

1.1 ..... moves to amend H.F. No. 5205, the first engrossment, as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 ECONOMIC DEVELOPMENT APPROPRIATIONS

1.5 Section 1. Laws 2023, chapter 53, article 20, section 2, subdivision 1, is amended to read:

|     |   |  |                       |                              |
|-----|---|--|-----------------------|------------------------------|
| 1.6 |   |  |                       | <b>310,131,000</b>           |
| 1.7 | Subdivision 1. <b>Total Appropriation</b> |  | <b>\$ 382,802,000</b> | <b>\$ <u>306,306,000</u></b> |

1.8 Appropriations by Fund

|      |             |             |                        |  |
|------|-------------|-------------|------------------------|--|
| 1.9  |             | 2024        | 2025                   |  |
| 1.10 |             |             | <del>279,854,000</del> |  |
| 1.11 | General     | 352,525,000 | <u>276,029,000</u>     |  |
| 1.12 | Remediation | 700,000     | 700,000                |  |
| 1.13 | Workforce   |             |                        |  |
| 1.14 | Development | 30,277,000  | 30,277,000             |  |

1.15 The amounts that may be spent for each  
1.16 purpose are specified in the following  
1.17 subdivisions.

1.18 Sec. 2. Laws 2023, chapter 53, article 20, section 2, subdivision 2, is amended to read:

|      |  |  |             |                        |
|------|--|--|-------------|------------------------|
| 1.19 |  |  |             | <del>139,929,000</del> |
| 1.20 | Subd. 2. <b>Business and Community Development</b> |  | 195,061,000 | <u>136,104,000</u>     |

1.21 Appropriations by Fund

|      |             |             |                        |  |
|------|-------------|-------------|------------------------|--|
| 1.22 |             |             | <del>137,879,000</del> |  |
| 1.23 | General     | 193,011,000 | <u>134,054,000</u>     |  |
| 1.24 | Remediation | 700,000     | 700,000                |  |
| 1.25 | Workforce   |             |                        |  |
| 1.26 | Development | 1,350,000   | 1,350,000              |  |

2.1 (a) \$2,287,000 each year is for the greater  
2.2 Minnesota business development public  
2.3 infrastructure grant program under Minnesota  
2.4 Statutes, section 116J.431. This appropriation  
2.5 is available until June 30, 2027.

2.6 (b) \$500,000 each year is for grants to small  
2.7 business development centers under Minnesota  
2.8 Statutes, section 116J.68. Money made  
2.9 available under this paragraph may be used to  
2.10 match funds under the federal Small Business  
2.11 Development Center (SBDC) program under  
2.12 United States Code, title 15, section 648, to  
2.13 provide consulting and technical services or  
2.14 to build additional SBDC network capacity to  
2.15 serve entrepreneurs and small businesses.

2.16 (c) \$2,500,000 ~~each~~ the first year is for Launch  
2.17 Minnesota. ~~These are~~ This is a onetime  
2.18 ~~appropriations~~ appropriation. Of this amount:

2.19 (1) \$1,500,000 ~~each year~~ is for innovation  
2.20 grants to eligible Minnesota entrepreneurs or  
2.21 start-up businesses to assist with their  
2.22 operating needs;

2.23 (2) \$500,000 ~~each year~~ is for administration  
2.24 of Launch Minnesota; and

2.25 (3) \$500,000 ~~each year~~ is for grantee activities  
2.26 at Launch Minnesota.

2.27 (d)(1) \$500,000 each year is for grants to  
2.28 MNSBIR, Inc., to support moving scientific  
2.29 excellence and technological innovation from  
2.30 the lab to the market for start-ups and small  
2.31 businesses by securing federal research and  
2.32 development funding. The purpose of the grant  
2.33 is to build a strong Minnesota economy and  
2.34 stimulate the creation of novel products,

3.1 services, and solutions in the private sector;

3.2 strengthen the role of small business in

3.3 meeting federal research and development

3.4 needs; increase the commercial application of

3.5 federally supported research results; and

3.6 develop and increase the Minnesota

3.7 workforce, especially by fostering and

3.8 encouraging participation by small businesses

3.9 owned by women and people who are Black,

3.10 Indigenous, or people of color. This is a

3.11 onetime appropriation.

3.12 (2) MNSBIR, Inc., shall use the grant money

3.13 to be the dedicated resource for federal

3.14 research and development for small businesses

3.15 of up to 500 employees statewide to support

3.16 research and commercialization of novel ideas,

3.17 concepts, and projects into cutting-edge

3.18 products and services for worldwide economic

3.19 impact. MNSBIR, Inc., shall use grant money

3.20 to:

3.21 (i) assist small businesses in securing federal

3.22 research and development funding, including

3.23 the Small Business Innovation Research and

3.24 Small Business Technology Transfer programs

3.25 and other federal research and development

3.26 funding opportunities;

3.27 (ii) support technology transfer and

3.28 commercialization from the University of

3.29 Minnesota, Mayo Clinic, and federal

3.30 laboratories;

3.31 (iii) partner with large businesses;

3.32 (iv) conduct statewide outreach, education,

3.33 and training on federal rules, regulations, and

3.34 requirements;

- 4.1 (v) assist with scientific and technical writing;
- 4.2 (vi) help manage federal grants and contracts;
- 4.3 and
- 4.4 (vii) support cost accounting and sole-source
- 4.5 procurement opportunities.
- 4.6 (e) \$10,000,000 the first year is for the
- 4.7 Minnesota Expanding Opportunity Fund
- 4.8 Program under Minnesota Statutes, section
- 4.9 116J.8733. This is a onetime appropriation
- 4.10 and is available until June 30, 2025.
- 4.11 (f) \$6,425,000 each year is for the small
- 4.12 business assistance partnerships program
- 4.13 under Minnesota Statutes, section 116J.682.
- 4.14 All grant awards shall be for two consecutive
- 4.15 years. Grants shall be awarded in the first year.
- 4.16 The department may use up to five percent of
- 4.17 the appropriation for administrative purposes.
- 4.18 The base for this appropriation is \$2,725,000
- 4.19 in fiscal year 2026 and each year thereafter.
- 4.20 (g) \$350,000 each year is for administration
- 4.21 of the community energy transition office.
- 4.22 (h) \$5,000,000 each year is transferred from
- 4.23 the general fund to the community energy
- 4.24 transition account for grants under Minnesota
- 4.25 Statutes, section 116J.55. This is a onetime
- 4.26 transfer.
- 4.27 (i) \$1,772,000 each year is for contaminated
- 4.28 site cleanup and development grants under
- 4.29 Minnesota Statutes, sections 116J.551 to
- 4.30 116J.558. This appropriation is available until
- 4.31 expended.
- 4.32 (j) \$700,000 each year is from the remediation
- 4.33 fund for contaminated site cleanup and

5.1 development grants under Minnesota Statutes,  
5.2 sections 116J.551 to 116J.558. This  
5.3 appropriation is available until expended.

5.4 (k) \$389,000 each year is for the Center for  
5.5 Rural Policy and Development. The base for  
5.6 this appropriation is \$139,000 in fiscal year  
5.7 2026 and each year thereafter.

5.8 (l) \$25,000 each year is for the administration  
5.9 of state aid for the Destination Medical Center  
5.10 under Minnesota Statutes, sections 469.40 to  
5.11 469.47.

5.12 (m) \$875,000 each year is for the host  
5.13 community economic development program  
5.14 established in Minnesota Statutes, section  
5.15 116J.548.

5.16 (n) \$6,500,000 each year is for grants to local  
5.17 communities to increase the number of quality  
5.18 child care providers to support economic  
5.19 development. Fifty percent of grant money  
5.20 must go to communities located outside the  
5.21 seven-county metropolitan area as defined in  
5.22 Minnesota Statutes, section 473.121,  
5.23 subdivision 2. The base for this appropriation  
5.24 is \$1,500,000 in fiscal year 2026 and each year  
5.25 thereafter.

5.26 Grant recipients must obtain a 50 percent  
5.27 nonstate match to grant money in either cash  
5.28 or in-kind contribution, unless the  
5.29 commissioner waives the requirement. Grant  
5.30 money available under this subdivision must  
5.31 be used to implement projects to reduce the  
5.32 child care shortage in the state, including but  
5.33 not limited to funding for child care business  
5.34 start-ups or expansion, training, facility

6.1 modifications, direct subsidies or incentives  
6.2 to retain employees, or improvements required  
6.3 for licensing, and assistance with licensing  
6.4 and other regulatory requirements. In awarding  
6.5 grants, the commissioner must give priority  
6.6 to communities that have demonstrated a  
6.7 shortage of child care providers.

6.8 Within one year of receiving grant money,  
6.9 grant recipients must report to the  
6.10 commissioner on the outcomes of the grant  
6.11 program, including but not limited to the  
6.12 number of new providers, the number of  
6.13 additional child care provider jobs created, the  
6.14 number of additional child care openings, and  
6.15 the amount of cash and in-kind local money  
6.16 invested. Within one month of all grant  
6.17 recipients reporting on program outcomes, the  
6.18 commissioner must report the grant recipients'  
6.19 outcomes to the chairs and ranking members  
6.20 of the legislative committees with jurisdiction  
6.21 over early learning and child care and  
6.22 economic development.

6.23 (o) \$500,000 each year is for the Office of  
6.24 Child Care Community Partnerships. Of this  
6.25 amount:

6.26 (1) \$450,000 each year is for administration  
6.27 of the Office of Child Care Community  
6.28 Partnerships; and

6.29 (2) \$50,000 each year is for the Labor Market  
6.30 Information Office to conduct research and  
6.31 analysis related to the child care industry.

6.32 (p) \$3,500,000 each year is for grants in equal  
6.33 amounts to each of the Minnesota Initiative  
6.34 Foundations. This appropriation is available

7.1 until June 30, 2027. The base for this  
7.2 appropriation is \$1,000,000 in fiscal year 2026  
7.3 and each year thereafter. The Minnesota  
7.4 Initiative Foundations must use grant money  
7.5 under this section to:

7.6 (1) facilitate planning processes for rural  
7.7 communities resulting in a community solution  
7.8 action plan that guides decision making to  
7.9 sustain and increase the supply of quality child  
7.10 care in the region to support economic  
7.11 development;

7.12 (2) engage the private sector to invest local  
7.13 resources to support the community solution  
7.14 action plan and ensure quality child care is a  
7.15 vital component of additional regional  
7.16 economic development planning processes;

7.17 (3) provide locally based training and technical  
7.18 assistance to rural business owners  
7.19 individually or through a learning cohort.  
7.20 Access to financial and business development  
7.21 assistance must prepare child care businesses  
7.22 for quality engagement and improvement by  
7.23 stabilizing operations, leveraging funding from  
7.24 other sources, and fostering business acumen  
7.25 that allows child care businesses to plan for  
7.26 and afford the cost of providing quality child  
7.27 care; and

7.28 (4) recruit child care programs to participate  
7.29 in quality rating and improvement  
7.30 measurement programs. The Minnesota  
7.31 Initiative Foundations must work with local  
7.32 partners to provide low-cost training,  
7.33 professional development opportunities, and  
7.34 continuing education curricula. The Minnesota  
7.35 Initiative Foundations must fund, through local

8.1 partners, an enhanced level of coaching to  
8.2 rural child care providers to obtain a quality  
8.3 rating through measurement programs.

