

53.24 (e) Grants under this subdivision must not exceed \$50,000 per grant.

53.25 (f) No business may receive more than one grant under this section.

53.26 (g) Grant funds may be used for land acquisition or for working capital to support payroll  
53.27 expenses, rent or mortgage payments, utility bills, and other similar expenses that occur in  
53.28 the regular course of business.

53.29 Subd. 5. Exemptions. All grants and grant making processes under this section are  
53.30 exempt from Minnesota Statutes, sections 16A.15, subdivision 3; 16B.97; and 16B.98,

54.1 subdivisions 5, 7, and 8. The commissioner must audit the use of grant funds under this  
54.2 section in accordance with standard accounting practices. The exemptions under this  
54.3 subdivision expire on December 31, 2026.

54.4 Subd. 6. **Reports.** (a) By January 31, 2026, partner organizations participating in the  
54.5 program must provide a report to the commissioner that includes descriptions of the  
54.6 businesses supported by the program, the amounts granted, and an explanation of  
54.7 administrative expenses.

54.8 (b) By February 15, 2026, the commissioner must report to the legislative committees  
54.9 in the house of representatives and senate with jurisdiction over economic development  
54.10 about grants made under this section based on the information received under paragraph  
54.11 (a).

54.12 Subd. 7. **Expiration.** This section expires December 31, 2027.

54.13 Sec. 3. **PROMISE LOAN PROGRAM.**

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

54.16 (b) "Borrower" means an eligible recipient receiving a loan guaranteed under this section.

54.17 (c) "Commissioner" means the commissioner of employment and economic development.

54.18 (d) "Eligible project" means the development, redevelopment, demolition, site preparation,  
54.19 predesign, design, engineering, repair, land acquisition, relocation, or renovation of real  
54.20 property or capital improvements. Eligible project includes, but is not limited to construction  
54.21 of buildings, infrastructure, related site amenities, landscaping, and street-scaping.

54.22 (e) "Eligible recipient" means a:

54.23 (1) business;

54.24 (2) nonprofit organization; or

54.25 (3) developer that is seeking funding to complete an eligible project. Eligible recipient  
54.26 does not include a partner organization or a local unit of government.

54.27 (f) "Partner organization" or "Partner" means the Minnesota Initiative Foundations and  
54.28 nonprofit corporations receiving grants to provide loans under this section.

54.29 (g) "Program" means the PROMISE loan program under this section.

54.30 (h) "Redevelopment" means the acquisition of real property; site preparation; predesign,  
54.31 design, engineering, repair, or renovation of facilities façade improvements, and construction

55.1 of buildings, infrastructure, and related site amenities; landscaping; street-scaping;  
55.2 land-banking for future development or redevelopment; or financing any of these activities  
55.3 taken on by a private party pursuant to an agreement with the city. Redevelopment does not  
55.4 include project costs eligible for compensation or assistance available through insurance  
55.5 policies or from other organizations or government agencies.

55.6 (i) "Relocation" means financial support for businesses that would like to relocate to  
55.7 another location within the same city, county, or region in Minnesota.

55.8 Subd. 2. **Establishment.** The commissioner shall establish the PROMISE loan program  
55.9 to make grants to partner organizations to make loans to businesses in communities that  
55.10 have been adversely affected by structural racial discrimination, civil unrest, lack of access  
55.11 to capital, a loss of population or an aging population, or a lack of regional economic  
55.12 diversification.

55.13 Subd. 3. **Grants to partner organizations.** (a) The commissioner shall make grants to  
55.14 partner organizations to provide loans to businesses as specified under this section.

55.15 (b) Up to five percent of a grant under this subdivision may be used by the partner  
55.16 organization for administration and monitoring of the program, and up to three percent of  
55.17 a grant may be used by the partner organization for technical assistance to borrowers.

55.18 (c) Any funds not spent by partner organizations by June 30, 2027, must be returned to  
55.19 the commissioner and canceled back to the general fund.

55.20 Subd. 4. **Loans to eligible recipients.** (a) A partner organization may make loans to  
55.21 eligible recipients for eligible projects. A loan to an eligible recipient for an eligible project  
55.22 must:

55.23 (1) be for no more than \$1,000,000;

55.24 (2) be for a term of no more than ten years; and

55.25 (3) must be a three percent interest loan.

55.26 (b) Loans must not be used for working capital or inventory; consolidating, repaying,  
55.27 or refinancing debt; or speculation or investment in rental real estate.

55.28 Subd. 5. **Loans to businesses.** (a) To be eligible for a loan under this subdivision, a  
55.29 business must:

55.30 (1) have primary business operations located in the state of Minnesota;

55.31 (2) have gross annual revenue of less than \$1,000,000 based on 2021 taxes; and

56.1 (3) be located in a community that has been adversely affected by structural racial  
 56.2 discrimination, civil unrest, lack of access to capital, a loss of population or an aging  
 56.3 population, or a lack of regional economic diversification.

56.4 Subd. 6. **Preference.** (a) Priority shall be given to those businesses that have not received  
 56.5 a grant under a Main Street COVID-19 relief grant program or a loan from the Main Street  
 56.6 Economic Revitalization Loan Program.

56.7 (b) Priority may also be given to projects that involve developers who are Black,  
 56.8 Indigenous, or People of Color; veterans; or women.

56.9 Subd. 7. **Exemptions.** All grants under this section are exempt from Minnesota Statutes,  
 56.10 sections 16A.15, subdivision 3; 16B.97; and 16B.98, subdivisions 5, 7, and 8. The  
 56.11 commissioner must audit the use of grant funds under this section in accordance with standard  
 56.12 accounting practices. The exemptions under this subdivision expire on December 31, 2026.

56.13 Subd. 8. **Reports.** (a) By January 31, 2026, partner organizations participating in the  
 56.14 program must provide a report to the commissioner that includes descriptions of the  
 56.15 businesses supported by the program, the amounts loaned, and an explanation of  
 56.16 administrative expenses.

56.17 (b) By February 15, 2026, the commissioner must report to the legislative committees  
 56.18 in the house of representatives and senate with jurisdiction over economic development  
 56.19 about loans made under this section based on the information received under paragraph (a).

56.20 Subd. 9. **Expiration.** This section expires December 31, 2027.

## 56.21 **ARTICLE 4**

### 56.22 **DEED POLICY**

56.23 **Section 1. [116J.418] OFFICE OF CHILD CARE COMMUNITY PARTNERSHIPS.**

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

56.26 (b) "Child care" means the care of children while parents or guardians are at work or  
 56.27 absent for another reason.

56.28 (c) "Local unit of government" has the meaning given in section 116G.03, subdivision  
 56.29 3.

56.30 (d) "Office" means the Office of Child Care Community Partnerships established in  
 56.31 subdivision 2, paragraph (a).

57.1 Subd. 2. **Office established; purpose.** (a) An Office of Child Care Community  
57.2 Partnerships is established within the Department of Employment and Economic  
57.3 Development. The department may employ a director and staff necessary to carry out the  
57.4 office's duties under subdivision 4.

57.5 (b) The purpose of the office is to support child care businesses within the state in order  
57.6 to:

57.7 (1) increase the quantity of quality child care available; and

57.8 (2) improve accessibility to child care for underserved communities and populations.

57.9 Subd. 3. **Organization.** The office shall consist of a director of the Office of Child Care  
57.10 Community Partnerships, as well as any staff necessary to carry out the office's duties under  
57.11 subdivision 4.

57.12 Subd. 4. **Duties.** The office shall have the power and duty to:

57.13 (1) coordinate with state, regional, local, and private entities to promote investment in  
57.14 increasing the quantity of quality child care in Minnesota;

57.15 (2) coordinate with other agencies including but not limited to Minnesota Management  
57.16 and Budget, the Department of Human Services, and the Department of Education to develop,  
57.17 recommend, and implement solutions to increase the quantity of quality child care openings;

57.18 (3) administer the child care economic development grant program and other  
57.19 appropriations to the department for this purpose;

57.20 (4) monitor the child care business development efforts of other states and countries;

57.21 (5) provide support to the governor's Children's Cabinet;

57.22 (6) provide an annual report, as required by subdivision 5; and

57.23 (7) perform any other activities consistent with the office's purpose.

57.24 Subd. 5. **Reporting.** (a) Beginning January 15, 2024, and each year thereafter, the Office  
57.25 of Child Care Community Partnerships shall report to the legislative committees with  
57.26 jurisdiction over child care policy and finance on the office's activities during the previous  
57.27 year.

57.28 (b) The report shall contain, at a minimum:

57.29 (1) an analysis of the current access to child care within the state;

57.30 (2) an analysis of the current shortage of child care workers within the state;

58.1 (3) a summary of the office's activities;

58.2 (4) any proposed legislative and policy initiatives; and

58.3 (5) any other information requested by the legislative committees with jurisdiction over  
58.4 child care, or that the office deems necessary.

58.5 (c) The report may be submitted electronically and is subject to section 3.195, subdivision  
58.6 1.

58.7 **Sec. 2. [116J.4231] OFFICE OF NEW AMERICANS.**

58.8 Subdivision 1. **Office established; purpose.** (a) The Office of New Americans is  
58.9 established within the Department of Employment and Economic Development. The governor  
58.10 must appoint an assistant commissioner who serves in the unclassified service. The assistant  
58.11 commissioner must hire a program manager, an office assistant, and any staff necessary to  
58.12 carry out the office's duties under subdivision 2.

58.13 (b) The purpose of the office is to foster immigrant and refugee inclusion through an  
58.14 intentional process to improve economic mobility, enhance civic participation, and improve  
58.15 receiving communities' openness to immigrants and refugees by incorporating the needs  
58.16 and aspirations of immigrants and refugees, their families, and their communities for the  
58.17 mutual benefit of all by fulfilling the duties outlined in subdivision 2.

58.18 Subd. 2. **Duties.** The Office of New Americans has the following duties:

58.19 (1) create and implement a statewide strategy and programming to foster and promote  
58.20 immigrant and refugee-inclusion in Minnesota so as to improve economic mobility, enhance  
58.21 civic participation, and improve receiving communities' openness to immigrants and refugees;

58.22 (2) address the state's workforce needs by connecting employers and job seekers within  
58.23 the immigrant and refugee community;

58.24 (3) identify and support implementation of programs and strategies to reduce employment  
58.25 barriers for immigrants and refugees, including the creation of alternative employment  
58.26 pathways;

58.27 (4) support programs and activities designed to ensure equitable access to the workforce  
58.28 for immigrants and refugees, including those who are disabled;

58.29 (5) support equitable opportunities for immigrants and refugees to access state government  
58.30 services and grants, including collaborating with Minnesota's ethnic councils as created by  
58.31 section 15.0145;

59.1 (6) work with state agencies, Minnesota's ethnic councils, and community and foundation  
59.2 partners to undertake studies and research and analyze economic and demographic trends  
59.3 to better understand and serve the state's immigrant and refugee communities;

59.4 (7) coordinate and establish best practices for language access initiatives to all state  
59.5 agencies after soliciting input from Minnesota's ethnic councils;

59.6 (8) convene stakeholders to further the objectives identified in subdivision 1;

59.7 (9) make policy recommendations to the governor on issues impacting immigrants and  
59.8 refugees in consultation with Minnesota's ethnic councils;

59.9 (10) engage all stakeholders to further the objectives identified in subdivision 1 within  
59.10 the context of workforce access and workforce readiness, including in the areas of  
59.11 employment, housing, legal services, health care, and education and communicate the  
59.12 importance of immigrant and refugee inclusion in the success of immigrants, refugees, their  
59.13 children, and the communities in which they settle;

59.14 (11) engage with and support existing municipal and county offices that promote and  
59.15 foster immigrant and refugee inclusion and encourage the development of new municipal  
59.16 and county offices dedicated to immigrant and refugee inclusion;

59.17 (12) serve as the point of contact for immigrants and refugees accessing resources both  
59.18 within the department and with boards charged with oversight of a profession;

59.19 (13) promulgate rules necessary to implement and effectuate this section;

59.20 (14) provide an annual report, as required by subdivision 3; and

59.21 (15) perform any other activities consistent with the office's purpose.

