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ARTICLE ...

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ECONOMIC DEVELOPMENT

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Section 1. Minnesota Statutes 2017 Supplement, section 298.227, is amended to read:

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298.227 TACONITE ECONOMIC DEVELOPMENT FUND.

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An amount equal to that distributed pursuant to each taconite producer's taxable production and qualifying sales under section 298.28, subdivision 9a, shall be held by the commissioner of Iron Range resources and rehabilitation in a separate taconite economic development fund for each taconite and direct reduced ore producer. Money from the fund for each producer shall be released by the commissioner after review by a joint committee consisting of an equal number of representatives of the salaried employees and the nonsalaried production and maintenance employees of that producer. The District 11 director of the United States Steelworkers of America, on advice of each local employee president, shall select the employee members. In nonorganized operations, the employee committee shall be elected by the nonsalaried production and maintenance employees. The review must be completed no later than six months after the producer presents a proposal for expenditure of the funds to the committee. The funds held pursuant to this section may be released only for workforce development ~~and associated public facility improvement,~~ concurrent reclamation, ~~or for acquisition of plant and stationary mining equipment and facilities for the producer or for research and development in Minnesota on new mining, or taconite, iron, or steel production technology, but only if the producer provides a matching expenditure equal to the amount of the distribution to be used for the same purpose beginning with distributions in 2014. Effective for proposals for expenditures of money from the fund beginning May 26, 2007, the commissioner may not release the funds before the next scheduled meeting of the board.~~ If a proposed expenditure is not approved by the commissioner, after consultation with the advisory board, the funds must be deposited in the Taconite Environmental Protection Fund under sections 298.222 to 298.225. If a taconite production facility is sold after operations at the facility had ceased, any money remaining in the fund for the former producer may be released to the purchaser of the facility on the terms otherwise applicable to the former producer under this section. If a producer fails to provide matching funds for a proposed expenditure within six months after the commissioner approves release of the funds, the funds ~~are available for release to another producer in proportion to the distribution provided and under the conditions of this section~~ may be released by the commissioner for deposit in the taconite area environmental protection fund created in section 298.223. Any portion of the fund which is not released by the commissioner within one year of its deposit in the fund shall be ~~divided between~~ distributed to the taconite

2.1 environmental protection fund ~~created in section 298.223 and the Douglas J. Johnson~~
 2.2 ~~economic protection trust fund created in section 298.292 for placement in their respective~~
 2.3 ~~special accounts. Two-thirds of the unreleased funds shall be distributed to the taconite~~
 2.4 ~~environmental protection fund and one-third to the Douglas J. Johnson economic protection~~
 2.5 ~~trust fund.~~

2.6 **EFFECTIVE DATE.** This section is effective June 1, 2018.

2.7 Sec. 2. Minnesota Statutes 2016, section 298.28, subdivision 9a, is amended to read:

2.8 Subd. 9a. **Taconite economic development fund.** (a) 25.1 cents per ton for distributions
 2.9 in 2002 and thereafter must be paid to the taconite economic development fund. No
 2.10 distribution shall be made under this paragraph in 2004 or any subsequent year in which
 2.11 total industry production falls below 30 million tons. Distribution shall only be made to a
 2.12 Minnesota taconite pellet producer's fund under section 298.227 if the producer timely pays
 2.13 its tax under section 298.24 by the dates provided under section 298.27, or pursuant to the
 2.14 due dates provided by an administrative agreement with the commissioner.

2.15 (b) An amount equal to 50 percent of the tax under section 298.24 for concentrate sold
 2.16 in the form of pellet chips and fines not exceeding 5/16 inch in size and not including crushed
 2.17 pellets shall be paid to the taconite economic development fund. The amount paid shall not
 2.18 exceed \$700,000 annually for all ~~companies~~ Minnesota taconite pellet producers. If the
 2.19 initial amount to be paid to the fund exceeds this amount, each ~~company's~~ Minnesota taconite
 2.20 pellet producer's payment shall be prorated so the total does not exceed \$700,000.

2.21 **EFFECTIVE DATE.** This section is effective retroactively from December 31, 2016.

2.22 Sec. 3. Minnesota Statutes 2016, section 465.73, is amended to read:

2.23 **465.73 LOAN FROM, SECURED BY U.S. AGRICULTURE DEPARTMENT**
 2.24 **AGENCY.**

2.25 For purposes of constructing, repairing, or acquiring city halls, town halls, fire halls or
 2.26 fire or rescue equipment, or libraries or child care facilities if otherwise authorized by law,
 2.27 a statutory city, home rule charter city, county, or town may borrow not to exceed ~~\$450,000~~
 2.28 \$750,000 from (i) funds granted to a rural electric cooperative organized under chapter
 2.29 308A by the United States Department of Agriculture Rural Business-Cooperative Service
 2.30 or (ii) directly from or in the form of funds guaranteed by the Rural Housing Service or
 2.31 other agency of the United States Department of Agriculture by a note secured by a mortgage
 2.32 or other security agreement on the property purchased with the borrowed funds. The city,

3.1 county, or town may pledge its full faith and credit and assign or pledge the revenues, if
3.2 any, from the facilities or equipment so financed together with any other properly available
3.3 funds to secure the loan. The obligation of the note is not to be included when computing
3.4 the net debt of the city, county, or town, nor is the approval of the voters required for the
3.5 issuance of the note.

3.6 Sec. 4. **TRANSFER 2018 DISTRIBUTION ONLY.**

3.7 For the 2018 distribution, the fund established under Minnesota Statutes, section 298.28,
3.8 subdivision 7, shall receive ten cents per ton of any excess of the balance remaining after
3.9 distribution of amounts required under Minnesota Statutes, section 298.28, subdivision 6.

3.10 **EFFECTIVE DATE.** This section is effective for the 2018 distribution, and the transfer
3.11 must be made within ten days of the August 2018 payment.

3.12 Sec. 5. **DISLOCATED WORKER RAPID RESPONSE ACTIVITY.**

3.13 Notwithstanding anything to the contrary, of the money appropriated to the Job Skills
3.14 Partnership Board for the purposes of Minnesota Statutes, section 116L.17, under Minnesota
3.15 Statutes, section 116L.20, subdivision 2, at least \$650,000 in fiscal year 2019 is for a grant
3.16 to Career Solutions in St. Cloud to address the substantial anticipated job losses at the
3.17 Electrolux plant in St. Cloud. These services shall be provided by Career Solutions. Grant
3.18 funds may be used according to Minnesota Statutes, section 116L.17, subdivision 4,
3.19 including, but not limited to, GED programs, English language courses, computer literacy
3.20 efforts, and training in the manufacturing and construction trades. In addition, the
3.21 commissioner of employment and economic development is directed to take all necessary
3.22 steps, including application for any required federal waivers, to begin providing services
3.23 to affected workers before December 31, 2018.

3.24 Sec. 6. **REVISOR'S INSTRUCTION; PROGRAM NAME CLARIFICATION.**

3.25 In Minnesota Statutes, the revisor of statutes shall change the term "Minnesota investment
3.26 fund" to "North Star Disaster Contingency Account" wherever it is apparent from context
3.27 that the term "Minnesota investment fund" refers to the program under Minnesota Statutes,
3.28 section 116J.8731, subdivisions 8 and 9.