8.4 (q) \$8,000,000 each year is for the Minnesota  
8.5 job creation fund under Minnesota Statutes,  
8.6 section 116J.8748. Of this amount, the  
8.7 commissioner of employment and economic  
8.8 development may use up to three percent for  
8.9 administrative expenses. This appropriation  
8.10 is available until expended. Notwithstanding  
8.11 Minnesota Statutes, section 116J.8748, money  
8.12 appropriated for the job creation fund may be  
8.13 used for redevelopment under Minnesota  
8.14 Statutes, sections 116J.575 and 116J.5761, at  
8.15 the discretion of the commissioner.

8.16 (r) \$12,370,000 each year is for the Minnesota  
8.17 investment fund under Minnesota Statutes,  
8.18 section 116J.8731. Of this amount, the  
8.19 commissioner of employment and economic  
8.20 development may use up to three percent for  
8.21 administration and monitoring of the program.  
8.22 This appropriation is available until expended.  
8.23 Notwithstanding Minnesota Statutes, section  
8.24 116J.8731, money appropriated to the  
8.25 commissioner for the Minnesota investment  
8.26 fund may be used for the redevelopment  
8.27 program under Minnesota Statutes, sections  
8.28 116J.575 and 116J.5761, at the discretion of  
8.29 the commissioner. Grants under this paragraph  
8.30 are not subject to the grant amount limitation  
8.31 under Minnesota Statutes, section 116J.8731.

8.32 (s) \$4,246,000 each year is for the  
8.33 redevelopment program under Minnesota  
8.34 Statutes, sections 116J.575 and 116J.5761.  
8.35 The base for this appropriation is \$2,246,000

- 9.1 in fiscal year 2026 and each year thereafter.
- 9.2 This appropriation is available until expended.
- 9.3 (t) \$1,000,000 each year is for the Minnesota  
9.4 emerging entrepreneur loan program under  
9.5 Minnesota Statutes, section 116M.18. Money  
9.6 available under this paragraph is for transfer  
9.7 into the emerging entrepreneur program  
9.8 special revenue fund account created under  
9.9 Minnesota Statutes, chapter 116M, and are  
9.10 available until expended. Of this amount, up  
9.11 to four percent is for administration and  
9.12 monitoring of the program.
- 9.13 (u) \$325,000 ~~each~~ the first year is for the  
9.14 Minnesota Film and TV Board. The  
9.15 appropriation ~~each year~~ is available only upon  
9.16 receipt by the board of \$1 in matching  
9.17 contributions of money or in-kind  
9.18 contributions from nonstate sources for every  
9.19 \$3 provided by this appropriation, except that  
9.20 ~~each year~~ up to \$50,000 is available on July  
9.21 1 even if the required matching contribution  
9.22 has not been received by that date. This is a  
9.23 onetime appropriation.
- 9.24 (v) \$12,000 each year is for a grant to the  
9.25 Upper Minnesota Film Office.
- 9.26 (w) \$500,000 ~~each~~ the first year is for a grant  
9.27 to the Minnesota Film and TV Board for the  
9.28 film production jobs program under Minnesota  
9.29 Statutes, section 116U.26. This appropriation  
9.30 is available until June 30, 2027. This is a  
9.31 onetime appropriation.
- 9.32 (x) \$4,195,000 each year is for the Minnesota  
9.33 job skills partnership program under  
9.34 Minnesota Statutes, sections 116L.01 to

10.1 116L.17. If the appropriation for either year  
10.2 is insufficient, the appropriation for the other  
10.3 year is available. This appropriation is  
10.4 available until expended.

10.5 (y) \$1,350,000 each year from the workforce  
10.6 development fund is for jobs training grants  
10.7 under Minnesota Statutes, section 116L.41.

10.8 (z) \$47,475,000 each year is for the PROMISE  
10.9 grant program. This is a onetime appropriation  
10.10 and is available until June 30, 2027. Of this  
10.11 amount:

10.12 (1) \$475,000 each year is for administration  
10.13 of the PROMISE grant program;

10.14 (2) \$7,500,000 each year is for grants in equal  
10.15 amounts to each of the Minnesota Initiative  
10.16 Foundations to serve businesses in greater  
10.17 Minnesota. Of this amount, \$600,000 each  
10.18 year is for grants to businesses with less than  
10.19 \$100,000 in revenue in the prior year; and

10.20 (3) \$39,500,000 each year is for grants to the  
10.21 Neighborhood Development Center. Of this  
10.22 amount, the following amounts are designated  
10.23 for the following areas:

10.24 (i) \$16,000,000 each year is for North  
10.25 Minneapolis' West Broadway, Camden, or  
10.26 other Northside neighborhoods. Of this  
10.27 amount, \$1,000,000 each year is for grants to  
10.28 businesses with less than \$100,000 in revenue  
10.29 in the prior year;

10.30 (ii) \$13,500,000 each year is for South  
10.31 Minneapolis' Lake Street, 38th and Chicago,  
10.32 Franklin, Nicollet, and Riverside corridors.  
10.33 Of this amount, \$750,000 each year is for

11.1 grants to businesses with less than \$100,000  
11.2 in revenue in the prior year; and

11.3 (iii) \$10,000,000 each year is for St. Paul's  
11.4 University Avenue, Midway, Eastside, or other  
11.5 St. Paul neighborhoods. Of this amount,  
11.6 \$750,000 each year is for grants to businesses  
11.7 with less than \$100,000 in revenue in the prior  
11.8 year.

11.9 (aa) \$15,150,000 each year is for the  
11.10 PROMISE loan program. This is a onetime  
11.11 appropriation and is available until June 30,  
11.12 2027. Of this amount:

11.13 (1) \$150,000 each year is for administration  
11.14 of the PROMISE loan program;

11.15 (2) \$3,000,000 each year is for grants in equal  
11.16 amounts to each of the Minnesota Initiative  
11.17 Foundations to serve businesses in greater  
11.18 Minnesota; and

11.19 (3) \$12,000,000 each year is for grants to the  
11.20 Metropolitan Economic Development  
11.21 Association (MEDA). Of this amount, the  
11.22 following amounts are designated for the  
11.23 following areas:

11.24 (i) \$4,500,000 each year is for North  
11.25 Minneapolis' West Broadway, Camden, or  
11.26 other Northside neighborhoods;

11.27 (ii) \$4,500,000 each year is for South  
11.28 Minneapolis' Lake Street, 38th and Chicago,  
11.29 Franklin, Nicollet, and Riverside corridors;  
11.30 and

11.31 (iii) \$3,000,000 each year is for St. Paul's  
11.32 University Avenue, Midway, Eastside, or other  
11.33 St. Paul neighborhoods.

12.1 (bb) \$1,500,000 each year is for a grant to the  
12.2 Metropolitan Consortium of Community  
12.3 Developers for the community wealth-building  
12.4 grant program pilot project. Of this amount,  
12.5 up to two percent is for administration and  
12.6 monitoring of the community wealth-building  
12.7 grant program pilot project. This is a onetime  
12.8 appropriation.

12.9 (cc) \$250,000 each year is for the publication,  
12.10 dissemination, and use of labor market  
12.11 information under Minnesota Statutes, section  
12.12 116J.401.

12.13 (dd) \$5,000,000 the first year is for a grant to  
12.14 the Bloomington Port Authority to provide  
12.15 funding for the Expo 2027 host organization.  
12.16 The Bloomington Port Authority must enter  
12.17 into an agreement with the host organization  
12.18 over the use of money, which may be used for  
12.19 activities, including but not limited to  
12.20 finalizing the community dossier and staffing  
12.21 the host organization and for infrastructure  
12.22 design and planning, financial modeling,  
12.23 development planning and coordination of  
12.24 both real estate and public private partnerships,  
12.25 and reimbursement of costs the Bloomington  
12.26 Port Authority incurred. In selecting vendors  
12.27 and exhibitors for Expo 2027, the host  
12.28 organization shall prioritize outreach to,  
12.29 collaboration with, and inclusion of businesses  
12.30 that are majority owned by people of color,  
12.31 women, and people with disabilities. The host  
12.32 organization and Bloomington Port Authority  
12.33 may be reimbursed for expenses 90 days prior  
12.34 to encumbrance. This appropriation is  
12.35 contingent on approval of the project by the

13.1 Bureau International des Expositions. If the  
13.2 project is not approved by the Bureau  
13.3 International des Expositions, the money shall  
13.4 transfer to the Minnesota investment fund  
13.5 under Minnesota Statutes, section 116J.8731.  
13.6 Any unencumbered balance remaining at the  
13.7 end of the first year does not cancel but is  
13.8 available for the second year.

13.9 (ee) \$5,000,000 the first year is for a grant to  
13.10 the Neighborhood Development Center for  
13.11 small business programs, including training,  
13.12 lending, business services, and real estate  
13.13 programming; small business incubator  
13.14 development in the Twin Cities and outside  
13.15 the seven-county metropolitan area; and  
13.16 technical assistance activities for partners  
13.17 outside the seven-county metropolitan area;  
13.18 and for high-risk, character-based loan capital  
13.19 for nonrecourse loans. This is a onetime  
13.20 appropriation. Any unencumbered balance  
13.21 remaining at the end of the first year does not  
13.22 cancel but is available for the second year.

13.23 (ff) \$5,000,000 the first year is for transfer to  
13.24 the emerging developer fund account in the  
13.25 special revenue fund. Of this amount, up to  
13.26 five percent is for administration and  
13.27 monitoring of the emerging developer fund  
13.28 program under Minnesota Statutes, section  
13.29 116J.9926, and the remainder is for a grant to  
13.30 the Local Initiatives Support Corporation -  
13.31 Twin Cities to serve as a partner organization  
13.32 under the program. This is a onetime  
13.33 appropriation.

13.34 (gg) \$5,000,000 the first year is for the  
13.35 Canadian border counties economic relief

14.1 program under article 5. Of this amount, up  
14.2 to \$1,000,000 is for Tribal economic  
14.3 development and \$2,100,000 is for a grant to  
14.4 Lake of the Woods County for the forgivable  
14.5 loan program for remote recreational  
14.6 businesses. This is a onetime appropriation  
14.7 and is available until June 30, 2026.

14.8 (hh) \$1,000,000 each year is for a grant to  
14.9 African Economic Development Solutions.  
14.10 This is a onetime appropriation and is  
14.11 available until June 30, 2026. Of this amount:

14.12 (1) \$500,000 each year is for a loan fund that  
14.13 must address pervasive economic inequities  
14.14 by supporting business ventures of  
14.15 entrepreneurs in the African immigrant  
14.16 community; and

14.17 (2) \$250,000 each year is for workforce  
14.18 development and technical assistance,  
14.19 including but not limited to business  
14.20 development, entrepreneur training, business  
14.21 technical assistance, loan packing, and  
14.22 community development services.