59.22 Subd. 3. **Reporting.** (a) Beginning January 15, 2025, and each year thereafter, the Office  
59.23 of New Americans shall report to the legislative committees with jurisdiction over the  
59.24 office's activities during the previous year.

59.25 (b) The report shall contain, at a minimum:

59.26 (1) a summary of the office's activities;

59.27 (2) suggested policies, incentives, and legislation designed to accelerate the achievement  
59.28 of the duties under subdivision 2;

59.29 (3) any proposed legislative and policy initiatives;

59.30 (4) the amount and types of grants awarded under subdivision 6; and

60.1 (5) any other information deemed necessary and requested by the legislative committees  
60.2 with jurisdiction over the office.

60.3 (c) The report may be submitted electronically and is subject to section 3.195, subdivision  
60.4 1.

60.5 **Subd. 4. Interdepartmental Coordinating Council on Immigrant and Refugee**  
60.6 **Affairs.** (a) An Interdepartmental Coordinating Council on Immigrant and Refugee Affairs  
60.7 is established to advise the Office of New Americans.

60.8 (b) The purpose of the council is to identify and establish ways in which state  
60.9 departments, agencies, and Minnesota's ethnic councils can work together to deliver state  
60.10 programs and services effectively and efficiently to Minnesota's immigrant and refugee  
60.11 populations. The council shall implement policies, procedures, and programs requested by  
60.12 the governor through the state departments and offices.

60.13 (c) The council shall be chaired by the assistant commissioner of the Office of New  
60.14 Americans and shall include the commissioners, department directors, or designees from  
60.15 the following:

60.16 (1) the governor's office;

60.17 (2) the Department of Administration;

60.18 (3) the Department of Employment and Economic Development;

60.19 (4) the Department of Human Services;

60.20 (5) the Department of Human Services Refugee Resettlement Programs Office;

60.21 (6) the Department of Labor and Industry;

60.22 (7) the Department of Health;

60.23 (8) the Department of Education;

60.24 (9) the Office of Higher Education;

60.25 (10) the Department of Public Safety;

60.26 (11) the Department of Corrections;

60.27 (12) the Council on Asian Pacific Minnesotans;

60.28 (13) the Council for Minnesotans of African Heritage; and

60.29 (14) the Minnesota Council on Latino Affairs.

61.1 (d) Each department or office specified in paragraph (c) shall designate one staff member  
 61.2 as an immigrant and refugee services liaison. The liaison's responsibilities shall include:

61.3 (1) preparation and dissemination of information and services available to immigrants  
 61.4 and refugees; and

61.5 (2) interfacing with the Office of New Americans on issues that impact immigrants and  
 61.6 refugees and their communities.

61.7 Subd. 5. **No right of action.** Nothing in this section shall be construed to create any  
 61.8 right or benefit, substantive or procedural, enforceable at law or in equity by any party  
 61.9 against the state; its departments, agencies, or entities; its officers, employees, or agents;  
 61.10 or any other person.

61.11 Subd. 6. **Grants.** The Office of New Americans may apply for grants for interested state  
 61.12 agencies, community partners, and stakeholders under this section to carry out the duties  
 61.13 under subdivision 2.

61.14 Sec. 3. Minnesota Statutes 2022, section 116J.5492, subdivision 8, is amended to read:

61.15 Subd. 8. **Meetings.** The advisory committee must meet ~~monthly until the energy transition~~  
 61.16 ~~plan is submitted~~ quarterly and submit an updated energy transition plan annually to the  
 61.17 governor and the legislature. Once submitted, the committee shall develop a regular meeting  
 61.18 schedule as needed. The chair may call additional meetings as necessary.

61.19 Sec. 4. Minnesota Statutes 2022, section 116J.5492, subdivision 10, is amended to read:

61.20 Subd. 10. **Expiration.** This section expires ~~the day after the Minnesota energy transition~~  
 61.21 ~~plan required under section 116J.5493 is submitted to the legislature and the governor on~~  
 61.22 June 30, 2027.

61.23 Sec. 5. **[116J.682] SMALL BUSINESS ASSISTANCE PARTNERSHIPS PROGRAM.**

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

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

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

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

61.30 (2) community development financial institutions; or

62.1 (3) community development corporations.

62.2 (d) "Small business" has the same meaning as defined under section 3 of the Small  
62.3 Business Act, United States Code, title 15, section 632.

62.4 (e) "Underserved populations and geographies" means individuals who are Black,  
62.5 Indigenous, people of color, veterans, people with disabilities, and low-income individuals  
62.6 and includes people from rural Minnesota.

62.7 Subd. 2. **Establishment.** The commissioner shall establish the small business assistance  
62.8 partnerships program to make grants to local and regional community-based organizations  
62.9 to provide small business development and technical assistance services to entrepreneurs  
62.10 and small business owners.

62.11 Subd. 3. **Small business assistance partnerships grants.** (a) The commissioner shall  
62.12 make small business assistance partnerships grants to local and regional community-based  
62.13 organizations to provide small business development and technical assistance services to  
62.14 entrepreneurs and small business owners. The commissioner must prioritize applications  
62.15 that provide services to underserved populations and geographies.

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

62.19 Subd. 4. **Report.** By January 31 of each year, partner organizations participating in the  
62.20 program must provide a report to the commissioner on the outcomes of the program including  
62.21 but not limited to the number of entrepreneurs and small businesses served, number of hours  
62.22 of business assistance services provided, number of new businesses started, number of  
62.23 full-time equivalent jobs created and retained, and demographic and geographic details of  
62.24 the individuals being served.

62.25 Sec. 6. **[116J.8733] MINNESOTA EXPANDING OPPORTUNITY FUND PROGRAM.**

62.26 Subdivision 1. **Establishment.** The Minnesota Expanding Opportunity Fund Program  
62.27 is established to capitalize Minnesota nonprofit corporations to increase lending activities  
62.28 with Minnesota small businesses.

62.29 Subd. 2. **Long-term loans.** The department may make long-term loans of ten to 12 years  
62.30 at 0.5 percent or lower interest rates to nonprofit corporations to enable nonprofit corporations  
62.31 to make more loans to Minnesota small businesses. The department may use the interest  
62.32 received to offset the cost of administering small business lending programs.

63.1 Subd. 3. **Loan eligibility; nonprofit corporation.** (a) The eligible nonprofit corporation  
63.2 must not meet the definition of recipient under section 116J.993, subdivision 6.

63.3 (b) The commissioner may enter into loan agreements with Minnesota nonprofit  
63.4 corporations that apply to participate in the Minnesota Expanding Opportunity Fund Program.  
63.5 The commissioner shall evaluate applications from applicant nonprofit corporations. In  
63.6 evaluating applications, the department must consider, among other things, whether the  
63.7 nonprofit corporation:

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

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

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

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

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

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

63.18 Subd. 4. **Revolving loan fund.** (a) The commissioner shall establish a revolving loan  
63.19 fund to make loans to nonprofit corporations for the purpose of increasing nonprofit  
63.20 corporation capital and lending activities with Minnesota small businesses.

63.21 (b) Nonprofit corporations that receive loans from the commissioner under the program  
63.22 must establish appropriate accounting practices for the purpose of tracking eligible loans.

63.23 Subd. 5. **Loan portfolio administration.** (a) The interest rate charged by a nonprofit  
63.24 corporation for a loan under this subdivision must not exceed the Wall Street Journal prime  
63.25 rate plus two percent. A nonprofit corporation participating in the Minnesota Expanding  
63.26 Opportunity Fund Program may charge a loan closing fee equal to or less than two percent  
63.27 of the loan value.

63.28 (b) The nonprofit corporation may retain all earnings from fees and interest from loans  
63.29 to small businesses.

63.30 Subd. 6. **Cooperation.** A nonprofit corporation that receives a program loan shall  
63.31 cooperate with other organizations, including but not limited to community development

64.1 corporations, community action agencies, and the Minnesota small business development  
64.2 centers.

64.3 Subd. 7. **Reporting requirements.** (a) A nonprofit corporation that receives a program  
64.4 loan must submit an annual report to the commissioner by February 15 of each year that  
64.5 includes:

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

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

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

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

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

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

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

64.13 (8) an explanation of administrative expenses.

64.14 (b) A nonprofit corporation that receives a program loan must provide for an independent  
64.15 annual audit to be performed in accordance with generally accepted accounting practices  
64.16 and auditing standards and submit a copy of each annual audit report to the commissioner.

64.17 Sec. 7. Minnesota Statutes 2022, section 116J.8748, subdivision 3, is amended to read:

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

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

64.23 (i) manufacturing;

64.24 (ii) warehousing;

64.25 (iii) distribution;

64.26 (iv) information technology;

64.27 (v) finance;

64.28 (vi) insurance; or

64.29 (vii) professional or technical services;

65.1 (2) the business must not be primarily engaged in lobbying; gambling; entertainment;  
65.2 professional sports; political consulting; leisure; hospitality; or professional services provided  
65.3 by attorneys, accountants, business consultants, physicians, or health care consultants, or  
65.4 primarily engaged in making retail sales to purchasers who are physically present at the  
65.5 business's location;

65.6 (3) the business must enter into a binding construction and job creation business subsidy  
65.7 agreement with the commissioner to expend directly, or ensure expenditure by or in  
65.8 partnership with a third party constructing or managing the project, at least \$500,000 in  
65.9 capital investment in a capital investment project that includes a new, expanded, or remodeled  
65.10 facility within one year following designation as a Minnesota job creation fund business or  
65.11 \$250,000 if the project is located outside the metropolitan area as defined in section 200.02,  
65.12 subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans,  
65.13 women, or persons with a disability; and:

65.14 (i) create at least ten new full-time employee positions within two years of the benefit  
65.15 date following the designation as a Minnesota job creation fund business or five new full-time  
65.16 employee positions within two years of the benefit date if the project is located outside the  
65.17 metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business  
65.18 is cumulatively owned by minorities, veterans, women, or persons with a disability; or

65.19 (ii) expend at least \$25,000,000, which may include the installation and purchase of  
65.20 machinery and equipment, in capital investment and retain at least ~~200~~ 100 employees for  
65.21 projects located in the metropolitan area as defined in section 200.02, subdivision 24, ~~and~~  
65.22 75 or expend at least \$10,000,000, which may include the installation and purchase of  
65.23 machinery and equipment, in capital investment and retain at least 50 employees for projects  
65.24 located outside the metropolitan area;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

66.25 Sec. 8. Minnesota Statutes 2022, section 116J.8748, subdivision 4, is amended to read:

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

66.30 (b) A qualified Minnesota job creation fund business may be certified eligible for the  
66.31 benefits in this paragraph for up to five years for projects located in the metropolitan area

67.1 as defined in section 200.02, subdivision 24, and seven years for projects located outside  
67.2 the metropolitan area, as determined by the commissioner when considering the best interests  
67.3 of the state and local area. Notwithstanding section 16B.98, subdivision 5, paragraph (a),  
67.4 clause (3), or 16B.98, subdivision 5, paragraph (b), grant agreements for projects located  
67.5 outside the metropolitan area may be for up to seven years in length. The eligibility for the  
67.6 following benefits begins the date the commissioner certifies the business as a qualified  
67.7 Minnesota job creation fund business under this subdivision:

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

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

67.14 (3) up to \$1,000,000 in capital investment rebates and \$1,000,000 in job creation awards  
67.15 are allowable for projects that have at least \$25,000,000 in capital investment and ~~200~~ 100  
67.16 new employees in the metropolitan area as defined in section 200.02, subdivision 24, and  
67.17 ~~75~~ 50 new employees for projects located outside the metropolitan area;

67.18 (4) up to \$1,000,000 in capital investment rebates and up to \$1,000,000 in job creation  
67.19 awards are allowable for projects that have at least \$25,000,000 in capital investment, which  
67.20 may include the installation and purchase of machinery and equipment, and ~~200~~ 100 retained  
67.21 employees for projects located in the metropolitan area as defined in section 200.02,  
67.22 subdivision 24, ~~and 75~~ or at least \$10,000,000 in capital investment, which may include the  
67.23 installation and purchase of machinery and equipment, and 50 retained employees for  
67.24 projects located outside the metropolitan area; and

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

67.28 (c) The job creation award may be provided in multiple years as long as the qualified  
67.29 Minnesota job creation fund business continues to meet the job creation goals provided for  
67.30 in its agreement under subdivision 3 and the total award does not exceed \$500,000 except  
67.31 as provided under paragraph (b), clauses (3) and (4). Under paragraph (b) clause (4), a job  
67.32 creation award of \$2,000 per retained job may be provided one time if the qualified Minnesota  
67.33 job creation fund business meets the minimum capital investment and retained employee  
67.34 requirement as provided in paragraph (b), clause (4), for at least two years.

