

1.1 moves to amend H.F. No. 3732, the delete everything amendment
1.2 (H3732DE2), as follows:

1.3 Page 14, after line 26, insert:

1.4 "Sec. **BUSINESS RELIEF PROGRAM.**

1.5 Subdivision 1. Establishment. The commissioner of employment and economic
1.6 development must establish a relief program to make grants and loans to businesses
1.7 negatively impacted by federal enforcement activity between December of 2025 and February
1.8 of 2026.

1.9 Subd. 2. Eligible entities. To be eligible for a grant or loan under this section, a business
1.10 must:

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

1.12 (2) be at least 50 percent owned by a resident of the state of Minnesota;

1.13 (3) be in good standing with the secretary of state and the Department of Revenue as of
1.14 the date the grant or loan agreement is signed;

1.15 (4) be able to demonstrate at least a 20 percent decline in either revenue, net income, or
1.16 sales when comparing the period of December 1, 2024, through February 28, 2025, and the
1.17 period of December 1, 2025, through February 28, 2026; and

1.18 (5) have had an annual revenue in 2025 of no more than \$3,000,000.

1.19 Subd. 3. Award criteria. Preference must be given to applications from businesses that
1.20 can demonstrate:

1.21 (1) significant negative impact on the business from federal enforcement activity between
1.22 December of 2025 and February of 2026; and

2.1 (2) a grant or loan is necessary for the business to be able to continue to operate.

2.2 Subd. 4. **Eligible uses.** (a) Businesses may use grant and loan funds for the following
2.3 purposes:

2.4 (1) payroll and contractor payments;

2.5 (2) commercial rent and mortgages;

2.6 (3) utilities payments;

2.7 (4) inventory replacement;

2.8 (5) security upgrades;

2.9 (6) working capital; and

2.10 (7) past-due loan payments.

2.11 (b) Grant and loan funds may not be used to refinance debt that existed before December
2.12 1, 2025.

2.13 Subd. 5. **Award requirements.** (a) The minimum grant or loan amount for a business
2.14 is \$5,000 and the maximum grant or loan amount for a business is \$25,000.

2.15 (b) All grants and loans to businesses must be executed by October 31, 2026.

2.16 (c) All grants are subject to the grant requirements in Minnesota Statutes, chapter 16B.

2.17 (d) The entity issuing the grant or loan must verify the identity and eligibility of all
2.18 recipients.

2.19 (e) All loans are for zero percent interest and, with the approval of the commissioner,
2.20 may be forgiven 12 months after the loan agreement is signed if the business is still in
2.21 operation.

2.22 Subd. 6. **Fraud deterrent measures.** (a) Any applicant suspected of fraud must be
2.23 reported to the commissioner of employment and economic development within 15 days
2.24 of discovery. The commissioner must send the report to the Minnesota Bureau of Criminal
2.25 Apprehension for investigation.

2.26 (b) Each application form must display the following notice: "Fraudulent applications
2.27 will not be tolerated. Information from any suspected fraudulent application will be reported
2.28 to state investigating authorities."

2.29 (c) Applicants must certify by signature that they have read and understand the notice
2.30 required by paragraph (b).

3.1 Subd. 7. **Report.** By December 31, 2026, the commissioner of employment and economic
 3.2 development must submit a report that details the use of funds to the chairs and ranking
 3.3 minority members of the committees of the house of representatives and the senate having
 3.4 jurisdiction over economic development and as required by Minnesota Statutes, section
 3.5 3.195. This report must include data on the number of businesses served and any evidence
 3.6 of a positive impact on economic development from the grants and loans.

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

3.8 Sec. **APPROPRIATIONS; BUSINESS RELIEF.**

3.9 (a) \$50,000,000 in fiscal year 2026 is appropriated from the general fund and \$50,000,000
 3.10 in fiscal year 2026 is appropriated from the Minnesota forward fund account to the
 3.11 commissioner of employment and economic development for the business relief program
 3.12 under section 1. These are onetime appropriations and are available until June 30, 2027.

3.13 (b) Of the amount in paragraph (a):

3.14 (1) \$50,000,000 is for a grant to the Minneapolis Foundation; and

3.15 (2) \$50,000,000 is for a grant to the Saint Paul and Minnesota Foundation.

3.16 (c) The grant recipients in paragraph (b) must make subgrants to community development
 3.17 financial institutions and nonprofit organizations to make grants and loans under section 1.
 3.18 Of the amounts appropriated in paragraph (b), 20 percent must be subgranted to the
 3.19 Minnesota Initiative Foundations. Each foundation must use a competitive application
 3.20 process to select these subgrantees through a request for proposal process that prioritizes
 3.21 applications from organizations that:

3.22 (1) are in good standing with the secretary of state and the Department of Revenue;

3.23 (2) have demonstrated capacity to administer state grants and loans;

3.24 (3) have the ability to provide applicants with technical assistance; and

3.25 (4) have existing relationships with small businesses in communities negatively affected
 3.26 by federal enforcement activity between December of 2025 and February of 2026.

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

3.28 Sec. **CANCELLATION.**

3.29 \$50,000,000 of the fiscal year 2024 Minnesota forward fund account appropriation in
 3.30 Laws 2023, chapter 53, article 21, section 7, paragraph (c), is canceled.

- 4.1 **EFFECTIVE DATE.** This section is effective the day following final enactment."
- 4.2 Renumber the sections in sequence and correct the internal references
- 4.3 Amend the title accordingly