14.23 (ii) \$1,500,000 each year is for a grant to the  
14.24 Latino Economic Development Center. This  
14.25 is a onetime appropriation and is available  
14.26 until June 30, 2025. Of this amount:

14.27 (1) \$750,000 each year is to assist, support,  
14.28 finance, and launch microentrepreneurs by  
14.29 delivering training, workshops, and  
14.30 one-on-one consultations to businesses; and

14.31 (2) \$750,000 each year is to guide prospective  
14.32 entrepreneurs in their start-up process by  
14.33 introducing them to key business concepts,  
14.34 including business start-up readiness. Grant

15.1 proceeds must be used to offer workshops on  
15.2 a variety of topics throughout the year,  
15.3 including finance, customer service,  
15.4 food-handler training, and food-safety  
15.5 certification. Grant proceeds may also be used  
15.6 to provide lending to business startups.

15.7 (jj) \$627,000 the first year is for a grant to  
15.8 Community and Economic Development  
15.9 Associates (CEDA) to provide funding for  
15.10 economic development technical assistance  
15.11 and economic development project grants to  
15.12 small communities across rural Minnesota and  
15.13 for CEDA to design, implement, market, and  
15.14 administer specific types of basic community  
15.15 and economic development programs tailored  
15.16 to individual community needs. Technical  
15.17 assistance grants shall be based on need and  
15.18 given to communities that are otherwise  
15.19 unable to afford these services. Of the amount  
15.20 appropriated, up to \$270,000 may be used for  
15.21 economic development project implementation  
15.22 in conjunction with the technical assistance  
15.23 received. This is a onetime appropriation. Any  
15.24 unencumbered balance remaining at the end  
15.25 of the first year does not cancel but is available  
15.26 the second year.

15.27 (kk) \$2,000,000 the first year is for a grant to  
15.28 WomenVenture to:

15.29 (1) support child care providers through  
15.30 business training and shared services programs  
15.31 and to create materials that could be used, free  
15.32 of charge, for start-up, expansion, and  
15.33 operation of child care businesses statewide,  
15.34 with the goal of helping new and existing child

16.1 care businesses in underserved areas of the  
16.2 state become profitable and sustainable; and  
16.3 (2) support business expansion for women  
16.4 food entrepreneurs throughout Minnesota's  
16.5 food supply chain to help stabilize and  
16.6 strengthen their business operations, create  
16.7 distribution networks, offer technical  
16.8 assistance and support to beginning women  
16.9 food entrepreneurs, develop business plans,  
16.10 develop a workforce, research expansion  
16.11 strategies, and for other related activities.

16.12 Eligible uses of the money include but are not  
16.13 limited to:

16.14 (i) leasehold improvements;  
16.15 (ii) additions, alterations, remodeling, or  
16.16 renovations to rented space;  
16.17 (iii) inventory or supplies;  
16.18 (iv) machinery or equipment purchases;  
16.19 (v) working capital; and  
16.20 (vi) debt refinancing.

16.21 Money distributed to entrepreneurs may be  
16.22 loans, forgivable loans, and grants. Of this  
16.23 amount, up to five percent may be used for  
16.24 the WomenVenture's technical assistance and  
16.25 administrative costs. This is a onetime  
16.26 appropriation and is available until June 30,  
16.27 2026.

16.28 By December 15, 2026, WomenVenture must  
16.29 submit a report to the chairs and ranking  
16.30 minority members of the legislative  
16.31 committees with jurisdiction over agriculture  
16.32 and employment and economic development.  
16.33 The report must include a summary of the uses

17.1 of the appropriation, including the amount of  
17.2 the appropriation used for administration. The  
17.3 report must also provide a breakdown of the  
17.4 amount of funding used for loans, forgivable  
17.5 loans, and grants; information about the terms  
17.6 of the loans issued; a discussion of how money  
17.7 from repaid loans will be used; the number of  
17.8 entrepreneurs assisted; and a breakdown of  
17.9 how many entrepreneurs received assistance  
17.10 in each county.

17.11 (ll) \$2,000,000 the first year is for a grant to  
17.12 African Career, Education, and Resource, Inc.,  
17.13 for operational infrastructure and technical  
17.14 assistance to small businesses. This  
17.15 appropriation is available until June 30, 2025.

17.16 (mm) \$5,000,000 the first year is for a grant  
17.17 to the African Development Center to provide  
17.18 loans to purchase commercial real estate and  
17.19 to expand organizational infrastructure. This  
17.20 appropriation is available until June 30, 2025.

17.21 Of this amount:

17.22 (1) \$2,800,000 is for loans to purchase  
17.23 commercial real estate targeted at African  
17.24 immigrant small business owners;

17.25 (2) \$364,000 is for loan loss reserves to  
17.26 support loan volume growth and attract  
17.27 additional capital;

17.28 (3) \$836,000 is for increasing organizational  
17.29 capacity;

17.30 (4) \$300,000 is for the safe 2 eat project of  
17.31 inclusive assistance with required restaurant  
17.32 licensing examinations; and

18.1 (5) \$700,000 is for a center for community  
18.2 resources for language and technology  
18.3 assistance for small businesses.

18.4 (nn) \$7,000,000 the first year is for grants to  
18.5 the Minnesota Initiative Foundations to  
18.6 capitalize their revolving loan funds, which  
18.7 address unmet financing needs of for-profit  
18.8 business start-ups, expansions, and ownership  
18.9 transitions; nonprofit organizations; and  
18.10 developers of housing to support the  
18.11 construction, rehabilitation, and conversion  
18.12 of housing units. Of the amount appropriated:

18.13 (1) \$1,000,000 is for a grant to the Southwest  
18.14 Initiative Foundation;

18.15 (2) \$1,000,000 is for a grant to the West  
18.16 Central Initiative Foundation;

18.17 (3) \$1,000,000 is for a grant to the Southern  
18.18 Minnesota Initiative Foundation;

18.19 (4) \$1,000,000 is for a grant to the Northwest  
18.20 Minnesota Foundation;

18.21 (5) \$2,000,000 is for a grant to the Initiative  
18.22 Foundation of which \$1,000,000 is for  
18.23 redevelopment of the St. Cloud Youth and  
18.24 Family Center; and

18.25 (6) \$1,000,000 is for a grant to the Northland  
18.26 Foundation.

18.27 (oo) \$500,000 each year is for a grant to  
18.28 Enterprise Minnesota, Inc., to reach and  
18.29 deliver talent, leadership, employee retention,  
18.30 continuous improvement, strategy, quality  
18.31 management systems, revenue growth, and  
18.32 manufacturing peer-to-peer advisory services  
18.33 to small manufacturing companies employing

19.1 35 or fewer full-time equivalent employees.

19.2 This is a onetime appropriation. No later than

19.3 February 1, 2025, and February 1, 2026,

19.4 Enterprise Minnesota, Inc., must provide a

19.5 report to the chairs and ranking minority

19.6 members of the legislative committees with

19.7 jurisdiction over economic development that

19.8 includes:

19.9 (1) the grants awarded during the past 12

19.10 months;

19.11 (2) the estimated financial impact of the grants

19.12 awarded to each company receiving services

19.13 under the program;

19.14 (3) the actual financial impact of grants

19.15 awarded during the past 24 months; and

19.16 (4) the total amount of federal funds leveraged

19.17 from the Manufacturing Extension Partnership

19.18 at the United States Department of Commerce.

19.19 (pp) \$375,000 each year is for a grant to

19.20 PFund Foundation to provide grants to

19.21 LGBTQ+-owned small businesses and

19.22 entrepreneurs. Of this amount, up to five

19.23 percent may be used for PFund Foundation's

19.24 technical assistance and administrative costs.

19.25 This is a onetime appropriation and is

19.26 available until June 30, 2026. To the extent

19.27 practicable, money must be distributed by

19.28 PFund Foundation as follows:

19.29 (1) at least 33.3 percent to businesses owned

19.30 by members of racial minority communities;

19.31 and

19.32 (2) at least 33.3 percent to businesses outside

19.33 of the seven-county metropolitan area as

20.1 defined in Minnesota Statutes, section  
20.2 473.121, subdivision 2.

20.3 (qq) \$125,000 each year is for a grant to  
20.4 Quorum to provide business support, training,  
20.5 development, technical assistance, and related  
20.6 activities for LGBTQ+-owned small  
20.7 businesses that are recipients of a PFund  
20.8 Foundation grant. Of this amount, up to five  
20.9 percent may be used for Quorum's technical  
20.10 assistance and administrative costs. This is a  
20.11 onetime appropriation and is available until  
20.12 June 30, 2026.

20.13 (rr) \$5,000,000 the first year is for a grant to  
20.14 the Metropolitan Economic Development  
20.15 Association (MEDA) for statewide business  
20.16 development and assistance services to  
20.17 minority-owned businesses. This is a onetime  
20.18 appropriation. Any unencumbered balance  
20.19 remaining at the end of the first year does not  
20.20 cancel but is available the second year. Of this  
20.21 amount:

20.22 (1) \$3,000,000 is for a revolving loan fund to  
20.23 provide additional minority-owned businesses  
20.24 with access to capital; and

20.25 (2) \$2,000,000 is for operating support  
20.26 activities related to business development and  
20.27 assistance services for minority business  
20.28 enterprises.

20.29 By February 1, 2025, MEDA shall report to  
20.30 the commissioner and the chairs and ranking  
20.31 minority members of the legislative  
20.32 committees with jurisdiction over economic  
20.33 development policy and finance on the loans  
20.34 and operating support activities, including

21.1 outcomes and expenditures, supported by the  
21.2 appropriation under this paragraph.

21.3 (ss) \$2,500,000 each year is for a grant to a  
21.4 Minnesota-based automotive component  
21.5 manufacturer and distributor specializing in  
21.6 electric vehicles and sensor technology that  
21.7 manufactures all of their parts onshore to  
21.8 expand their manufacturing. The grant  
21.9 recipient under this paragraph shall submit  
21.10 reports on the uses of the money appropriated,  
21.11 the number of jobs created due to the  
21.12 appropriation, wage information, and the city  
21.13 and state in which the additional  
21.14 manufacturing activity was located to the  
21.15 chairs and ranking minority members of the  
21.16 legislative committees with jurisdiction over  
21.17 economic development. An initial report shall  
21.18 be submitted by December 15, 2023, and a  
21.19 final report is due by December 15, 2025. This  
21.20 is a onetime appropriation.

21.21 (tt)(1) \$125,000 each year is for grants to the  
21.22 Latino Chamber of Commerce Minnesota to  
21.23 support the growth and expansion of small  
21.24 businesses statewide. Funds may be used for  
21.25 the cost of programming, outreach, staffing,  
21.26 and supplies. This is a onetime appropriation.

21.27 (2) By January 15, 2026, the Latino Chamber  
21.28 of Commerce Minnesota must submit a report  
21.29 to the legislative committees with jurisdiction  
21.30 over economic development that details the  
21.31 use of grant funds and the grant's economic  
21.32 impact.