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

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

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

68.18 (g) A Minnesota job creation fund business must demonstrate reasonable progress on  
68.19 capital investment expenditures within six months following designation as a Minnesota  
68.20 job creation fund business to ensure that the capital investment goal in the agreement under  
68.21 subdivision 1 will be met. Businesses not making reasonable progress will not be eligible  
68.22 for benefits under the submitted application and will need to work with the local government  
68.23 unit to resubmit a new application and request to be a Minnesota job creation fund business.  
68.24 Notwithstanding the goals noted in its agreement under subdivision 1, this action shall not  
68.25 be considered a default of the business subsidy agreement.

68.26 Sec. 9. Minnesota Statutes 2022, section 116J.8748, subdivision 6, is amended to read:

68.27 Subd. 6. **Job creation award.** (a) A qualified Minnesota job creation fund business is  
68.28 eligible for an annual award for each new job created and maintained under subdivision 4,  
68.29 paragraph (b), clauses (2) and (3), by the business using the following schedule: \$1,000 for  
68.30 each job position paying annual wages at least \$26,000 but less than \$35,000; \$2,000 for  
68.31 each job position paying at least \$35,000 but less than \$45,000; ~~and~~ \$3,000 for each job  
68.32 position paying at least \$45,000 but less than \$55,000; and \$4,000 for each job position  
68.33 paying at least \$55,000; and as noted in the goals under the agreement provided under  
68.34 subdivision 1. These awards are increased by \$1,000 if the business is located outside the

69.1 metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business  
69.2 is cumulatively owned by minorities, veterans, women, or persons with a disability.

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

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

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

69.13 Sec. 10. Minnesota Statutes 2022, section 116J.8748, is amended by adding a subdivision  
69.14 to read:

69.15 Subd. 6a. **Transfer.** The commissioner may transfer up to \$2,000,000 of a fiscal year  
69.16 appropriation between the Minnesota job creation fund program and the redevelopment  
69.17 grant program to meet business demand.

69.18 Sec. 11. Minnesota Statutes 2022, section 116J.8749, subdivision 1, is amended to read:

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

69.21 (b) "Borrower" means an eligible recipient receiving a loan guaranteed under this section.

69.22 (c) "Commissioner" means the commissioner of employment and economic development.

69.23 (d) "Eligible project" means the development, redevelopment, demolition, site preparation,  
69.24 predesign, design, engineering, repair, or renovation of real property or capital improvements.  
69.25 Eligible projects must be designed to address the greatest economic development and  
69.26 redevelopment needs that have arisen in the community surrounding that real property since  
69.27 March 15, 2020. Eligible project includes but is not limited to the construction of buildings,  
69.28 infrastructure, and related site amenities, landscaping, or street-scaping. Eligible project  
69.29 does not include the purchase of real estate or business operations or business operating  
69.30 expenses, such as inventory, wages, or working capital.

69.31 (e) "Eligible recipient" means a:

70.1 (1) business;

70.2 (2) nonprofit organization; or

70.3 (3) developer

70.4 that is seeking funding to complete an eligible project. Eligible recipient does not include  
70.5 a partner organization or a local unit of government.

70.6 (f) "Guaranteed loan" means a loan guaranteed by the state for 80 percent of the loan  
70.7 amount for a maximum period of 15 years from the origination of the loan.

70.8 (g) "Leveraged grant" means a grant that is matched by the eligible recipient's  
70.9 commitment to the eligible project of nonstate funds ~~at a level of 200 percent of the grant~~  
70.10 ~~amount~~. The nonstate match may include but is not limited to funds contributed by a partner  
70.11 organization and insurance proceeds. A leveraged grant is subject to the following limits:

70.12 (1) if awarding grants under \$150,000, state funds may make up no more than 50 percent  
70.13 of an eligible project; and

70.14 (2) if awarding grants of \$150,000 or more, state funds may make up no more than 30  
70.15 percent of an eligible project.

70.16 (h) "Loan guarantee trust fund" means a dedicated account established under this section  
70.17 for the purpose of compensation for defaulted loan guarantees.

70.18 (i) "Partner organizations" or "partners" means:

70.19 (1) foundations engaged in economic development;

70.20 (2) community development financial institutions; and

70.21 (3) community development corporations.

70.22 (j) "Program" means the Main Street Economic Revitalization Program under this section.

70.23 (k) "Subordinated loan" means a loan secured by a lien that is lower in priority than one  
70.24 or more specified other liens.

70.25 Sec. 12. Minnesota Statutes 2022, section 116J.8749, subdivision 3, is amended to read:

70.26 Subd. 3. **Grants to partner organizations.** (a) The commissioner shall make grants to  
70.27 partner organizations to provide leveraged grants and guaranteed loans to eligible recipients  
70.28 using criteria, forms, applications, and reporting requirements developed by the  
70.29 commissioner.

70.30 (b) To be eligible for a grant, a partner organization must:

71.1 (1) outline a plan to provide leveraged grants and guaranteed loans to eligible recipients  
 71.2 ~~for specific eligible projects that~~ who represent the greatest economic development and  
 71.3 redevelopment needs in the surrounding community. This plan must include an analysis of  
 71.4 the economic impact of the eligible projects the partner organization proposes to make these  
 71.5 investments in;

71.6 (2) establish a process of ensuring there are no conflicts of interest in determining awards  
 71.7 under the program; and

71.8 (3) demonstrate that the partner organization has raised funds for the specific purposes  
 71.9 of this program to commit to the proposed eligible projects or will do so within the ~~15-month~~  
 71.10 18-month period following the encumbrance of funds. ~~Existing assets and~~ State or federal  
 71.11 funds may not be used to meet this requirement.

71.12 (c) Grants shall be made in up to ~~three~~ five rounds:

71.13 (1) a first round with an application date before September 1, 2021, during which no  
 71.14 more than 50 percent of available funds will be granted;

71.15 (2) a second round with an application date after September 1, 2021, but before March  
 71.16 1, 2022; ~~and~~

71.17 (3) a third round with an application date after June 30, 2023, if any funds remain after  
 71.18 the first two rounds;

71.19 (4) a fourth round with an application date after June 30, 2024, if any funds remain after  
 71.20 the first three rounds; and

71.21 (5) a fifth round with an application date after June 30, 2025, if any funds remain after  
 71.22 the first four rounds.

71.23 A partner may apply in multiple rounds for projects that were not funded in earlier rounds  
 71.24 or for new projects.

71.25 (d) Up to ~~four~~ five percent of a grant under this subdivision may be used by the partner  
 71.26 organization for administration and monitoring of the program.

71.27 Sec. 13. Minnesota Statutes 2022, section 116J.8749, subdivision 5, is amended to read:

71.28 Subd. 5. **Leveraged grants to eligible recipients.** (a) A leveraged grant to an eligible  
 71.29 recipient shall be for no more than \$750,000.

71.30 ~~(b) A leveraged grant may be used to finance no more than 30 percent of an eligible~~  
 71.31 ~~project.~~

72.1 (b) A leveraged grant is subject to the following limits:

72.2 (1) if awarding grants under \$150,000, state funds may make up no more than 50 percent  
72.3 of an eligible project; and

72.4 (2) if awarding grants of \$150,000 or more, state funds may make up no more than 30  
72.5 percent of an eligible project.

72.6 (c) An eligible project must have secured commitments for all required matching funds  
72.7 and all required development approvals before a leveraged grant may be distributed.

72.8 Sec. 14. Minnesota Statutes 2022, section 116J.8749, subdivision 10, is amended to read:

72.9 Subd. 10. **Exemptions.** All grants and grant-making processes under this section are  
72.10 exempt from Minnesota Statutes, sections 16A.15, subdivision 3; 16B.97; and 16B.98,  
72.11 subdivisions 5, 7, and 8. The commissioner must audit the use of funds under this section  
72.12 in accordance with standard accounting practices. The exemptions under this subdivision  
72.13 expire on December 31, ~~2023~~ 2027.

72.14 Sec. 15. **[116J.8751] LAUNCH MINNESOTA.**

72.15 Subdivision 1. **Establishment.** Launch Minnesota is established within the Business  
72.16 and Community Development Division of the Department of Employment and Economic  
72.17 Development to encourage and support the development of new private sector technologies  
72.18 and support the science and technology policies under Minnesota Statutes, section 3.222.  
72.19 Launch Minnesota must provide entrepreneurs and emerging technology-based companies  
72.20 business development assistance and financial assistance to spur growth.

72.21 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision  
72.22 have the meanings given.

72.23 (b) "Advisory board" means the board established under subdivision 10.

72.24 (c) "Commissioner" means the commissioner of employment and economic development.

72.25 (d) "Department" means the Department of Employment and Economic Development.

72.26 (e) "Entrepreneur" means a Minnesota resident who is involved in establishing a business  
72.27 entity and secures resources directed to its growth while bearing the risk of loss.

72.28 (f) "Greater Minnesota" means the area of Minnesota located outside of the metropolitan  
72.29 area as defined in Minnesota Statutes, section 473.121, subdivision 2.

73.1 (g) "Innovative technology and business" means a new novel business model or product;  
73.2 a derivative product incorporating new elements into an existing product; a new use for a  
73.3 product; or a new process or method for the manufacture, use, or assessment of any product  
73.4 or activity, patentability, or scalability. Innovative technology or business model does not  
73.5 include locally based retail, lifestyle, or business services. The business must not be primarily  
73.6 engaged in real estate development, insurance, banking, lending, lobbying, political  
73.7 consulting, information technology consulting, wholesale or retail trade, leisure, hospitality,  
73.8 transportation, construction, ethanol production from corn, or professional services provided  
73.9 by attorneys, accountants, business consultants, physicians, or health care consultants.

73.10 (h) "Institution of higher education" has the meaning given in Minnesota Statutes, section  
73.11 136A.28, subdivision 6.

73.12 (i) "Minority group member" means a United States citizen or lawful permanent resident  
73.13 who is Asian, Pacific Islander, Black, Hispanic, or Native American.

73.14 (j) "Research and development" means any activity that is:

73.15 (1) a systematic, intensive study directed toward greater knowledge or understanding  
73.16 of the subject studies;

73.17 (2) a systematic study directed specifically toward applying new knowledge to meet a  
73.18 recognized need; or

73.19 (3) a systematic application of knowledge toward the production of useful materials,  
73.20 devices, systems and methods, including design, development and improvement of prototypes  
73.21 and new processes to meet specific requirements.

