



March 29, 2023

Chair Hassan and Members of the House Economic Development Committee,

Thank you for including funding for the impressive job-creating and job-retaining Growth Acceleration Program (GAP) in the House Economic Development omnibus budget bill (HF 3028.)

As I testified before your committee, since 2009, GAP has achieved widespread bipartisan support because it helps manufacturers create and retain high quality jobs and brings economic stability to local communities. GAP has, on average, proven its return on the state's investment by at least \$25 dollars for every dollar invested. Some manufacturers have reported that these funds conservatively have yielded \$40 per \$1 of investment.

To qualify for GAP, manufacturers and manufacturing-related companies must be located in Minnesota, must operate as independent profit centers, and must employ 250 or fewer full-time employees. They must work from a solid business plan and demonstrate a tangible economic need. The program is administered by Enterprise Minnesota with DEED as the fiscal agent.

GAP's existing statutory language includes a robust reporting requirement so you will be able to see the impacts of these state investments. We have no doubt the reporting will continue to show impressive results.

This state investment comes at a particularly urgent time for manufacturers. The critical labor shortage, inflation, and supply chain challenges all impact small manufacturers' ability to operate, which in turn impacts communities in every corner of our state.

Thank you again for including GAP in your bill. On behalf of Minnesota's small manufacturers and their highly skilled workforce, we hope that you will continue to support the inclusion of GAP funding in the final budget bill passed this session.

Sincerely,

Lynn Shelton

Lynn Shelton
Vice President, Enterprise Minnesota