21.33 (uu) \$175,000 the first year is for a grant to  
21.34 the city of South St. Paul to study options for  
21.35 repurposing the 1927 American Legion

22.1 Memorial Library after the property is no  
 22.2 longer used as a library. This appropriation is  
 22.3 available until the project is completed or  
 22.4 abandoned, subject to Minnesota Statutes,  
 22.5 section 16A.642.

22.6 (vv) \$250,000 the first year is for a grant to  
 22.7 LatinoLEAD for organizational  
 22.8 capacity-building.

22.9 (ww) \$80,000 the first year is for a grant to  
 22.10 the Neighborhood Development Center for  
 22.11 small business competitive grants to software  
 22.12 companies working to improve employee  
 22.13 engagement and workplace culture and to  
 22.14 reduce turnover.

22.15 (xx)(1) \$3,000,000 in the first year is for a  
 22.16 grant to the Center for Economic Inclusion for  
 22.17 strategic, data-informed investments in job  
 22.18 creation strategies that respond to the needs  
 22.19 of underserved populations statewide. This  
 22.20 may include forgivable loans, revenue-based  
 22.21 financing, and equity investments for  
 22.22 entrepreneurs with barriers to growth. Of this  
 22.23 amount, up to five percent may be used for  
 22.24 the center's technical assistance and  
 22.25 administrative costs. This appropriation is  
 22.26 available until June 30, 2025.

22.27 (2) By January 15, 2026, the Center for  
 22.28 Economic Inclusion shall submit a report on  
 22.29 the use of grant funds, including any loans  
 22.30 made, to the legislative committees with  
 22.31 jurisdiction over economic development.

22.32 (yy) \$500,000 ~~each~~ the first year is for a grant  
 22.33 to the Asian Economic Development  
 22.34 Association for asset building and financial

23.1 empowerment for entrepreneurs and small  
 23.2 business owners, small business development  
 23.3 and technical assistance, and cultural  
 23.4 placemaking. This is a onetime appropriation.  
 23.5 (zz) \$500,000 each year is for a grant to  
 23.6 Isuroon to support primarily African  
 23.7 immigrant women with entrepreneurial  
 23.8 training to start, manage, and grow  
 23.9 self-sustaining microbusinesses, develop  
 23.10 incubator space for these businesses, and  
 23.11 provide support with financial and language  
 23.12 literacy, systems navigation to eliminate  
 23.13 capital access disparities, marketing, and other  
 23.14 technical assistance. This is a onetime  
 23.15 appropriation.

23.16 Sec. 3. Laws 2023, chapter 53, article 20, section 3, is amended to read:

|       |  |           |                          |                             |
|-------|--|-----------|--------------------------|-----------------------------|
| 23.17 |  |           | <b>40,954,000</b>        |                             |
| 23.18 | Sec. 3. <b>EXPLORE MINNESOTA TOURISM</b> | <b>\$</b> | <b><u>40,554,000</u></b> | <b>\$</b> <b>21,369,000</b> |

23.19 (a) \$500,000 each year must be matched from  
 23.20 nonstate sources to develop maximum private  
 23.21 sector involvement in tourism. Each \$1 of state  
 23.22 incentive must be matched with \$6 of private  
 23.23 sector money. "Matched" means revenue to  
 23.24 the state or documented in-kind, soft match,  
 23.25 or cash expenditures directly expended to  
 23.26 support Explore Minnesota Tourism under  
 23.27 Minnesota Statutes, section 116U.05. The  
 23.28 incentive in fiscal year 2024 is based on fiscal  
 23.29 year 2023 private sector contributions. The  
 23.30 incentive in fiscal year 2025 is based on fiscal  
 23.31 year 2024 private sector contributions. This  
 23.32 incentive is ongoing.

23.33 (b) \$11,000,000 the first year is for the  
 23.34 development of Explore Minnesota for

24.1 Business under Minnesota Statutes, section  
 24.2 116U.07, to market the overall livability and  
 24.3 economic opportunities of Minnesota. This is  
 24.4 a onetime appropriation.

24.5 (c) \$5,500,000 each year is for the  
 24.6 development of new initiatives for Explore  
 24.7 Minnesota Tourism. If the amount in the first  
 24.8 year is insufficient, the amount in the second  
 24.9 year is available in the first year. This is a  
 24.10 onetime appropriation.

24.11 (d) ~~\$6,047,000~~ \$5,647,000 the first year and  
 24.12 \$600,000 the second year is for grants for  
 24.13 infrastructure and associated costs for cultural  
 24.14 festivals and events, including but not limited  
 24.15 to buildout, permits, sanitation and  
 24.16 maintenance services, transportation, staffing,  
 24.17 event programming, public safety, facilities  
 24.18 and equipment rentals, signage, and insurance.  
 24.19 This is a onetime appropriation. Of this  
 24.20 amount:

24.21 (1) \$1,847,000 the first year is for a grant to  
 24.22 the Minneapolis Downtown Council for the  
 24.23 Taste of Minnesota event;

24.24 (2) \$1,200,000 the first year is for a grant to  
 24.25 the Stairstep Foundation for African American  
 24.26 cultural festivals and events;

24.27 (3) ~~\$1,200,000~~ \$800,000 the first year is for  
 24.28 grants for Somali community and cultural  
 24.29 festivals and events, including festivals and  
 24.30 events in greater Minnesota, as follows:

24.31 (i) \$400,000 is for a grant to Ka Joog; and

24.32 (ii) \$400,000 is for a grant to the Somali  
 24.33 Museum of Minnesota; ~~and~~

25.1 ~~(iii) \$400,000 is for a grant to ESHARA;~~

25.2 (4) \$1,200,000 the first year is for a grant to  
25.3 West Side Boosters for Latino cultural  
25.4 festivals and events; and

25.5 (5) \$600,000 the first year and \$600,000 the  
25.6 second year are for grants to the United  
25.7 Hmong Family, Inc. for the Hmong  
25.8 International Freedom Festival event.

25.9 (e) Money for marketing grants is available  
25.10 either year of the biennium. Unexpended grant  
25.11 money from the first year is available in the  
25.12 second year.

25.13 (f) The base for Explore Minnesota is  
25.14 \$17,023,000 from the general fund in fiscal  
25.15 year 2026 and each year thereafter.

25.16 Sec. 4. **APPROPRIATIONS.**

25.17 Subdivision 1. Department of Employment and Economic Development. \$6,797,000  
25.18 in fiscal year 2025 is appropriated from the general fund to the commissioner of employment  
25.19 and economic development. This appropriation is onetime and in addition to the amounts  
25.20 appropriated in Laws 2023, chapter 53. Of this amount:

25.21 (1) \$500,000 is for a grant to the Asian Economic Development Association for asset  
25.22 building and financial empowerment for entrepreneurs and small business owners, small  
25.23 business development and technical assistance, and cultural placemaking. This amount is  
25.24 available until June 30, 2027;

25.25 (2) \$497,000 is for a grant to Propel Nonprofits for a microloan capital program to  
25.26 provide assistance to organizations that primarily serve historically underserved communities,  
25.27 including loans, forgivable loans, grants for working capital or regranting, and real estate  
25.28 and technical assistance. Up to five percent of this amount may be used by the grantee for  
25.29 administrative costs;

25.30 (3) \$1,000,000 is for a grant to the New American Development Center to provide small  
25.31 businesses and entrepreneurs with technical assistance, financial education, training, and  
25.32 lending and to build the grantee's capacity;

26.1 (4) \$1,000,000 is for a grant to the Entrepreneur Fund to capitalize their revolving loan  
26.2 funds to address unmet financing needs in northeast Minnesota of for-profit business startups,  
26.3 expansions, and ownership transitions;

26.4 (5) \$500,000 is for a grant to the Coalition of Asian American Leaders to support  
26.5 outreach, training, technical assistance, peer network development, and direct financial  
26.6 assistance for Asian Minnesotan women entrepreneurs. This amount is available until June  
26.7 30, 2026;

26.8 (6) \$300,000 is for a grant to Fortis Capital for a revolving loan fund to provide  
26.9 risk-mitigating capital for commercial development activities in underserved communities  
26.10 and to entrepreneurs from disadvantaged groups statewide. This amount is available until  
26.11 expended and up to ten percent of the amount may be used for administrative costs;

26.12 (7) \$500,000 is for a grant to Arrowhead Economic Opportunity Agency to develop a  
26.13 new service center; and

26.14 (8) \$2,500,000 is for Launch Minnesota and is available until June 30, 2027. Of this  
26.15 amount:

26.16 (i) \$1,500,000 is for innovation grants to eligible Minnesota entrepreneurs or start-up  
26.17 businesses to assist with their operating needs;

26.18 (ii) \$500,000 is for administration of Launch Minnesota; and

26.19 (iii) \$500,000 is for grantee activities at Launch Minnesota.

26.20 Subd. 2. **Explore Minnesota.** \$3,425,000 in fiscal year 2025 is appropriated from the  
26.21 general fund to Explore Minnesota. This appropriation is in addition to the amounts  
26.22 appropriated in Laws 2023, chapter 53, and, except as otherwise specified, is onetime. Of  
26.23 this amount:

26.24 (1) \$725,000 is for Explore Minnesota Film. The base for this appropriation is \$525,000  
26.25 in fiscal year 2026 and \$525,000 in fiscal year 2027;

26.26 (2) \$300,000 is for Explore Minnesota Film for the film production jobs program under  
26.27 Minnesota Statutes, section 116U.26. The base for this appropriation is \$300,000 in fiscal  
26.28 year 2026 and \$300,000 in fiscal year 2027;

26.29 (3) \$400,000 is for a grant to Ka Joog for Somali community and cultural festivals and  
26.30 events, including festivals and events in greater Minnesota;

26.31 (4) \$1,000,000 is for a grant to Minnesota Sports and Events for the World Junior Hockey  
26.32 Championships; and

27.1 (5) \$1,000,000 is for a grant to 2026 Special Olympics USA Games. This amount is  
 27.2 available until June 30, 2027.

27.3 Sec. 5. **CANCELLATIONS OF PRIOR APPROPRIATIONS.**

27.4 The \$5,000,000 fiscal year 2024 appropriation from the general fund in Laws 2023,  
 27.5 chapter 53, article 20, section 2, subdivision 2, paragraph (dd), is canceled.