73.22 (k) "Start-up" means a business entity that has been in operation for less than ten years,  
73.23 has operations in Minnesota, and is in the development stage defined as devoting substantially  
73.24 all of its efforts to establishing a new business and either of the following conditions exists:

73.25 (1) planned principal operations have not commenced; or

73.26 (2) planned principal operations have commenced, but have raised at least \$1,000,000  
73.27 in equity financing.

73.28 (l) "Technology-related assistance" means the application and utilization of  
73.29 technological-information and technologies to assist in the development and production of  
73.30 new technology-related products or services or to increase the productivity or otherwise  
73.31 enhance the production or delivery of existing products or services.

74.1 (m) "Trade association" means a nonprofit membership organization organized to promote  
74.2 businesses and business conditions and having an election under Internal Revenue Code  
74.3 section 501(c)(3) or 501(c)(6).

74.4 (n) "Veteran" has the meaning given in Minnesota Statutes, section 197.447.

74.5 Subd. 3. **Duties.** The commissioner, by and through Launch Minnesota, shall:

74.6 (1) support innovation and initiatives designed to accelerate the growth of innovative  
74.7 technology and business start-ups in Minnesota;

74.8 (2) in partnership with other organizations, offer classes and instructional sessions on  
74.9 how to start an innovative technology and business start-up;

74.10 (3) promote activities for entrepreneurs and investors regarding the state's growing  
74.11 innovation economy;

74.12 (4) hold events and meetings that gather key stakeholders in the state's innovation sector;

74.13 (5) conduct outreach and education on innovation activities and related financial programs  
74.14 available from the department and other organizations, particularly for underserved  
74.15 communities;

74.16 (6) interact and collaborate with statewide partners including but not limited to businesses,  
74.17 nonprofits, trade associations, and higher education institutions;

74.18 (7) administer an advisory board to assist with direction, grant application review,  
74.19 program evaluation, report development, and partnerships;

74.20 (8) accept grant applications under subdivisions 5, 6, and 7 and work with the advisory  
74.21 board to review and prioritize the applications and provide recommendations to the  
74.22 commissioner; and

74.23 (9) perform other duties at the commissioner's discretion.

74.24 Subd. 4. **Administration.** (a) The executive director shall:

74.25 (1) assist the commissioner and the advisory board in performing the duties of Launch  
74.26 Minnesota; and

74.27 (2) comply with all state and federal program requirements, and all state and federal  
74.28 securities and tax laws and regulations.

74.29 (b) Launch Minnesota may occupy and lease physical space in a private coworking  
74.30 facility that includes office space for staff and space for community engagement for training

75.1 entrepreneurs. The physical space leased under this paragraph is exempt from the  
75.2 requirements in Minnesota Statutes, section 16B.24, subdivision 6.

75.3 (c) At least three times per month, Launch Minnesota staff shall communicate with  
75.4 organizations in greater Minnesota that have received a grant under subdivision 7. To the  
75.5 extent possible, Launch Minnesota shall form partnerships with organizations located  
75.6 throughout the state.

75.7 (d) Launch Minnesota must accept grant applications under this section and provide  
75.8 funding recommendations to the commissioner and the commissioner shall distribute grants  
75.9 based in part on the recommendations.

75.10 Subd. 5. **Application process.** (a) The commissioner shall establish the application form  
75.11 and procedures for grants.

75.12 (b) Upon receiving recommendations from Launch Minnesota, the commissioner is  
75.13 responsible for evaluating all applications using evaluation criteria which shall be developed  
75.14 by Launch Minnesota in consultation with the advisory board.

75.15 (c) For grants under subdivision 6, priority shall be given if the applicant is:

75.16 (1) a business or entrepreneur located in greater Minnesota; or

75.17 (2) a business owner, individual with a disability, or entrepreneur who is a woman,  
75.18 veteran, or minority group member.

75.19 (d) For grants under subdivision 7, priority shall be given if the applicant is planning to  
75.20 serve:

75.21 (1) businesses or entrepreneurs located in greater Minnesota; or

75.22 (2) business owners, individuals with disabilities, or entrepreneurs who are women,  
75.23 veterans, or minority group members.

75.24 (e) The department staff, and not Launch Minnesota staff, are responsible for awarding  
75.25 funding, disbursing funds, and monitoring grantee performance for all grants awarded under  
75.26 this section.

75.27 (f) Grantees must provide matching funds by equal expenditures and grant payments  
75.28 must be provided on a reimbursement basis after review of submitted receipts by the  
75.29 department.

75.30 (g) Grant applications must be accepted on a regular periodic basis by Launch Minnesota  
75.31 and must be reviewed by Launch Minnesota and the advisory board before being submitted  
75.32 to the commissioner with their recommendations.

76.1 Subd. 6. **Innovation grants.** (a) The commissioner shall distribute innovation grants  
76.2 under this subdivision.

76.3 (b) The commissioner shall provide a grant of up to \$35,000 to an eligible business or  
76.4 entrepreneur for research and development expenses, direct business expenses, and the  
76.5 purchase of technical assistance or services from public higher education institutions and  
76.6 nonprofit entities. Research and development expenditures may include but are not limited  
76.7 to proof of concept activities, intellectual property protection, prototype designs and  
76.8 production, and commercial feasibility. Expenditures funded under this subdivision are not  
76.9 eligible for the research and development tax credit under Minnesota Statutes, section  
76.10 290.068. Direct business expenses may include rent, equipment purchases, and supplier  
76.11 invoices. Taxes imposed by federal, state, or local government entities may not be reimbursed  
76.12 under this paragraph. Technical assistance or services must be purchased to assist in the  
76.13 development or commercialization of a product or service to be eligible. Each business or  
76.14 entrepreneur may receive only one grant per biennium under this paragraph.

76.15 (c) The commissioner shall provide a grant of up to \$35,000 in Phase 1 or \$50,000 in  
76.16 Phase 2 to an eligible business or entrepreneur that, as a registered client of the Small  
76.17 Business Innovation Research (SBIR) program, has been awarded a first time Phase 1 or  
76.18 Phase 2 award pursuant to the SBIR or Small Business Technology Transfer (STTR)  
76.19 programs after July 1, 2019. Each business or entrepreneur may receive only one grant per  
76.20 biennium under this paragraph. Grants under this paragraph are not subject to the  
76.21 requirements of subdivision 2, paragraph (k).

76.22 Subd. 7. **Entrepreneur education grants.** (a) The commissioner shall make entrepreneur  
76.23 education grants to institutions of higher education and other organizations to provide  
76.24 educational programming to entrepreneurs and provide outreach to and collaboration with  
76.25 businesses, federal and state agencies, institutions of higher education, trade associations,  
76.26 and other organizations working to advance innovative technology businesses throughout  
76.27 Minnesota.

76.28 (b) Applications for entrepreneur education grants under this subdivision must be  
76.29 submitted to the commissioner and evaluated by department staff other than Launch  
76.30 Minnesota. The evaluation criteria must be developed by Launch Minnesota, in consultation  
76.31 with the advisory board, and the commissioner, and priority must be given to an applicant  
76.32 who demonstrates activity assisting business owners or entrepreneurs residing in greater  
76.33 Minnesota or who are women, veterans, or minority group members.

77.1 (c) Department staff other than Launch Minnesota staff are responsible for awarding  
77.2 funding, disbursing funds, and monitoring grantee performance under this subdivision.

77.3 (d) Grantees may use the grant funds to deliver the following services:

77.4 (1) development and delivery to innovative technology businesses of industry specific  
77.5 or innovative product or process specific counseling on issues of business formation, market  
77.6 structure, market research and strategies, securing first mover advantage or overcoming  
77.7 barriers to entry, protecting intellectual property, and securing debt or equity capital. This  
77.8 counseling is to be delivered in a classroom setting or using distance media presentations;

77.9 (2) outreach and education to businesses and organizations on the small business  
77.10 investment tax credit program under Minnesota Statutes, section 116J.8737, the MNvest  
77.11 crowd-funding program under Minnesota Statutes, section 80A.461, and other state programs  
77.12 that support innovative technology business creation especially in underserved communities;

77.13 (3) collaboration with institutions of higher education, local organizations, federal and  
77.14 state agencies, the Small Business Development Center, and the Small Business Assistance  
77.15 Office to create and offer educational programming and ongoing counseling in greater  
77.16 Minnesota that is consistent with those services offered in the metropolitan area; and

77.17 (4) events and meetings with other innovation-related organizations to inform  
77.18 entrepreneurs and potential investors about Minnesota's growing innovation economy.

77.19 Subd. 8. **Report.** (a) Launch Minnesota shall annually report by December 31 to the  
77.20 chairs and ranking minority members of the committees of the house of representatives and  
77.21 senate having jurisdiction over economic development policy and finance. Each report shall  
77.22 include information on the work completed, including awards made by the department under  
77.23 this section and progress toward transferring the activities of Launch Minnesota to an entity  
77.24 outside of state government.

77.25 (b) By December 31, 2024, Launch Minnesota shall provide a comprehensive transition  
77.26 plan to the chairs and ranking minority members of the committees of the house of  
77.27 representatives and senate having jurisdiction over economic development policy and  
77.28 finance. The transition plan shall include: (1) a detailed strategy for the transfer of Launch  
77.29 Minnesota activities to an entity outside of state government; (2) the projected date of the  
77.30 transfer; and (3) the role of the state, if any, in ongoing activities of Launch Minnesota or  
77.31 its successor entity.

77.32 Subd. 9. **Advisory board.** (a) The commissioner shall establish an advisory board to  
77.33 advise the executive director regarding the activities of Launch Minnesota, make the

78.1 recommendations described in this section, and develop and initiate a strategic plan for  
78.2 transferring some activities of Launch Minnesota to a new or existing public-private  
78.3 partnership or nonprofit organization outside of state government.

78.4 (b) The advisory board shall consist of ten members and is governed by Minnesota  
78.5 Statutes, section 15.059. A minimum of seven members must be from the private sector  
78.6 representing business and at least two members but no more than three members must be  
78.7 from government and higher education. At least three of the members of the advisory board  
78.8 shall be from greater Minnesota and at least three members shall be minority group members.  
78.9 Appointees shall represent a range of interests, including entrepreneurs, large businesses,  
78.10 industry organizations, investors, and both public and private small business service  
78.11 providers.

78.12 (c) The advisory board shall select a chair from its private sector members. The executive  
78.13 director shall provide administrative support to the committee.

78.14 (d) The commissioner, or a designee, shall serve as an ex-officio, nonvoting member of  
78.15 the advisory board.

78.16 Sec. 16. **[116J.8752] MINNESOTA FORWARD FUND.**

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

78.19 (b) "Agreement" or "business subsidy agreement" means a business subsidy agreement  
78.20 under section 116J.994 that must include but is not limited to specification of the duration  
78.21 of the agreement, job goals and a timeline for achieving those goals over the duration of  
78.22 the agreement, construction and other investment goals and a timeline for achieving those  
78.23 goals over the duration of the agreement, and the value of benefits the firm may receive  
78.24 following achievement of capital investment and employment goals. The municipality, local  
78.25 unit of government, or business must report to the commissioner on the business performance  
78.26 using the forms developed by the commissioner.

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

78.29 (d) "Capital investment" means money that is expended for the purpose of building or  
78.30 improving real fixed property where employees are or will be employed, equipment and  
78.31 machinery in the building, and operating expenses related to the building.

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

79.1 (f) "Fund" means the Minnesota forward fund.

79.2 Subd. 2. **Minnesota forward fund account.** The Minnesota forward fund account is  
79.3 created as a separate account in the treasury. Money in the account is appropriated to the  
79.4 commissioner of employment and economic development for the purposes of this section.  
79.5 All money earned by the account, loan repayments of principal, and interest must be credited  
79.6 to the account. The commissioner shall operate the account as a revolving account.

79.7 Subd. 3. **Purpose.** The Minnesota forward fund is created to increase the state's  
79.8 competitiveness by providing the state the authority and flexibility to facilitate private  
79.9 investment. The fund serves as a closing fund to allow the authority and flexibility to  
79.10 negotiate incentives to better compete with other states for business retention, expansion  
79.11 and attraction of projects in existing and new industries, develop properties for business  
79.12 use, and leverage to meet matching requirements of federal funding for resiliency in economic  
79.13 security and economic enhancement opportunities that provide the public high-quality  
79.14 employment opportunities. The commissioner shall use money appropriated to the fund to:

79.15 (1) create and retain permanent private-sector jobs in order to create above-average  
79.16 economic growth consistent with environmental protection;

79.17 (2) stimulate or leverage private investment to ensure economic renewal and  
79.18 competitiveness;

79.19 (3) increase the local tax base, based on demonstrated measurable outcomes, to guarantee  
79.20 a diversified industry mix;

79.21 (4) improve the quality of existing jobs, based on increases in wages or improvements  
79.22 in the job duties, training, or education associated with those jobs;

79.23 (5) improve employment and economic opportunity for citizens in the region to create  
79.24 a reasonable standard of living, consistent with federal and state guidelines on low- to  
79.25 moderate-income persons;

79.26 (6) stimulate productivity growth through improved manufacturing or new technologies;  
79.27 and

79.28 (7) match or leverage private or public funding to increase investment and opportunity  
79.29 in the state.

79.30 Subd. 4. **Use of fund.** The commissioner may use money in the fund to make grants,  
79.31 loans and forgivable loans, to businesses that are making large private capital investments  
79.32 in existing and new industries. The commissioner may also use money in the fund to make  
79.33 grants to communities and higher education institutions to support such capital investments

80.1 and related activities to support the industries. Money may be used to address capital needs  
80.2 of businesses for machinery and equipment purchases; building construction and remodeling;  
80.3 land development; water and sewer lines, roads, rail lines, and natural gas and electric  
80.4 infrastructure; working capital; and workforce training. Money may also be used for matching  
80.5 federal grants for research and development projects and industry workforce training grants  
80.6 for existing and new industries that require state and local match. Money in the fund may  
80.7 also be used to pay for the costs of carrying out the commissioner's due diligence duties  
80.8 under this section.

80.9 Subd. 5. **Grant limits.** (a) Individual business expansion projects are limited to no more  
80.10 than \$20,000,000 in grants or loans combined. The commissioner shall not be precluded  
80.11 from using other funding sources from the Department of Employment and Economic  
80.12 Development to facilitate a project. Total funding per business under this section shall not  
80.13 exceed \$20,000,000, of which no more than \$10,000,000 may be grants and \$10,000,000  
80.14 may be loans.

80.15 (b) The commissioner may use money in the fund to make grants to a municipality or  
80.16 local unit of government for public and private infrastructure needed to support an eligible  
80.17 project under this section. Grant money may be used by the municipality or local unit of  
80.18 government to predesign, design, construct, and equip roads and rail lines; acquire and  
80.19 prepare land for development; and, in cooperation with municipal utilities, to predesign,  
80.20 design, construct, and equip natural gas pipelines, electric infrastructure, water supply  
80.21 systems, and wastewater collection and treatment systems. The maximum grant award per  
80.22 local unit of government under this section is \$10,000,000.

80.23 (c) The commissioner may use money in the fund to make grants to institutions of higher  
80.24 education for developing and deploying training programs and to increase the capacity of  
80.25 the institution to serve industrial requirements for research and development that coincide  
80.26 with current and future requirements of projects eligible under this section. Grant money  
80.27 may be used to construct and equip facilities that serve the purpose of the industry. The  
80.28 maximum grant award per institution of higher education under this section is \$5,000,000  
80.29 and may not represent more than 33 percent of the total project funding from other sources.

80.30 (d) Grants under this subdivision are available until expended.

80.31 Subd. 6. **Administration.** (a) Eligible applicants for the state-funded portion of the fund  
80.32 also include development authorities as defined in section 116J.552, subdivision 4, provided  
80.33 that the governing body of the municipality approves, by resolution, the application of the  
80.34 development authority. Institutions of higher education also constitute eligible applicants

81.1 for the purpose of developing and deploying workforce training programs and for developing  
81.2 and deploying research and development partnerships for projects eligible under this section.

81.3 (b) The business, municipality, or local unit of government must request and submit an  
81.4 application to the commissioner. Applications must be in the form and procedure specified  
81.5 by the commissioner.

81.6 (c) The commissioner must conduct due diligence, including contracting with  
81.7 professionals as needed to assist in the due diligence.

81.8 (d) Notwithstanding any other law to the contrary, grant and loan agreements through  
81.9 the Minnesota forward fund may exceed five years but not more than ten years.

81.10 Subd. 7. **Requirements prior to committing funds.** Prior to the commissioner making  
81.11 a commitment for grant or loan under this section, the Legislative Advisory Commission  
81.12 and governor must jointly provide written authorization. The commissioner shall provide  
81.13 a written report to the Legislative Advisory Commission and governor, including but not  
81.14 limited to the purpose of the award, the project overview, financial details, and the  
81.15 performance requirements required 14 days prior to any meeting or decision.

81.16 Subd. 8. **Eligible projects.** (a) The governor and the Legislative Advisory Commission  
81.17 must evaluate applications under this section on the existence of one or more of the following  
81.18 conditions:

81.19 (1) creation of new jobs, retention of existing jobs, or improvements in the quality of  
81.20 existing jobs as measured by the wages, skills, or education associated with those jobs;

81.21 (2) whether the project can demonstrate that investment of public dollars induces private  
81.22 and other public funds as follows;

81.23 (i) businesses in the seven-county metropolitan area must invest more than \$40,000,000  
81.24 in capital expenditures and create at least 70 jobs or retain at least 150 jobs;

81.25 (ii) businesses outside of the seven-county metropolitan area must invest more than  
81.26 \$25,000,000 in capital expenditures and create at least 40 new jobs or retain at least 75 jobs;  
81.27 and

81.28 (iii) cash wages of each new employee must exceed 120 percent of federal poverty  
81.29 guidelines for a family of four, adjusted annually;

81.30 (3) whether the project can demonstrate an excessive public infrastructure or improvement  
81.31 cost beyond the means of the affected community and private participants in the project;

82.1 (4) whether assistance is necessary to retain existing business or whether assistance is  
82.2 necessary to attract out-of-state business;

82.3 (5) the project promotes or advances an industry in which the federal government is  
82.4 making large investments to strengthen domestic production and supply chains that are  
82.5 resilient for economic security and economic enhancement opportunities;

82.6 (6) the project promotes or advances the green economy as defined in section 116J.437;

82.7 (7) the project requires state resources beyond the capability of existing programs at the  
82.8 department and by its significance, requires the governor and legislature's involvement; and

82.9 (8) written support from the municipality or local unit of government in which the project  
82.10 will be located.

82.11 (b) The governor and the Legislative Advisory Commission shall submit applications  
82.12 recommended for funding to the commissioner.

82.13 Subd. 9. **Requirements for fund disbursements.** Disbursements of loan funds pursuant  
82.14 to a commitment may not be made until:

82.15 (1) commitments for the remainder of a project's funding are made that are satisfactory  
82.16 to the commissioner and disbursements made from the other commitments are sufficient to  
82.17 protect the interests of the state in its grant or loan;

82.18 (2) performance requirements are met, if any;

82.19 (3) the municipality or local unit of government in which the project will be located has  
82.20 passed a resolution of support for the project and submitted this resolution of support to the  
82.21 department; and

82.22 (4) all of a project's funding is satisfactory to the commissioner and disbursements made  
82.23 from other commitments are sufficient to protect the interests of the state.

82.24 Subd. 10. **Reporting.** The commissioner shall provide the Legislative Advisory  
82.25 Commission and the ranking members of the committees with jurisdiction over economic  
82.26 development with an annual report on all projects that have been approved by February 15  
82.27 of each year until this section is repealed or the funding has been exhausted.

82.28 Sec. 17. Minnesota Statutes 2022, section 116L.361, subdivision 7, is amended to read:

82.29 Subd. 7. **Very Low income.** "Very Low income" means incomes that are at or less than  
82.30 ~~50~~ 80 percent of the area median income, adjusted for family size, as estimated by the  
82.31 Department of Housing and Urban Development.

83.1 Sec. 18. Minnesota Statutes 2022, section 116L.362, subdivision 1, is amended to read:

83.2 Subdivision 1. **Generally.** (a) The commissioner shall make grants to eligible  
83.3 organizations for programs to provide education and training services to targeted youth.  
83.4 The purpose of these programs is to provide specialized training and work experience for  
83.5 targeted youth who have not been served effectively by the current educational system. The  
83.6 programs are to include a work experience component with work projects that result in the  
83.7 rehabilitation, improvement, or construction of (1) residential units for the homeless; (2)  
83.8 improvements to the energy efficiency and environmental health of residential units and  
83.9 other green jobs purposes; (3) facilities to support community garden projects; or (4)  
83.10 education, social service, or health facilities which are owned by a public agency or a private  
83.11 nonprofit organization.

83.12 (b) Eligible facilities must principally provide services to homeless or ~~very~~ low income  
83.13 individuals and families, and include the following:

- 83.14 (1) Head Start or day care centers, including playhouses or similar incidental structures;
- 83.15 (2) homeless, battered women, or other shelters;
- 83.16 (3) transitional housing and tiny houses;
- 83.17 (4) youth or senior citizen centers;
- 83.18 (5) community health centers; and
- 83.19 (6) community garden facilities.

83.20 Two or more eligible organizations may jointly apply for a grant. The commissioner  
83.21 shall administer the grant program.

83.22 Sec. 19. Minnesota Statutes 2022, section 116L.364, subdivision 3, is amended to read:

83.23 Subd. 3. **Work experience component.** A work experience component must be included  
83.24 in each program. The work experience component must provide vocational skills training  
83.25 in an industry where there is a viable expectation of job opportunities. A training subsidy,  
83.26 living allowance, or stipend, not to exceed an amount equal to 100 percent of the poverty  
83.27 line for a family of two as defined in ~~United States Code, title 42, section 673, paragraph~~  
83.28 ~~(2)~~ the final rules and regulations of the Workforce Innovation and Opportunity Act, may  
83.29 be provided to program participants. The wage or stipend must be provided to participants  
83.30 who are recipients of public assistance in a manner or amount which will not reduce public  
83.31 assistance benefits. The work experience component must be designed so that work projects  
83.32 result in (1) the expansion or improvement of residential units for homeless persons and

84.1 ~~very~~ low income families; (2) improvements to the energy efficiency and environmental  
84.2 health of residential units; (3) facilities to support community garden projects; or (4)  
84.3 rehabilitation, improvement, or construction of eligible education, social service, or health  
84.4 facilities that principally serve homeless or ~~very~~ low income individuals and families. Any  
84.5 work project must include direct supervision by individuals skilled in each specific vocation.  
84.6 Program participants may earn credits toward the completion of their secondary education  
84.7 from their participation in the work experience component.

84.8 Sec. 20. [116L.43] TARGETED POPULATIONS WORKFORCE GRANTS.

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

84.11 (b) "Entry level jobs" means part-time or full-time jobs that an individual can perform  
84.12 without any prior education or experience.

84.13 (c) "High wage" means the income needed for a family to cover minimum necessary  
84.14 expenses in a given area, including food, child care, health care, housing, and transportation.

84.15 (d) "Industry specific certification" means a credential an individual can earn to show  
84.16 proficiency in a particular area or skill.