27.6 **ARTICLE 2**

27.7 **ECONOMIC DEVELOPMENT**

27.8 Section 1. Minnesota Statutes 2022, section 116J.435, subdivision 3, is amended to read:

27.9 Subd. 3. **Grant program established.** (a) The commissioner shall make ~~competitive~~  
 27.10 grants to local governmental units to acquire and prepare land on which public infrastructure  
 27.11 required to support an eligible project will be located, ~~including demolition of structures~~  
 27.12 ~~and remediation of any hazardous conditions on the land, or to predesign, design, acquire,~~  
 27.13 and to construct, furnish, and equip public infrastructure required to support an eligible  
 27.14 project. The local governmental unit receiving a grant must provide for the remainder of  
 27.15 the public infrastructure costs from other sources. ~~The commissioner may waive the~~  
 27.16 ~~requirements related to an eligible project under subdivision 2 if a project would be eligible~~  
 27.17 ~~under this section but for the fact that its location requires infrastructure improvements to~~  
 27.18 ~~residential development.~~

27.19 (b) The amount of a grant may not exceed ~~the lesser of the cost of the public infrastructure~~  
 27.20 ~~or~~ 50 percent of the sum of the cost of the public infrastructure ~~plus the cost of the completed~~  
 27.21 ~~eligible~~ project.

27.22 (c) The purpose of the program is to keep or enhance jobs in the area, increase the tax  
 27.23 base, or to expand or create new economic development through the growth of new  
 27.24 innovative businesses and organizations.

27.25 Sec. 2. Minnesota Statutes 2022, section 116J.435, subdivision 4, is amended to read:

27.26 Subd. 4. **Application.** (a) The commissioner must develop forms and procedures for  
 27.27 soliciting and reviewing applications for grants under this section. At a minimum, a local  
 27.28 governmental unit must include ~~the following information~~ in its application a resolution  
 27.29 certifying that the money required to be supplied by the local governmental unit to complete  
 27.30 the public infrastructure project is available and committed. The commissioner must evaluate  
 27.31 complete applications for eligible projects using the following criteria:

28.1 (1) ~~a resolution of its governing body certifying that the money required to be supplied~~  
 28.2 ~~by the local governmental unit to complete the public infrastructure is available and~~  
 28.3 ~~committed~~ the project is an eligible project as defined under subdivision 2;

28.4 (2) ~~a detailed estimate, along with necessary supporting evidence, of the total development~~  
 28.5 ~~costs for the public infrastructure and eligible project~~ the project is expected to result in or  
 28.6 will attract substantial public and private capital investment and provide substantial economic  
 28.7 benefit to the county or city in which the project would be located;

28.8 (3) ~~an assessment of the potential or likely use of the site for innovative business activities~~  
 28.9 ~~after completion of the public infrastructure and eligible project~~ the project is not relocating  
 28.10 substantially the same operation from another location in the state, unless the commissioner  
 28.11 determines the project cannot be reasonably accommodated within the county or city in  
 28.12 which the business is currently located, or the business would otherwise relocate to another  
 28.13 state; and

28.14 (4) ~~a timeline indicating the major milestones of the public infrastructure and eligible~~  
 28.15 ~~project and their anticipated completion dates;~~ the project is expected to create or retain  
 28.16 full-time jobs.

28.17 (5) ~~a commitment from the governing body to repay the grant if the milestones are not~~  
 28.18 ~~realized by the completion date identified in clause (4); and~~

28.19 (6) ~~any additional information or material the commissioner prescribes.~~

28.20 (b) The determination of whether to make a grant ~~under subdivision 3~~ for a site is within  
 28.21 the discretion of the commissioner, subject to this section. The commissioner's decisions  
 28.22 and application of the ~~priorities~~ criteria are not subject to judicial review, except for abuse  
 28.23 of discretion.

28.24 Sec. 3. Minnesota Statutes 2022, section 116J.5492, subdivision 2, is amended to read:

28.25 Subd. 2. **Membership.** (a) The advisory committee consists of 18 voting members and  
 28.26 eight ex officio nonvoting members.

28.27 (b) The voting members of the advisory committee are appointed by the commissioner  
 28.28 of employment and economic development, except as specified below:

28.29 (1) two members of the senate, one appointed by the majority leader of the senate and  
 28.30 one appointed by the minority leader of the senate;

29.1 (2) two members of the house of representatives, one appointed by the speaker of the  
 29.2 house of representatives and one appointed by the minority leader of the house of  
 29.3 representatives;

29.4 (3) one representative of the Prairie Island Indian community;

29.5 (4) four representatives of impacted communities, of which two must represent counties  
 29.6 and two must represent municipalities, and, to the extent possible, of the impacted facilities  
 29.7 in those communities, at least one must be a coal plant, at least one must be a nuclear plant,  
 29.8 and at least one must be a natural gas plant;

29.9 (5) three representatives of impacted workers at impacted facilities;

29.10 (6) one representative of impacted workers employed by companies that, under contract,  
 29.11 regularly perform construction, maintenance, or repair work at an impacted facility;

29.12 (7) one representative with professional economic development or workforce retraining  
 29.13 experience;

29.14 (8) two representatives of utilities that operate an impacted facility;

29.15 (9) one representative from a nonprofit organization with expertise and experience  
 29.16 delivering energy efficiency and conservation programs; ~~and~~

29.17 (10) one representative of a school district facing revenue loss due to energy transition;  
 29.18 and

29.19 ~~(10)~~ (11) one representative from the Coalition of Utility Cities.

29.20 (c) The ex officio nonvoting members of the advisory committee consist of:

29.21 (1) the governor or the governor's designee;

29.22 (2) the commissioner of employment and economic development or the commissioner's  
 29.23 designee;

29.24 (3) the commissioner of commerce or the commissioner's designee;

29.25 (4) the commissioner of labor and industry or the commissioner's designee;

29.26 (5) the commissioner of revenue or the commissioner's designee;

29.27 (6) the executive secretary of the Public Utilities Commission or the secretary's designee;

29.28 (7) the commissioner of the Pollution Control Agency or the commissioner's designee;

29.29 and

30.1 (8) the chancellor of the Minnesota State Colleges and Universities or the chancellor's  
30.2 designee.

30.3 Sec. 4. Minnesota Statutes 2023 Supplement, section 116J.682, subdivision 1, is amended  
30.4 to read:

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

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

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

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

30.11 (2) community development financial institutions; ~~or~~

30.12 (3) community development corporations; and

30.13 (4) Tribal economic development entities.

30.14 (d) "Small business" has the meaning given in section 3 of the Small Business Act,  
30.15 United States Code, title 15, section 632.

30.16 (e) "Underserved populations and geographies" means individuals who are Black,  
30.17 Indigenous, people of color, veterans, people with disabilities, people who are LGBTQ+,  
30.18 and low-income individuals and includes people from rural Minnesota.

30.19 Sec. 5. Minnesota Statutes 2023 Supplement, section 116J.682, subdivision 3, is amended  
30.20 to read:

30.21 Subd. 3. **Small business assistance partnerships grants.** (a) The commissioner shall  
30.22 make small business assistance partnerships grants to local and regional community-based  
30.23 organizations to provide small business development and technical assistance services to  
30.24 entrepreneurs and small business owners. The commissioner must prioritize applications  
30.25 that provide services to underserved populations and geographies.

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

30.29 (c) Grantees may use up to 15 percent of grant funds for expenses incurred while  
30.30 administering the grant, including but not limited to expenses related to technology, utilities,

31.1 legal services, training, accounting, insurance, financial management, benefits, reporting,  
 31.2 servicing of loans, and audits.

31.3 Sec. 6. Minnesota Statutes 2023 Supplement, section 116J.8733, is amended to read:

31.4 **116J.8733 MINNESOTA EXPANDING OPPORTUNITY FUND PROGRAM.**

31.5 Subdivision 1. **Establishment.** The Minnesota Expanding Opportunity Fund Program  
 31.6 is established to capitalize Minnesota nonprofit corporations, Tribal economic development  
 31.7 entities, and community development financial institutions to increase lending activities  
 31.8 with Minnesota small businesses.

31.9 Subd. 2. **Long-term loans.** The department may make long-term loans of ten to 12 years  
 31.10 at 0.5 percent or lower interest rates to nonprofit corporations, Tribal economic development  
 31.11 entities, and community development financial institutions to enable nonprofit corporations,  
 31.12 Tribal economic development entities, and community development financial institutions  
 31.13 to make more loans to Minnesota small businesses. The department may use the interest  
 31.14 received to offset the cost of administering small business lending programs.

31.15 Subd. 3. **Loan eligibility; ~~nonprofit corporation.~~** (a) The eligible nonprofit corporation,  
 31.16 Tribal economic development entity, or community development financial institution must  
 31.17 not meet the definition of recipient under section 116J.993, subdivision 6.

31.18 (b) The commissioner may enter into loan agreements with Minnesota nonprofit  
 31.19 corporations, Tribal economic development entities, and community development financial  
 31.20 institutions that apply to participate in the Minnesota Expanding Opportunity Fund Program.  
 31.21 The commissioner shall evaluate applications from applicant nonprofit corporations, Tribal  
 31.22 economic development entities, and community development financial institutions. In  
 31.23 evaluating applications, the department must consider, among other things, whether the  
 31.24 nonprofit corporation, Tribal economic development entity, or community development  
 31.25 financial institution:

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

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

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

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

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

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

32.5 Subd. 4. **Revolving loan fund.** (a) The commissioner shall establish a revolving loan  
32.6 fund to make loans to nonprofit corporations, Tribal economic development entities, and  
32.7 community development financial institutions for the purpose of increasing nonprofit  
32.8 corporation, Tribal economic development entity, and community development financial  
32.9 institution capital and lending activities with Minnesota small businesses.

32.10 (b) Nonprofit corporations, Tribal economic development entities, and community  
32.11 development financial institutions that receive loans from the commissioner under the  
32.12 program must establish appropriate accounting practices for the purpose of tracking eligible  
32.13 loans.

32.14 Subd. 5. **Loan portfolio administration.** (a) The fee or interest rate charged by a  
32.15 nonprofit corporation, Tribal economic development entity, or community development  
32.16 financial institution for a loan under this subdivision must not exceed ~~the Wall Street Journal~~  
32.17 ~~prime rate plus two~~ ten percent. A nonprofit corporation, Tribal economic development  
32.18 entity, or community development financial institution participating in the Minnesota  
32.19 Expanding Opportunity Fund Program may charge a loan closing fee equal to or less than  
32.20 ~~two~~ one percent of the loan value.

32.21 (b) The nonprofit corporation, Tribal economic development entity, or community  
32.22 development financial institution may retain all earnings from fees and interest from loans  
32.23 to small businesses.

32.24 (c) The department must provide the nonprofit corporation, Tribal economic development  
32.25 entity, or community development financial institution making the loan with a fee equal to  
32.26 one percent of the loan value for every loan closed to offset related expenses for loan  
32.27 processing, loan servicing, legal filings, and reporting.

32.28 Subd. 6. **Cooperation.** A nonprofit corporation, Tribal economic development entity,  
32.29 or community development financial institution that receives a program loan shall cooperate  
32.30 with other organizations, including but not limited to community development corporations,  
32.31 community action agencies, and the Minnesota small business development centers.