84.17 (e) "Remedial training" means additional training provided to staff following the  
84.18 identification of a need intended to increase proficiency in performing job tasks.

84.19 (f) "Small business" has the same meaning as section 645.445.

84.20 (g) "Workforce development community-based organization" means a nonprofit  
84.21 organization with under \$1,000,000 in annual revenue that performs workforce development  
84.22 activities.

84.23 Subd. 2. Job and entrepreneurial skills training grants. (a) The commissioner shall  
84.24 establish a job and entrepreneurial skills training grant program that must provide competitive  
84.25 funding to organizations to provide skills training that leads to employment or business  
84.26 development in high-growth industries.

84.27 (b) Grants must be used to provide skills training including:

84.28 (1) student tutoring and testing support services;

84.29 (2) training and employment placement in high-wage and high-growth employment;

84.30 (3) assistance in obtaining industry specific certifications;

84.31 (4) remedial training leading to enrollment;

- 85.1 (5) real-time work experience or on-the-job training;
- 85.2 (6) career and educational counseling;
- 85.3 (7) work experience and internships;
- 85.4 (8) supportive services;
- 85.5 (9) tuition reimbursement for new entrants into public sector careers;
- 85.6 (10) career mentorship;
- 85.7 (11) postprogram case management services;
- 85.8 (12) job placement services; and
- 85.9 (13) the cost of corporate board of director training for people of color.
- 85.10 (c) The commissioner must award grants to community based organizations meeting
- 85.11 the following criteria:
- 85.12 (1) the organization's primary operations are located in communities of color;
- 85.13 (2) 80 percent of the organization's participants reflect the demographics of the
- 85.14 community; and
- 85.15 (3) the organization's community has a high unemployment rate or poverty rate.
- 85.16 (d) Grant awards must not exceed \$750,000 per year per organization and all funding
- 85.17 awards must be made for the duration of a biennium. An organization may partner with
- 85.18 another organization to utilize grant awards, provided that the organizations must not be
- 85.19 funded to deliver the same services. Grants awarded under this subdivision are not subject
- 85.20 to section 116L.98.
- 85.21 Subd. 3. **Diversity and inclusion training for small employers.** (a) The commissioner
- 85.22 shall establish a diversity and inclusion training grant program which shall provide
- 85.23 competitive grants to businesses that commit to actively engage, hire, and retain people of
- 85.24 color for both entry level and high-wage opportunities.
- 85.25 (b) Grant awards must not exceed \$300,000 per year per business. A business may only
- 85.26 receive one grant for diversity and inclusion training per biennium.
- 85.27 (c) Grant funds must be used to train small businesses in outreach, recruitment, and
- 85.28 retention of entry-level, mid-level, and senior-level management and a board of directors.
- 85.29 Grant recipients are required to submit a plan for use of the funds and an implementation
- 85.30 plan after training is completed.

86.1 (d) Grants awarded under this subdivision are not subject to section 116L.98.

86.2 Subd. 4. **Capacity building.** (a) The commissioner shall establish a capacity building  
86.3 grant program to provide training services and funding to small workforce development  
86.4 community-based organizations.

86.5 (b) Eligible organizations include nonprofit organizations which have:

86.6 (1) primary offices located in low-income communities;

86.7 (2) an annual client service base of over 80 percent of people of color; and

86.8 (3) an annual budget of less than \$1,000,000.

86.9 (c) Eligible uses of grant awards include covering the cost of workforce program delivery  
86.10 staff, program infrastructure costs, and workforce training related service model development.

86.11 (d) Grant awards must not exceed \$50,000 per organization and are limited to one grant  
86.12 per organization.

86.13 (e) Grants awarded under this subdivision are not subject to section 116L.98.

86.14 (f) By January 15, 2025, and each January 15 thereafter, the commissioner must submit  
86.15 a report to the chairs and ranking minority members of the committees of the house of  
86.16 representatives and the senate having jurisdiction over workforce development that details  
86.17 the use of grant awards. If data is available, the report must contain data that is disaggregated  
86.18 by race, cultural groups, family income, age, geographical location, migrant or foreign  
86.19 immigrant status, primary language, whether the participant is an English learner under  
86.20 section 124D.59, disability, and status of homelessness.

86.21 Sec. 21. Minnesota Statutes 2022, section 116L.56, subdivision 2, is amended to read:

86.22 Subd. 2. **Eligible applicant.** "Eligible applicant" means an individual who is between  
86.23 the ages of 14 and ~~21~~ 24 and economically disadvantaged.

86.24 An at-risk youth who is classified as a family of one is deemed economically  
86.25 disadvantaged. For purposes of eligibility determination the following individuals are  
86.26 considered at risk:

86.27 (1) a pregnant or parenting youth;

86.28 (2) a youth with limited English proficiency;

86.29 (3) a potential or actual school dropout;

86.30 (4) a youth in an offender or diversion program;

- 87.1 (5) a public assistance recipient or a recipient of group home services;
- 87.2 (6) a youth with disabilities including learning disabilities;
- 87.3 (7) a child of drug or alcohol abusers or a youth with substance use disorder;
- 87.4 (8) a homeless or runaway youth;
- 87.5 (9) a youth with basic skills deficiency;
- 87.6 (10) a youth with an educational attainment of one or more levels below grade level
- 87.7 appropriate to age; or
- 87.8 (11) a foster child.

87.9 Sec. 22. Minnesota Statutes 2022, section 116L.561, subdivision 5, is amended to read:

87.10 Subd. 5. **Allocation formula.** Seventy percent of Minnesota youth program funds must

87.11 be allocated based on the county's share of economically disadvantaged youth. The remaining

87.12 30 percent must be allocated based on the county's share of population ages 14 to ~~21~~ 24.

87.13 Sec. 23. Minnesota Statutes 2022, section 116L.562, subdivision 2, is amended to read:

87.14 Subd. 2. **Definitions.** For purposes of this section:

87.15 (1) "eligible organization" or "eligible applicant" means a local government unit, nonprofit

87.16 organization, community action agency, or a public school district;

87.17 (2) "at-risk youth" means youth classified as at-risk under section 116L.56, subdivision

87.18 2; and

87.19 (3) "economically disadvantaged" means youth who are economically disadvantaged as

87.20 defined in ~~United States Code, title 29, section 1503~~ the rules and regulations of the

87.21 Workforce Innovation and Opportunity Act.

87.22 Sec. 24. Minnesota Statutes 2022, section 469.40, subdivision 11, is amended to read:

87.23 Subd. 11. **Public infrastructure project.** (a) "Public infrastructure project" means a

87.24 project financed in part or in whole with public money in order to support the medical

87.25 business entity's development plans, as identified in the DMCC development plan. A public

87.26 infrastructure project may:

87.27 (1) acquire real property and other assets associated with the real property;

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

88.1 (3) remediate land and buildings as required to prepare the property for acquisition or  
88.2 development;

88.3 (4) install, construct, or reconstruct elements of public infrastructure required to support  
88.4 the overall development of the destination medical center development district including,  
88.5 but not limited to, streets, roadways, utilities systems and related facilities, utility relocations  
88.6 and replacements, network and communication systems, streetscape improvements, drainage  
88.7 systems, sewer and water systems, subgrade structures and associated improvements,  
88.8 landscaping, facade construction and restoration, construction costs permitted in section  
88.9 469.47, subdivision 1, paragraph (d), clauses (1), (2), and (4), wayfinding and signage,  
88.10 community engagement, and other components of community infrastructure;

88.11 (5) acquire, construct or reconstruct, and equip parking facilities and other facilities to  
88.12 encourage intermodal transportation and public transit;

88.13 (6) install, construct or reconstruct, furnish, and equip parks, cultural, and recreational  
88.14 facilities, facilities to promote tourism and hospitality, conferencing and conventions, and  
88.15 broadcast and related multimedia infrastructure;

88.16 (7) make related site improvements including, without limitation, excavation, earth  
88.17 retention, soil stabilization and correction, and site improvements to support the destination  
88.18 medical center development district;

88.19 (8) prepare land for private development and to sell or lease land;

88.20 (9) provide costs of relocation benefits to occupants of acquired properties; and

88.21 (10) construct and equip all or a portion of one or more suitable structures on land owned  
88.22 by the city for sale or lease to private development; provided, however, that the portion of  
88.23 any structure directly financed by the city as a public infrastructure project must not be sold  
88.24 or leased to a medical business entity.

88.25 (b) A public infrastructure project is not a business subsidy under section 116J.993.

88.26 (c) Public infrastructure project includes the planning, preparation, and modification of  
88.27 the development plan under section 469.43. The cost of that planning, preparation, and any  
88.28 modification is a capital cost of the public infrastructure project.

88.29 Sec. 25. Minnesota Statutes 2022, section 469.47, subdivision 1, is amended to read:

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

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

89.1 (c) "Construction projects" means:

89.2 (1) for expenditures by a medical business entity, construction of buildings in the city  
89.3 for which the building permit was issued after June 30, 2013; and

89.4 (2) for any other expenditures, construction of privately owned buildings and other  
89.5 improvements that are undertaken pursuant to or as part of the development plan and are  
89.6 located within a medical center development district.

89.7 (d) "Expenditures" means expenditures made by a medical business entity or by an  
89.8 individual or private entity on construction projects for the capital cost of the project  
89.9 including, but not limited to:

89.10 (1) design and predesign, including architectural, engineering, and similar services;

89.11 (2) legal, regulatory, and other compliance costs of the project;

89.12 (3) land acquisition, demolition of existing improvements, and other site preparation  
89.13 costs;

89.14 (4) construction costs, including all materials and supplies of the project; and

89.15 (5) equipment and furnishings that are attached to or become part of the real property.

89.16 Expenditures excludes supplies and other items with a useful life of less than a year that  
89.17 are not used or consumed in constructing improvements to real property or are otherwise  
89.18 chargeable to capital costs.

89.19 (e) "Qualified expenditures for the year" means the total certified expenditures since  
89.20 June 30, 2013, through the end of the preceding year, minus \$200,000,000.

89.21 (f) "Transit costs" means the portions of a public infrastructure project that are for public  
89.22 transit intended primarily to serve the district, ~~such as~~ including, but not limited to, buses  
89.23 and other means of transit, transit stations, equipment, rights-of-way, and similar costs, and  
89.24 costs permitted under section 469.40, subdivision 11. This paragraph includes transit costs  
89.25 incurred on or after March 16, 2020.

89.26 Sec. 26. Minnesota Statutes 2022, section 469.47, subdivision 5, is amended to read:

89.27 Subd. 5. **State transit aid.** (a) The city qualifies for state transit aid under this section  
89.28 if the county contributes the required local matching contribution under subdivision 6 or  
89.29 the city or county has agreed to make an equivalent contribution out of other funds for the  
89.30 year.

90.1 (b) If the city qualifies for aid under paragraph (a), the commissioner must pay the city  
 90.2 the state transit aid in the amount calculated under this paragraph. The amount of the state  
 90.3 transit aid for a year equals the qualified expenditures for the year, as certified by the  
 90.4 commissioner, multiplied by 0.75 percent, ~~reduced by~~ subject to the amount of the required  
 90.5 local contribution under subdivision 6. City or county contributions that are in excess of  
 90.6 this ratio carry forward and are credited toward subsequent years. The maximum amount  
 90.7 of state transit aid payable in any year is limited to no more than \$7,500,000. If the  
 90.8 commissioner determines that the city or county has not made the full required matching  
 90.9 local contribution for the year, the commissioner must pay state transit aid only in proportion  
 90.10 ~~to the amount of~~ for the matching contribution made for the year and any unpaid amount  
 90.11 is a carryover aid. The carryover aid must be paid in the first year after the required matching  
 90.12 contribution ~~for that prior year~~ is made and in which the aid entitlement for the current year  
 90.13 is less than the maximum annual limit, but only to the extent the carryover, when added to  
 90.14 the current year aid, is less than the maximum annual limit.