32.32 Subd. 7. **Reporting requirements.** (a) A nonprofit corporation, Tribal economic  
32.33 development entity, or community development financial institution that receives a program

33.1 loan must submit an annual report to the commissioner by February 15 of each year that  
33.2 includes:

- 33.3 (1) the number of businesses to which a loan was made;
- 33.4 (2) a description of businesses supported by the program;
- 33.5 (3) demographic information, as specified by the commissioner, regarding each borrower;
- 33.6 (4) an account of loans made during the calendar year;
- 33.7 (5) the program's impact on job creation and retention;
- 33.8 (6) the source and amount of money collected and distributed by the program;
- 33.9 (7) the program's assets and liabilities; and
- 33.10 (8) an explanation of administrative expenses.

33.11 (b) A nonprofit corporation, Tribal economic development entity, or community  
33.12 development financial institution that receives a program loan must provide for an  
33.13 independent annual audit to be performed in accordance with generally accepted accounting  
33.14 practices and auditing standards and submit a copy of each annual audit report to the  
33.15 commissioner.

33.16 Sec. 7. Minnesota Statutes 2023 Supplement, section 116J.8751, is amended by adding a  
33.17 subdivision to read:

33.18 Subd. 10. **Expiration.** This section expires June 30, 2027.

33.19 Sec. 8. Minnesota Statutes 2022, section 116M.18, is amended to read:

33.20 **116M.18 MINNESOTA EMERGING ENTREPRENEUR PROGRAM.**

33.21 Subdivision 1. **Establishment.** The Minnesota emerging entrepreneur program is  
33.22 established to award grants to nonprofit corporations, Tribal economic development entities,  
33.23 and community development financial institutions to fund loans to businesses owned by  
33.24 minority or low-income persons, women, veterans, or people with disabilities.

33.25 Subd. 1a. **Statewide loans.** To the extent there is sufficient eligible demand, loans shall  
33.26 be made so that an approximately equal dollar amount of loans are made to businesses in  
33.27 the metropolitan area as in the nonmetropolitan area. After March 31 of each fiscal year,  
33.28 the department may allow loans to be made anywhere in the state without regard to  
33.29 geographic area.

34.1 Subd. 1b. **Grants.** The department shall make grants to nonprofit corporations, Tribal  
 34.2 economic development entities, and community development financial institutions to fund  
 34.3 loans to businesses owned by minority or low-income persons, women, veterans, or people  
 34.4 with disabilities to encourage private investment, to provide jobs for minority and low-income  
 34.5 persons, to create and strengthen minority business enterprises, and to promote economic  
 34.6 development in a low-income area.

34.7 Subd. 2. **Grant eligibility; ~~nonprofit corporation.~~** (a) The department may enter into  
 34.8 agreements with nonprofit corporations, Tribal economic development entities, and  
 34.9 community development financial institutions to fund loans the nonprofit corporation, Tribal  
 34.10 economic development entity, or community development financial institution makes to  
 34.11 businesses owned by minority or low-income persons, women, veterans, or people with  
 34.12 disabilities. The department shall evaluate applications from nonprofit corporations, Tribal  
 34.13 economic development entities, and community development financial institutions. In  
 34.14 evaluating applications, the department must consider, among other things, whether the  
 34.15 nonprofit corporation, Tribal economic development entity, or community development  
 34.16 financial institution:

34.17 (1) has a board of directors that includes citizens experienced in business and community  
 34.18 development, minority business enterprises, addressing racial income disparities, and creating  
 34.19 jobs for low-income and minority persons;

34.20 (2) has the technical skills to analyze projects;

34.21 (3) is familiar with other available public and private funding sources and economic  
 34.22 development programs;

34.23 (4) can initiate and implement economic development projects;

34.24 (5) can establish and administer a revolving loan account or has operated a revolving  
 34.25 loan account;

34.26 (6) can work with job referral networks which assist minority and low-income persons;  
 34.27 and

34.28 (7) has established relationships with minority communities.

34.29 (b) The department shall review existing agreements with nonprofit corporations, Tribal  
 34.30 economic development entities, and community development financial institutions every  
 34.31 five years and may renew or terminate the agreement based on the review. In making its  
 34.32 review, the department shall consider, among other criteria, the criteria in paragraph (a).  
 34.33 The department shall open the program to new applicants every two years.

35.1 Subd. 3. **Revolving loan fund.** (a) The department shall establish a revolving loan fund  
35.2 to make grants to nonprofit corporations, Tribal economic development entities, and  
35.3 community development financial institutions for the purpose of making loans to businesses  
35.4 owned by minority or low-income persons, women, veterans, or people with disabilities,  
35.5 and to support minority business enterprises and job creation for minority and low-income  
35.6 persons.

35.7 (b) Nonprofit corporations, Tribal economic development entities, and community  
35.8 development financial institutions that receive grants from the department under the program  
35.9 must establish a commissioner-certified revolving loan fund for the purpose of making  
35.10 eligible loans.

35.11 (c) Eligible business enterprises include, but are not limited to, technologically innovative  
35.12 industries, value-added manufacturing, and information industries.

35.13 (d) Loan applications given preliminary approval by the nonprofit corporation, Tribal  
35.14 economic development entity, or community development financial institution must be  
35.15 forwarded to the department for approval. ~~The commissioner must give final approval for~~  
35.16 ~~each loan made by the nonprofit corporation.~~ Nonprofit corporations, Tribal economic  
35.17 development entities, and community development financial institutions designated as  
35.18 preferred partners do not need final approval by the commissioner. All other loans must be  
35.19 approved by the commissioner and the commissioner must make approval decisions within  
35.20 20 days of receiving a loan application unless the application contains insufficient information  
35.21 to make an approval decision. The amount of the state funds contributed to any loan may  
35.22 not exceed 50 percent of each loan. The commissioner must develop the criteria necessary  
35.23 to receive loan forgiveness.

35.24 Subd. 4. **Business loan criteria.** (a) The criteria in this subdivision apply to loans made  
35.25 by nonprofit corporations, Tribal economic development entities, and community  
35.26 development financial institutions under the program.

35.27 (b) Loans must be made to businesses that are not likely to undertake a project for which  
35.28 loans are sought without assistance from the program.

35.29 (c) A loan must be used to support a business owned by a minority or a low-income  
35.30 person, woman, veteran, or a person with disabilities. Priority must be given for loans to  
35.31 the lowest income areas.

35.32 (d) The minimum state contribution to a loan is \$5,000 and the maximum is \$150,000.

36.1 (e) The state contribution must be matched by at least an equal amount of new private  
36.2 investment.

36.3 (f) A loan may not be used for a retail development project.

36.4 (g) The business must agree to work with job referral networks that focus on minority  
36.5 and low-income applicants.

36.6 (h) Up to ten percent of a loan's principal amount may be forgiven if ~~the department~~  
36.7 ~~approves and~~ the borrower has met lender and agency criteria, including being current with  
36.8 all payments, for at least two years. The commissioner must develop the criteria for receiving  
36.9 loan forgiveness.

36.10 Subd. 4a. **Microenterprise loan.** (a) Program grants may be used to make microenterprise  
36.11 loans to small, beginning businesses, including a sole proprietorship. Microenterprise loans  
36.12 are subject to this section except that:

36.13 (1) they may also be made to qualified retail businesses;

36.14 (2) they may be made for a minimum of \$5,000 and a maximum of ~~\$35,000~~ \$40,000;

36.15 (3) in a low-income area, they may be made for a minimum of \$5,000 and a maximum  
36.16 of ~~\$50,000~~ \$55,000; and

36.17 (4) they do not require a match.

36.18 (b) Up to ten percent of a loan's principal amount may be forgiven if ~~the department~~  
36.19 ~~approves and~~ the borrower has met lender criteria, including being current with all payments,  
36.20 for at least two years.

36.21 Subd. 5. **Revolving fund administration.** (a) The department shall establish a minimum  
36.22 interest rate or fee for loans or guarantees to ensure that necessary loan administration costs  
36.23 are covered. The interest rate charged by a nonprofit corporation, Tribal economic  
36.24 development entity, or community development financial institution for a loan under this  
36.25 subdivision must not exceed the Wall Street Journal prime rate plus ~~four~~ two percent, with  
36.26 a maximum rate of ten percent. For a loan under this subdivision, the nonprofit corporation,  
36.27 Tribal economic development entity, or community development financial institution may  
36.28 charge a loan origination fee equal to or less than one percent of the loan value. The nonprofit  
36.29 corporation, Tribal economic development entity, or community development financial  
36.30 institution may retain the amount of the origination fee.

36.31 (b) Loan repayment of principal must be paid to the department for deposit in the  
36.32 revolving loan fund. Loan interest payments must be deposited in a revolving loan fund

37.1 created by the nonprofit corporation, Tribal economic development entity, or community  
37.2 development financial institution originating the loan being repaid for further distribution  
37.3 or use, consistent with the criteria of this section.

37.4 (c) Administrative expenses of the nonprofit corporations, Tribal economic development  
37.5 entities, and community development financial institutions with whom the department enters  
37.6 into agreements, including expenses incurred by a nonprofit corporation, Tribal economic  
37.7 development entity, or community development financial institution in providing financial,  
37.8 technical, managerial, and marketing assistance to a business enterprise receiving a loan  
37.9 under subdivision 4, may be paid out of the interest earned on loans and out of interest  
37.10 earned on money invested by the state Board of Investment under section 116M.16,  
37.11 subdivision 2, as may be provided by the department.

37.12 (d) The department must provide the nonprofit corporation, Tribal economic development  
37.13 entity, or community development financial institution making the loan with a fee equal to  
37.14 one percent of the loan value for every loan closed to offset related expenses for loan  
37.15 processing, loan servicing, legal filings, and reporting.

37.16 Subd. 7. **Cooperation.** A nonprofit corporation, Tribal economic development entity,  
37.17 or community development financial institution that receives a program grant shall cooperate  
37.18 with other organizations, including but not limited to, community development corporations,  
37.19 community action agencies, and the Minnesota small business development centers.

37.20 Subd. 8. **Reporting requirements.** A nonprofit corporation, Tribal economic  
37.21 development entity, or community development financial institution that receives a program  
37.22 grant shall:

37.23 (1) submit an annual report to the department by February 15 of each year that includes  
37.24 a description of businesses supported by the grant program, an account of loans made during  
37.25 the calendar year, the program's impact on minority business enterprises and job creation  
37.26 for minority persons and low-income persons, the source and amount of money collected  
37.27 and distributed by the program, the program's assets and liabilities, and an explanation of  
37.28 administrative expenses; and

37.29 (2) provide for an independent annual audit to be performed in accordance with generally  
37.30 accepted accounting practices and auditing standards and submit a copy of each annual  
37.31 audit report to the department.

37.32 Subd. 9. **Small business emergency loan account.** The small business emergency loan  
37.33 account is created as an account in the special revenue fund.

38.1 **Sec. 9. [116U.255] EXPLORE MINNESOTA FILM.**

38.2 Subdivision 1. **Office established; director.** (a) Explore Minnesota Film is established  
 38.3 as an office within Explore Minnesota.

38.4 (b) The director of Explore Minnesota shall appoint the director of Explore Minnesota  
 38.5 Film. The director of Explore Minnesota Film must be qualified by experience with issues  
 38.6 related to film and television production and economic development.