90.15 (c) The commissioner, in consultation with the commissioner of management and budget,  
 90.16 and representatives of the city and the corporation, must establish a total limit on the amount  
 90.17 of state aid payable under this subdivision that will be adequate to finance, in combination  
 90.18 with the local contribution, \$116,000,000 of transit costs.

90.19 (d) The city must use state transit aid it receives under this subdivision for transit costs.  
 90.20 The city must maintain appropriate records to document the use of the funds under this  
 90.21 requirement.

90.22 Sec. 27. **MINNESOTA EMPLOYER REASONABLE ACCOMMODATION FUND.**

90.23 Subdivision 1. Definitions. (a) For the purposes of this section, the terms defined in this  
 90.24 subdivision have the meanings given.

90.25 (b) "Applicant" means any person, whether employed or unemployed, seeking or entering  
 90.26 into any arrangement for employment or change of employment with an eligible employer.

90.27 (c) "Commissioner" means the commissioner of employment and economic development.

90.28 (d) "Eligible employer" means an employer domiciled within the legal boundaries of  
 90.29 Minnesota and having its principal place of business as identified in its certificate of  
 90.30 incorporation in the state of Minnesota who:

90.31 (1) employs not more than 500 employees on any business day during the preceding  
 90.32 calendar year; and

90.33 (2) generates \$5,000,000 or less in gross annual revenue.

91.1 (e) "Employee" has the meaning given in Minnesota Statutes, section 363A.03,  
91.2 subdivision 15.

91.3 (f) "Individual with a disability" has the meaning given to "qualified disabled person"  
91.4 in Minnesota Statutes, section 363A.03, subdivision 36.

91.5 (g) "Reasonable accommodation" has the meaning given in Minnesota Statutes, section  
91.6 363A.08, subdivision 6.

91.7 Subd. 2. **Reimbursement grant program established.** The commissioner shall establish  
91.8 a reasonable accommodation reimbursement grant program that reimburses eligible  
91.9 employers for the cost of expenses incurred in providing reasonable accommodations for  
91.10 individuals with a disability who are either applicants or employees of the eligible employer.

91.11 Subd. 3. **Application.** (a) The commissioner must develop forms and procedures for  
91.12 soliciting and reviewing applications for reimbursement under this section.

91.13 (b) The program shall award reimbursements to eligible employers to the extent that  
91.14 funds are available in the account established under subdivision 5 for this purpose.

91.15 (c) Applications shall be processed on a first-received, first-processed basis within each  
91.16 fiscal year until funding is exhausted. Applications received after funding has been exhausted  
91.17 in a fiscal year are not eligible for reimbursement.

91.18 (d) Documentation for reimbursement shall be provided by eligible employers in a form  
91.19 approved by the commissioner.

91.20 Subd. 4. **Reimbursement awards.** The maximum total reimbursement per eligible  
91.21 employer in a fiscal year is \$30,000 and:

91.22 (1) submissions for onetime reasonable accommodation expenses must be no less than  
91.23 \$250 and no more than \$15,000 per individual with a disability; and

91.24 (2) submissions for ongoing reasonable accommodation expenses have no minimum or  
91.25 maximum requirements.

91.26 Subd. 5. **Employer reasonable accommodation fund account established.** The  
91.27 employer reasonable accommodation fund account is created as an account in the special  
91.28 revenue fund. Money in the account is appropriated to the commissioner for the purposes  
91.29 of reimbursing eligible employers under this section.

91.30 Subd. 6. **Technical assistance and consultation.** The commissioner may provide  
91.31 technical assistance regarding requests for reasonable accommodations.

92.1 Subd. 7. **Administration and marketing costs.** The commissioner may use up to 20  
 92.2 percent of the biennial appropriation for administration and marketing of this section.

92.3 Subd. 8. **Notification.** By September 1, 2023, or within 60 days following final enactment,  
 92.4 whichever is later, and each year thereafter by June 30, the commissioner shall make publicly  
 92.5 available information regarding the availability of funds for reasonable accommodation  
 92.6 reimbursement and the procedure for requesting reimbursement under this section.

92.7 Subd. 9. **Reports to the legislature.** By January 15, 2024, and each January 15 thereafter  
 92.8 until expiration, the commissioner must submit a report to the chairs and ranking minority  
 92.9 members of the house of representatives and the senate committees with jurisdiction over  
 92.10 workforce development that details the use of grant funds. This report must include data on  
 92.11 the number of employer reimbursements the program made in the preceding calendar year.  
 92.12 The report must include:

92.13 (1) the number and type of accommodations requested;

92.14 (2) the cost of accommodations requested;

92.15 (3) the employers from which the requests were made;

92.16 (4) the number and type of accommodations that were denied and why;

92.17 (5) any remaining balance left in the account; and

92.18 (6) if the account was depleted, the date on which funds were exhausted and the number,  
 92.19 type, and cost of accommodations that were not reimbursed to employers.

92.20 Subd. 10. **Expiration.** This section expires June 30, 2025, or when money appropriated  
 92.21 for its purpose expires.

## 92.22 **ARTICLE 5**

### 92.23 **MISCELLANEOUS POLICY**

92.24 **Section 1. [116J.545] GETTING TO WORK GRANT PROGRAM.**

92.25 Subdivision 1. **Creation.** The commissioner of employment and economic development  
 92.26 shall make grants to nonprofit organizations to establish and operate programs under this  
 92.27 section that provide, repair, or maintain motor vehicles to assist eligible individuals to obtain  
 92.28 or maintain employment. All grants shall be for two years.

92.29 Subd. 2. **Qualified grantee.** A grantee must:

92.30 (1) qualify under section 501(c)(3) of the Internal Revenue Code; and

93.1 (2) at the time of application, offer or have the demonstrated capacity to offer a motor  
93.2 vehicle program that provides the services required under subdivision 3.

93.3 Subd. 3. **Program requirements.** (a) A program must offer one or more of the following  
93.4 services:

93.5 (1) provision of new or used motor vehicles by gift, sale, or lease;

93.6 (2) motor vehicle repair and maintenance services; or

93.7 (3) motor vehicle loans.

93.8 (b) In addition to the requirements of paragraph (a), a program must offer one or more  
93.9 of the following services:

93.10 (1) financial literacy education;

93.11 (2) education on budgeting for vehicle ownership;

93.12 (3) car maintenance and repair instruction;

93.13 (4) credit counseling; or

93.14 (5) job training related to motor vehicle maintenance and repair.

93.15 Subd. 4. **Application.** Applications for a grant must be on a form provided by the  
93.16 commissioner and on a schedule set by the commissioner. Applications must, in addition  
93.17 to any other information required by the commissioner, include the following:

93.18 (1) a detailed description of all services to be offered;

93.19 (2) the area to be served;

93.20 (3) the estimated number of program participants to be served by the grant; and

93.21 (4) a plan for leveraging resources from partners that may include but are not limited

93.22 to:

93.23 (i) automobile dealers;

93.24 (ii) automobile parts dealers;

93.25 (iii) independent local mechanics and automobile repair facilities;

93.26 (iv) banks and credit unions;

93.27 (v) employers;

93.28 (vi) employment and training agencies;

93.29 (vii) insurance companies and agents;

94.1 (viii) local workforce centers; and

94.2 (ix) educational institutions, including vocational institutions and jobs or skills training  
94.3 programs.

94.4 Subd. 5. **Participant eligibility.** (a) To be eligible to receive program services, a person  
94.5 must:

94.6 (1) have a household income at or below 200 percent of the federal poverty level;

94.7 (2) be at least 18 years of age;

94.8 (3) have a valid driver's license;

94.9 (4) provide the grantee with proof of motor vehicle insurance; and

94.10 (5) demonstrate to the grantee that a motor vehicle is required by the person to obtain  
94.11 or maintain employment.

94.12 (b) This subdivision does not preclude a grantee from imposing additional requirements,  
94.13 not inconsistent with paragraph (a), for the receipt of program services.

94.14 Subd. 6. **Report to legislature.** By February 15, 2025, and each January 15 in an  
94.15 odd-numbered year thereafter, the commissioner shall submit a report to the chairs of the  
94.16 house of representatives and senate committees with jurisdiction over workforce and  
94.17 economic development on program outcomes. At a minimum, the report must include:

94.18 (1) the total number of program participants;

94.19 (2) the number of program participants who received each of the following:

94.20 (i) provision of a motor vehicle;

94.21 (ii) motor vehicle repair services; and

94.22 (iii) motor vehicle loans;

94.23 (3) the number of program participants who report that they or their children were able  
94.24 to increase their participation in community activities such as after school programs, other  
94.25 youth programs, church or civic groups, or library services as a result of participation in the  
94.26 program; and

94.27 (4) an analysis of the impact of the getting to work grant program on the employment  
94.28 rate and wages of program participants.

95.1 Sec. 2. Minnesota Statutes 2022, section 116J.55, subdivision 1, is amended to read:

95.2 Subdivision 1. **Definitions.** For the purposes of this section, "eligible community" means  
 95.3 a county, municipality, or tribal government located in Minnesota in which an electric  
 95.4 generating plant owned by a public utility, as defined in section 216B.02, that is powered  
 95.5 by coal, nuclear energy, or natural gas:

95.6 (1) is currently operating and (i) is scheduled to cease operations or, (ii) whose cessation  
 95.7 of operations has been proposed in an integrated resource plan filed with the commission  
 95.8 under section 216B.2422, or (iii) whose current operating license expires within 15 years  
 95.9 of the effective date of this section; or

95.10 (2) ceased operations or was removed from the local property tax base no earlier than  
 95.11 five years before the date an application is made for a grant under this section.

95.12 Sec. 3. Minnesota Statutes 2022, section 116J.55, subdivision 5, is amended to read:

95.13 Subd. 5. **Grant awards; limitations.** ~~(a) The commissioner must award grants under~~  
 95.14 ~~this section to eligible communities through a competitive grant process.~~

95.15 ~~(b)~~ (a) A grant awarded to an eligible community under this section must not exceed  
 95.16 ~~\$500,000~~ \$1,000,000 in any calendar year. The commissioner may accept grant applications  
 95.17 on an ongoing or rolling basis.

95.18 ~~(c)~~ (b) Grants funded with revenues from the renewable development account established  
 95.19 in section 116C.779 must be awarded to an eligible community located within the retail  
 95.20 electric service territory of the public utility that is subject to section 116C.779 or to an  
 95.21 eligible community in which an electric generating plant owned by that public utility is  
 95.22 located.

95.23 Sec. 4. Minnesota Statutes 2022, section 116J.55, subdivision 6, is amended to read:

95.24 Subd. 6. **Eligible expenditures.** (a) Money in the account established in subdivision 3  
 95.25 must be used only to:

95.26 (1) award grants to eligible communities under this section; and

95.27 (2) reimburse the department's reasonable costs to administer this section, up to a  
 95.28 maximum of five percent of the appropriation made to the commissioner under this section.  
 95.29 The commissioner may transfer part of the allowable administrative portion of this  
 95.30 appropriation to the Environmental Quality Board to assist communities with regulatory  
 95.31 coordination and dedicated technical assistance on conversion for these communities.

96.1 (b) An eligible community awarded a grant under this section may use the grant to plan  
 96.2 for or address the economic and social impacts on the eligible community of the electric  
 96.3 generating plant's cessation of operations, including but not limited to land use studies,  
 96.4 economic planning, researching, planning, and implementing activities, capital costs of  
 96.5 public infrastructure necessary for economic development, and impact studies and other  
 96.6 planning activities enabling communities to become shovel-ready and support the transition  
 96.7 from power plants to other economic activities to minimize the negative impacts of power  
 96.8 plant closures on tax revenues and jobs designed to:

96.9 (1) assist workers at the plant find new employment, including worker retraining and  
 96.10 developing small business start-up skills;

96.11 (2) increase the eligible community's property tax base; and

96.12 (3) develop alternative economic development strategies to attract new employers to the  
 96.13 eligible community.