38.7 (c) The office may employ staff necessary to carry out the duties required in this section.

38.8 Subd. 2. **Duties.** The director of Explore Minnesota Film is authorized to:

38.9 (1) administer the film production jobs program and the film production credit program;

38.10 (2) promote Minnesota as a location for film and television production;

38.11 (3) assist in the establishment and implementation of programs related to film and  
 38.12 television production, including but not limited to permitting and workforce development;

38.13 (4) improve communication among local, state, federal, and private entities regarding  
 38.14 film and television production logistics and best practices;

38.15 (5) coordinate the development of statewide policies addressing film and television  
 38.16 production; and

38.17 (6) act as a liaison to production entities, workers, and state agencies.

38.18 **Sec. 10. Minnesota Statutes 2022, section 116U.26, is amended to read:**

38.19 **116U.26 FILM PRODUCTION JOBS PROGRAM.**

38.20 (a) The film production jobs program is created. The program shall be operated by ~~the~~  
 38.21 ~~Minnesota Film and TV Board~~ Explore Minnesota Film with administrative oversight and  
 38.22 control by the ~~commissioner of employment and economic development~~ director of Explore  
 38.23 Minnesota. The program shall make payment to producers of feature films, national television  
 38.24 or Internet programs, documentaries, music videos, and commercials that directly create  
 38.25 new film jobs in Minnesota. To be eligible for a payment, a producer must submit  
 38.26 documentation to ~~the Minnesota Film and TV Board~~ Explore Minnesota Film of expenditures  
 38.27 for production costs incurred in Minnesota that are directly attributable to the production  
 38.28 in Minnesota of a film product.

38.29 ~~The Minnesota Film and TV Board~~ Explore Minnesota Film shall make recommendations  
 38.30 to the ~~commissioner of employment and economic development~~ director of Explore  
 38.31 Minnesota about program payment, but the ~~commissioner~~ director has the authority to make

39.1 the final determination on payments. The ~~commissioner's~~ director's determination must be  
39.2 based on proper documentation of eligible production costs submitted for payments. No  
39.3 more than five percent of the funds appropriated for the program in any year may be expended  
39.4 for administration, including costs for independent audits and financial reviews of projects.

39.5 (b) For the purposes of this section:

39.6 (1) "production costs" means the cost of the following:

39.7 (i) a story and scenario to be used for a film;

39.8 (ii) salaries of talent, management, and labor, including payments to personal services  
39.9 corporations for the services of a performing artist;

39.10 (iii) set construction and operations, wardrobe, accessories, and related services;

39.11 (iv) photography, sound synchronization, lighting, and related services;

39.12 (v) editing and related services;

39.13 (vi) rental of facilities and equipment;

39.14 (vii) other direct costs of producing the film in accordance with generally accepted  
39.15 entertainment industry practice;

39.16 (viii) above-the-line talent fees for nonresident talent; or

39.17 (ix) costs incurred during postproduction; and

39.18 (2) "film" means a feature film, television or Internet pilot, program, series, documentary,  
39.19 music video, or television commercial, whether on film, video, or digital media. Film does  
39.20 not include news, current events, public programming, or a program that includes weather  
39.21 or market reports; a talk show; a production with respect to a questionnaire or contest; a  
39.22 sports event or sports activity; a gala presentation or awards show; a finished production  
39.23 that solicits funds; or a production for which the production company is required under  
39.24 United States Code, title 18, section 2257, to maintain records with respect to a performer  
39.25 portrayed in a single-media or multimedia program.

39.26 (c) Notwithstanding any other law to the contrary, ~~the Minnesota Film and TV Board~~  
39.27 Explore Minnesota Film may make reimbursements of: (1) up to 25 percent of production  
39.28 costs for films that locate production outside the metropolitan area, as defined in section  
39.29 473.121, subdivision 2, or that incur a minimum Minnesota expenditure of \$1,000,000 in  
39.30 the metropolitan area within a 12-month period; or (2) up to 20 percent of production costs  
39.31 for films that incur less than \$1,000,000 in Minnesota production costs in the metropolitan  
39.32 area within a 12-month period.

40.1 Sec. 11. Minnesota Statutes 2023 Supplement, section 116U.27, subdivision 1, is amended  
40.2 to read:

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

40.5 (b) "Allocation certificate" means a certificate issued by the commissioner to a taxpayer  
40.6 upon receipt and approval of an initial application for a credit for a project that has not yet  
40.7 been completed.

40.8 (c) "Application" means the application for a credit under subdivision 4.

40.9 ~~(d) "Commissioner" means the commissioner of employment and economic development.~~

40.10 ~~(e)~~ (d) "Credit certificate" means a certificate issued by the commissioner upon receipt  
40.11 and approval of the cost verification report in subdivision 4, paragraph (e).

40.12 (e) "Director" means the director of Explore Minnesota.

40.13 (f) "Eligible production costs" means eligible production costs as defined in section  
40.14 116U.26, paragraph (b), clause (1), incurred in Minnesota that are directly attributable to  
40.15 the production of a film project in Minnesota.

40.16 (g) "Film" has the meaning given in section 116U.26, paragraph (b), clause (2).

40.17 (h) "Project" means a film:

40.18 (1) that includes the promotion of Minnesota;

40.19 (2) for which the taxpayer has expended at least \$1,000,000 in any consecutive 12-month  
40.20 period beginning after expenditures are first paid in Minnesota for eligible production costs;  
40.21 and

40.22 (3) to the extent practicable, that employs Minnesota residents.

40.23 Television commercials are exempt from the requirement under clause (1).

40.24 (i) "Promotion of Minnesota" or "promotion" means visible display of a static or animated  
40.25 logo, approved by the ~~commissioner and lasting approximately five seconds~~ director, that  
40.26 promotes Minnesota within its presentation in the end credits ~~before the below-the-line crew~~  
40.27 ~~crawl~~ for the life of the project.

41.1 Sec. 12. Minnesota Statutes 2023 Supplement, section 116U.27, subdivision 4, is amended  
41.2 to read:

41.3 Subd. 4. **Applications; allocations.** (a) To qualify for a credit under this section, a  
41.4 taxpayer must submit to the ~~commissioner~~ director an application for a credit in the form  
41.5 prescribed by the ~~commissioner~~ director, in consultation with the commissioner of revenue.

41.6 (b) Upon approving an application for a credit that meets the requirements of this section,  
41.7 the ~~commissioner~~ director shall issue allocation certificates that:

41.8 (1) verify eligibility for the credit;

41.9 (2) state the amount of credit anticipated for the eligible project, with the credit amount  
41.10 up to 25 percent of eligible project costs; and

41.11 (3) state the taxable year in which the credit is allocated.

41.12 ~~The commissioner must consult with the Minnesota Film and TV Board prior to issuing an~~  
41.13 ~~allocation certificate.~~

41.14 (c) The ~~commissioner~~ director must not issue allocation certificates for more than  
41.15 \$24,950,000 of credits each year. If the entire amount is not allocated in that taxable year,  
41.16 any remaining amount is available for allocation for the four following taxable years until  
41.17 the entire allocation has been made. The ~~commissioner~~ director must not award any credits  
41.18 for taxable years beginning after December 31, 2030, and any unallocated amounts cancel  
41.19 on that date.

41.20 (d) The ~~commissioner~~ director must allocate credits on a first-come, first-served basis.

41.21 (e) Upon completion of a project, the taxpayer shall submit to the ~~commissioner~~ director  
41.22 a report prepared by an independent certified public accountant licensed in the state of  
41.23 Minnesota to verify the amount of eligible production costs related to the project. The report  
41.24 must be prepared in accordance with generally accepted accounting principles. Upon receipt  
41.25 and approval of the cost verification report and other documents required by the  
41.26 ~~commissioner~~ director, the ~~commissioner~~ director shall determine the final amount of eligible  
41.27 production costs and issue a credit certificate to the taxpayer. The credit may not exceed  
41.28 the anticipated credit amount on the allocation certificate. If the credit is less than the  
41.29 anticipated amount on the allocation credit, the difference is returned to the amount available  
41.30 for allocation under paragraph (c). To claim the credit under section 290.06, subdivision  
41.31 39, or 297I.20, subdivision 4, a taxpayer must include a copy of the credit certificate as part  
41.32 of the taxpayer's return.

42.1 Sec. 13. Minnesota Statutes 2022, section 116U.27, subdivision 5, is amended to read:

42.2 Subd. 5. **Report required.** By January 15, 2025, the commissioner of revenue, in  
42.3 consultation with the ~~commissioner~~ director, must provide a report to the chairs and ranking  
42.4 minority members of the legislative committees with jurisdiction over economic development  
42.5 and taxes. The report must comply with sections 3.195 and 3.197, and must detail the  
42.6 following:

42.7 (1) the amount of credit certifications issued annually;

42.8 (2) the number of applications submitted, the number of allocation certificates issued,  
42.9 the amount of allocation certificates issued, the number of reports submitted upon completion  
42.10 of a project, and the number of credit certificates issued;

42.11 (3) the types of projects eligible for the credit;

42.12 (4) the total economic impact of the credit in Minnesota, including the calendar year  
42.13 over calendar year percentage changes in the number of jobs held by Minnesota residents  
42.14 in businesses having a primary North American Industry Classification System code of  
42.15 512110 as reported to the commissioner, for calendar years 2019 through 2023;

42.16 (5) the number of taxpayers per tax type which are assignees of credit certificates under  
42.17 subdivision 3;

42.18 (6) annual Minnesota taxes paid by businesses having a primary North American Industry  
42.19 Classification System code of 512110, for taxable years beginning after December 31, 2018,  
42.20 and before January 1, 2024; and

42.21 (7) any other information the commissioner of revenue, in consultation with the  
42.22 ~~commissioner~~ director, deems necessary for purposes of claiming and administering the  
42.23 credit.

42.24 Sec. 14. Minnesota Statutes 2022, section 446A.072, subdivision 5a, is amended to read:

42.25 Subd. 5a. **Type and amount of assistance.** (a) For a governmental unit receiving grant  
42.26 funding from the USDA/RECD, the authority may provide assistance in the form of a grant  
42.27 of up to 65 percent of the eligible grant need determined by USDA/RECD. A governmental  
42.28 unit may not receive a grant under this paragraph for more than ~~\$5,000,000~~ \$10,000,000  
42.29 per project or \$20,000 per existing connection, whichever is less, unless specifically approved  
42.30 by law.