96.14 Sec. 5. **[116J.9926] EMERGING DEVELOPER FUND PROGRAM.**

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

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

96.18 (c) "Eligible project" means a project that is based in Minnesota and meets one or more  
 96.19 of the following criteria:

96.20 (1) it will stimulate community stabilization or revitalization;

96.21 (2) it will be located within a census tract identified as a disadvantaged community or  
 96.22 low-income community;

96.23 (3) it will directly benefit residents of a low-income household;

96.24 (4) it will increase the supply and improve the condition of affordable housing and  
 96.25 homeownership;

96.26 (5) it will support the growth needs of new and existing community-based enterprises  
 96.27 that promote economic stability or improve the supply or quality of job opportunities; or

96.28 (6) it will promote wealth creation, including by being a project in a neighborhood  
 96.29 traditionally not served by real estate developers.

96.30 (d) "Emerging developer" means a developer who:

96.31 (1) has limited access to loans from traditional financial institutions; or

97.1 (2) is a new or smaller developer who has engaged in educational training in real estate  
97.2 development; and

97.3 (3) is either a:

97.4 (i) minority as defined by section 116M.14, subdivision 6;

97.5 (ii) woman;

97.6 (iii) person with a disability, as defined under section 116M.14, subdivision 9; or

97.7 (iv) low-income person.

97.8 (e) "Low-income person" means a person who:

97.9 (i) has a household income at or below 200 percent of the federal poverty guidelines;

97.10 or

97.11 (ii) has a family income that does not exceed 60 percent of the area median income as  
97.12 determined by the United States Department of Housing and Urban Development.

97.13 (f) "Program" means the emerging developer fund program created under this section.

97.14 Subd. 2. **Establishment.** The commissioner shall establish an emerging developer fund  
97.15 program to make loans to emerging developers for eligible projects that will transform  
97.16 neighborhoods statewide and promote economic development and the creation and retention  
97.17 of jobs in Minnesota. The program shall also reduce racial and socioeconomic disparities  
97.18 by growing the financial capacity of emerging developers.

97.19 Subd. 3. **Loan program.** (a) Through the program, the commissioner shall offer emerging  
97.20 developers predevelopment, construction, and bridge loans for eligible projects.

97.21 (b) Predevelopment loans shall be for no more than \$50,000. All other types of loans  
97.22 shall be for no more than \$500,000.

97.23 (c) Loans shall be for a term set by the commissioner of no less than six months and no  
97.24 more than five years, depending on the use of loan proceeds.

97.25 (d) Loans shall be for zero interest or a low interest rate, as determined by the  
97.26 commissioner based on the individual project risk and type of loan sought.

97.27 (e) Loans shall have flexible collateral requirements, but may require a personal guaranty  
97.28 from the emerging developer and may be largely unsecured when the appraised value of  
97.29 the real estate is low.

97.30 (f) Loans shall have no prepayment penalties and are expected to be repaid from  
97.31 permanent financing or a conventional loan, once that is secured.

98.1 (g) Loans shall have the ability to bridge many types of receivables, such as tax credits,  
98.2 grants, developer fees, and other forms of long-term financing.

98.3 (h) At the commissioner's discretion, an emerging developer may be required to work  
98.4 with an experienced developer or professional services consultant who can offer expertise  
98.5 and advice throughout the development of the project.

98.6 (i) All loan repayments shall be paid into the emerging developer fund account created  
98.7 in this section to fund additional loans.

98.8 Subd. 4. Eligible expenses. (a) The following shall be eligible expenses for a  
98.9 predevelopment loan under the program:

98.10 (1) earnest money or purchase deposit;

98.11 (2) building inspection fees and environmental reviews;

98.12 (3) appraisal and surveying;

98.13 (4) design and tax credit application fees;

98.14 (5) title and recording fees;

98.15 (6) site preparation, demolition, and stabilization;

98.16 (7) interim maintenance and project overhead;

98.17 (8) property taxes and insurance;

98.18 (9) construction bonds or letters of credit;

98.19 (10) market and feasibility studies; and

98.20 (11) professional fees.

98.21 (b) The following shall be eligible expenses for a construction or bridge loan under the  
98.22 program:

98.23 (1) land or building acquisition;

98.24 (2) construction-related expenses;

98.25 (3) developer and contractor fees;

98.26 (4) site preparation and demolition;

98.27 (5) financing fees, including title and recording;

98.28 (6) professional fees;

98.29 (7) carrying costs;

99.1 (8) construction period interest;

99.2 (9) project reserves; and

99.3 (10) leasehold improvements and equipment purchase.

99.4 Subd. 5. **Emerging developer fund account.** An emerging developer fund account is  
99.5 created in the special revenue fund in the state treasury. Money in the account is appropriated  
99.6 to the commissioner for loans under this section.

99.7 Subd. 6. **Reports to the legislature.** By February 15 of each year, beginning in 2025,  
99.8 the commissioner shall submit a report to the chairs of the house of representatives and  
99.9 senate committees with jurisdiction over economic development on loans made under the  
99.10 program.

99.11 Sec. 6. Laws 2021, First Special Session chapter 10, article 2, section 24, is amended to  
99.12 read:

99.13 Sec. 24. **FORGIVABLE LOAN PROGRAM FOR REMOTE RECREATIONAL**  
99.14 **BUSINESSES.**

99.15 Subdivision 1. **Establishment.** Lake of the Woods County shall establish a loan program  
99.16 to make forgivable loans to eligible remote recreational businesses that experienced a loss  
99.17 in revenue that is greater than 30 percent during the period between March 15, ~~2020~~ 2021,  
99.18 and March 15, ~~2021~~ 2022, as compared with ~~the previous year~~ March 15, 2019, and March  
99.19 15, 2020.

99.20 Subd. 2. **Definition.** For the purposes of this section, "remote recreational business"  
99.21 means a business in the contiguous United States that is:

99.22 (1) a small business concern as defined under section 3 of the Small Business Act, United  
99.23 States Code, title 15, section 632, operating in the recreational industry;

99.24 (2) located within 75 miles of the United States and Canadian border; and

99.25 (3) only accessible by land via Canada.

99.26 Subd. 3. **Eligibility.** To be eligible for a forgivable loan, a remote recreational business  
99.27 must:

99.28 (1) have been in operation on March 15, ~~2020~~ 2021;

100.1 (2) show that the closure and ongoing COVID-19-related requirements of the United  
100.2 States and Canadian border restricted the ability of American customers to access the location  
100.3 of the remote recreational business; and

100.4 (3) not have received a grant under the Main Street COVID-19 relief grant program.

100.5 Subd. 4. **Application.** (a) Lake of the Woods County shall develop forms and procedures  
100.6 for soliciting and reviewing applications for loans under this section.

100.7 (b) Loans shall be made before ~~April 1, 2022~~ December 30, 2023. Any funds not spent  
100.8 by ~~April 1~~ December 30, 2022 2024, must be returned to the state general fund.

100.9 (c) If there are insufficient funds to fund all claims in full, the county shall distribute  
100.10 funds on a prorated basis.

100.11 Subd. 5. **Maximum loan amount.** The maximum loan amount shall be equal to 75  
100.12 percent of the remote recreational business's gross annual receipts for fiscal year ~~2020~~ 2021,  
100.13 not to exceed \$500,000 per eligible remote recreational business.

100.14 Subd. 6. **Forgiveness.** Loans are forgiven for a remote recreational business if the  
100.15 business remains in operation for at least one year after the date of the loan. Lake of the  
100.16 Woods County shall forgive 100 percent of the value of a loan received less the amount the  
100.17 borrower received from:

100.18 (1) any other loan forgiveness program, including any program established under the  
100.19 CARES Act, Public Law 116-136; and

100.20 (2) an advance received under section 1110 of the CARES Act, United States Code, title  
100.21 15, section 9009.

100.22 Subd. 7. **Report to legislature.** By ~~January 15, 2023~~ April 30, 2024, Lake of the Woods  
100.23 County shall report to the legislative committees with jurisdiction over economic  
100.24 development policy and finance on the loans provided to remote recreational businesses  
100.25 under this section.

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

100.27 **Sec. 7. CANADIAN BORDER COUNTIES ECONOMIC RELIEF PROGRAM.**

100.28 **Subdivision 1. Relief program established.** The Northland Foundation must develop  
100.29 and implement a Canadian border counties economic relief program to assist businesses  
100.30 adversely affected by the 2021 closure of the Boundary Waters Canoe Area Wilderness or  
100.31 the closures of the Canadian border since 2020.

101.1 Subd. 2. **Available relief.** (a) The economic relief program established under this section  
101.2 may include grants provided in this section to the extent that funds are available. Before  
101.3 awarding a grant to the Northland Foundation for the relief program under this section:

101.4 (1) the Northland Foundation must develop criteria, procedures, and requirements for:

101.5 (i) determining eligibility for assistance;

101.6 (ii) evaluating applications for assistance;

101.7 (iii) awarding assistance; and

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

101.9 (2) the Northland Foundation must submit its criteria, procedures, and requirements  
101.10 developed under clause (1) to the commissioner of employment and economic development  
101.11 for review; and

101.12 (3) the commissioner must approve the criteria, procedures, and requirements submitted  
101.13 under clause (2).

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

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

101.17 (1) be located within a county that shares a border with Canada;

101.18 (2) document a reduction of at least ten percent in gross receipts in 2021 compared to  
101.19 2019; and

101.20 (3) provide a written explanation for how the 2021 closure of the Boundary Waters  
101.21 Canoe Area Wilderness or the closures of the Canadian border since 2020 resulted in the  
101.22 reduction in gross receipts documented under clause (2).

101.23 Subd. 4. **Monitoring.** (a) The Northland Foundation must establish performance  
101.24 measures, including but not limited to the following components:

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

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

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

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

102.2 (b) The commissioner of employment and economic development must monitor the  
 102.3 Northland Foundation's compliance with this section and the performance measures  
 102.4 developed under paragraph (a).

102.5 (c) The Northland Foundation must comply with all requests made by the commissioner  
 102.6 under this section.

102.7 Subd. 5. **Business subsidy requirements.** Minnesota Statutes, sections 116J.993 to  
 102.8 116J.995, do not apply to assistance under this section. Businesses in receipt of assistance  
 102.9 under this section must provide for job creation and retention goals, and wage and benefit  
 102.10 goals.

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

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

102.15 Delete the title and insert:

102.16 "A bill for an act  
 102.17 relating to economic development; establishing a budget for the Department of  
 102.18 Employment and Economic Development; modifying various economic  
 102.19 development, explore Minnesota, and workforce development provisions; requiring  
 102.20 reports; appropriating money; amending Minnesota Statutes 2022, sections  
 102.21 116J.5492, subdivisions 8, 10; 116J.55, subdivisions 1, 5, 6; 116J.8748,  
 102.22 subdivisions 3, 4, 6, by adding a subdivision; 116J.8749, subdivisions 1, 3, 5, 10;  
 102.23 116L.361, subdivision 7; 116L.362, subdivision 1; 116L.364, subdivision 3;  
 102.24 116L.56, subdivision 2; 116L.561, subdivision 5; 116L.562, subdivision 2;  
 102.25 116U.05; 116U.10; 116U.15; 116U.20; 116U.30; 116U.35; 469.40, subdivision  
 102.26 11; 469.47, subdivisions 1, 5; Laws 2021, First Special Session chapter 10, article  
 102.27 2, section 24; proposing coding for new law in Minnesota Statutes, chapters 116J;  
 102.28 116L; 116U."