42.31 (b) For a governmental unit receiving a loan from the clean water revolving fund under  
42.32 section 446A.07, the authority may provide assistance under this section in the form of a

43.1 grant if the average annual residential wastewater system cost after completion of the project  
43.2 would otherwise exceed 1.4 percent of the median household income of the project service  
43.3 area. In determining whether the average annual residential wastewater system cost would  
43.4 exceed 1.4 percent, the authority must consider the total costs associated with building,  
43.5 operating, and maintaining the wastewater system, including existing wastewater debt  
43.6 service, debt service on the eligible project cost, and operation and maintenance costs. Debt  
43.7 service costs for the proposed project are calculated based on the maximum loan term  
43.8 permitted for the clean water revolving fund loan under section 446A.07, subdivision 7.  
43.9 The amount of the grant is equal to 80 percent of the amount needed to reduce the average  
43.10 annual residential wastewater system cost to 1.4 percent of median household income in  
43.11 the project service area, to a maximum of ~~\$5,000,000~~ \$10,000,000 per project or \$20,000  
43.12 per existing connection, whichever is less, unless specifically approved by law. The eligible  
43.13 project cost is determined by multiplying the total project costs minus any other grants by  
43.14 the essential project component percentage calculated under subdivision 3, paragraph (c),  
43.15 clause (1). In no case may the amount of the grant exceed 80 percent of the eligible project  
43.16 cost.

43.17 (c) For a governmental unit receiving a loan from the drinking water revolving fund  
43.18 under section 446A.081, the authority may provide assistance under this section in the form  
43.19 of a grant if the average annual residential drinking water system cost after completion of  
43.20 the project would otherwise exceed 1.2 percent of the median household income of the  
43.21 project service area. In determining whether the average annual residential drinking water  
43.22 system cost would exceed 1.2 percent, the authority must consider the total costs associated  
43.23 with building, operating, and maintaining the drinking water system, including existing  
43.24 drinking water debt service, debt service on the eligible project cost, and operation and  
43.25 maintenance costs. Debt service costs for the proposed project are calculated based on the  
43.26 maximum loan term permitted for the drinking water revolving fund loan under section  
43.27 446A.081, subdivision 8, paragraph (c). The amount of the grant is equal to 80 percent of  
43.28 the amount needed to reduce the average annual residential drinking water system cost to  
43.29 1.2 percent of median household income in the project service area, to a maximum of  
43.30 ~~\$5,000,000~~ \$10,000,000 per project or \$20,000 per existing connection, whichever is less,  
43.31 unless specifically approved by law. The eligible project cost is determined by multiplying  
43.32 the total project costs minus any other grants by the essential project component percentage  
43.33 calculated under subdivision 3, paragraph (c), clause (1). In no case may the amount of the  
43.34 grant exceed 80 percent of the eligible project cost.

44.1 (d) Notwithstanding the limits in paragraphs (a), (b), and (c), for a governmental unit  
44.2 receiving supplemental assistance under this section after January 1, 2002, if the authority  
44.3 determines that the governmental unit's construction and installation costs are significantly  
44.4 increased due to geological conditions of crystalline bedrock or karst areas and discharge  
44.5 limits that are more stringent than secondary treatment, the maximum award under this  
44.6 section shall not be more than \$25,000 per existing connection.

44.7 Sec. 15. Minnesota Statutes 2022, section 446A.073, subdivision 1, is amended to read:

44.8 Subdivision 1. **Program established.** When money is appropriated for grants under this  
44.9 program, the authority shall award grants up to a maximum of ~~\$7,000,000~~ \$12,000,000 to  
44.10 governmental units to cover 80 percent of the cost of water infrastructure projects made  
44.11 necessary by:

44.12 (1) a wasteload reduction prescribed under a total maximum daily load plan required by  
44.13 section 303(d) of the federal Clean Water Act, United States Code, title 33, section 1313(d);

44.14 (2) a phosphorus concentration or mass limit which requires discharging one milligram  
44.15 per liter or less at permitted design flow which is incorporated into a permit issued by the  
44.16 Pollution Control Agency;

44.17 (3) any other water quality-based effluent limit established under section 115.03,  
44.18 subdivision 1, paragraph (e), clause (8), and incorporated into a permit issued by the Pollution  
44.19 Control Agency that exceeds secondary treatment limits; or

44.20 (4) a total nitrogen concentration or mass limit that requires discharging ten milligrams  
44.21 per liter or less at permitted design flow.

44.22 Sec. 16. Laws 2023, chapter 53, article 15, section 32, subdivision 6, is amended to read:

44.23 Subd. 6. **Administrative costs.** The commissioner of employment and economic  
44.24 development may use up to one percent of the appropriation made for this section for  
44.25 administrative expenses of the department. Of this amount, the Northland Foundation may  
44.26 use up to five percent for administrative expenses.

44.27 Sec. 17. Laws 2023, chapter 53, article 15, section 33, subdivision 4, is amended to read:

44.28 Subd. 4. **Loans to community businesses.** (a) A partner organization that receives a  
44.29 grant under subdivision 3 shall establish a plan for making low-interest loans to community  
44.30 businesses. The plan requires approval by the commissioner.

44.31 (b) Under the plan:

45.1 (1) the state contribution to each loan shall be no less than \$50,000 and no more than  
45.2 \$500,000;

45.3 (2) loans shall be made for projects that are unlikely to be undertaken unless a loan is  
45.4 received under the program;

45.5 (3) priority shall be given to loans to businesses in the lowest income areas;

45.6 (4) the fee or interest rate on a loan shall not be higher than ~~the Wall Street Journal prime~~  
45.7 rate ten percent;

45.8 (5) 50 percent of all repayments of principal on a loan under the program shall be used  
45.9 to fund additional related lending. The partner organization may retain the remainder of  
45.10 loan repayments to service loans and provide further technical assistance;

45.11 (6) the partner organization may charge a loan origination fee of no more than one  
45.12 percent of the loan value and may retain that origination fee; ~~and~~

45.13 (7) a partner organization may not make a loan to a project in which it has an ownership  
45.14 interest; and

45.15 (8) up to 15 percent of a loan's principal amount may be forgiven by the partner  
45.16 organization if the borrower has met all lending criteria developed by the partner organization  
45.17 and the commissioner, including creating or retaining jobs and being current with all loan  
45.18 payments, for at least two years.

45.19 Sec. 18. Laws 2023, chapter 53, article 15, section 33, subdivision 5, is amended to read:

45.20 Subd. 5. **Reports.** (a) The partner organization shall submit a report to the commissioner  
45.21 by ~~January~~ December 31 of 2024, 2025, and 2026. The report shall include:

45.22 (1) an account of all loans made through the program the preceding calendar year and  
45.23 the impact of those loans on community businesses and job creation for targeted groups;

45.24 (2) information on the source and amount of money collected and distributed under the  
45.25 program, its assets and liabilities, and an explanation of administrative expenses; and

45.26 (3) an independent audit of grant funds performed in accordance with generally accepted  
45.27 accounting practices and auditing standards.

45.28 (b) By February 15 of ~~2024, 2025, and 2026,~~ and 2027, the commissioner shall submit  
45.29 a report to the chairs and ranking minority members of the legislative committees with  
45.30 jurisdiction over workforce and economic development on program outcomes, including  
45.31 copies of all reports received under paragraph (a).

46.1 Sec. 19. **BROOKLYN PARK BIOTECH INNOVATION DISTRICT.**

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

46.4 (b) "Authority" means the Brooklyn Park Economic Development Authority.

46.5 (c) "Biotech innovation district" means a geographic area in the city identified in the  
46.6 development plan.

46.7 (d) "City" means the city of Brooklyn Park.

46.8 (e) "Development plan" means the plan adopted under subdivision 2.

46.9 (f) "Project" means a project to implement the development plan.

46.10 (g) "Public infrastructure project" means a project financed at least partially with public  
46.11 money to:

46.12 (1) acquire or remediate real property, including site improvement;

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

46.14 (3) install, construct, or reconstruct public infrastructure necessary for the biotech  
46.15 innovation district;

46.16 (4) acquire, construct, reconstruct, develop, or equip parking facilities and other  
46.17 transit-related facilities; and

46.18 (5) acquire, install, construct, reconstruct, develop, or equip recreational, social, cultural,  
46.19 or tourism facilities.

46.20 Subd. 2. Development plan. (a) The authority must prepare a plan for the development  
46.21 of a biotech innovation district within the city. At least 60 days prior to a hearing on adopting  
46.22 the proposed development plan, the economic development authority must provide copies  
46.23 of the proposed development plan to the city, which the city must make available to the  
46.24 public in its offices and on the city's website. At least ten days before the hearing, the  
46.25 authority must publish notice of the hearing in a newspaper selected by the city for  
46.26 publication of the notice. At the hearing, the authority may only adopt the plan if it finds  
46.27 that:

46.28 (1) the plan provides an outline for the development of the city as a site of biotech  
46.29 innovation;

46.30 (2) the plan identifies the location of the proposed biotech innovation district;

47.1 (3) the plan is sufficiently complete, including the identification of planned and  
47.2 anticipated projects, to indicate its relationship to definite state and local objectives;

47.3 (4) the proposed development affords maximum opportunity, consistent with the needs  
47.4 of the city, county, and state, for the development of the city by private enterprise as a  
47.5 biotech innovation district;

47.6 (5) the plan conforms to the general plan for the development of the city and is consistent  
47.7 with the city comprehensive plan;

47.8 (6) the city has approved the plan; and

47.9 (7) the plan includes:

47.10 (i) strategic planning consistent with a biotech innovation district;

47.11 (ii) a framework to identify and prioritize short- and long-term public investment and  
47.12 public infrastructure project development and to facilitate private investment and  
47.13 development;

47.14 (iii) land use planning;

47.15 (iv) multimodal transportation planning;

47.16 (v) goals, objectives, and strategies to increase racial equity and to create community  
47.17 wealth for city residents, local businesses, and businesses owned by women and people of  
47.18 color, guided by the city's racial equity principles; and

47.19 (vi) ongoing market research plans.

47.20 (b) In identifying planned and anticipated projects under paragraph (a), clause (2), the  
47.21 authority must prioritize projects that will pay a wage covering the cost of living for Hennepin  
47.22 County, calculated using the most recent report completed pursuant to Minnesota Statutes,  
47.23 section 116J.013.

47.24 (c) The city must adopt the development plan within 60 days following its adoption by  
47.25 the authority and may incorporate the development plan into the city's comprehensive plan.  
47.26 Minnesota Statutes, section 15.99, does not apply to review and approval of the development  
47.27 plan.

47.28 (d) The authority may modify the development plan at any time and must modify the  
47.29 plan at least once every five years. To modify the development plan, the authority must  
47.30 follow the same procedures set out in paragraph (a) for the development plan.

48.1 (e) When preparing the proposed development plan, the authority must seek input from  
48.2 the community and other partners such as biotech trade associations, the City of Brooklyn  
48.3 Park Planning Commission, the City of Brooklyn Park Community Long-Range Improvement  
48.4 Committee, skilled trades, and other regional partners.

48.5 Subd. 3. **Special powers; requirements; limitations.** (a) In implementing the  
48.6 development plan, the city may exercise the powers of a port authority under Minnesota  
48.7 Statutes, sections 469.048 to 469.068.

48.8 (b) The city must provide financial and administrative support to the authority and may  
48.9 appropriate city funds to the authority for its work in developing and implementing the  
48.10 development plan.

48.11 (c) The city may issue general obligation bonds, revenue bonds, or other obligations to  
48.12 finance the development and implementation of the development project. Debt undertaken  
48.13 pursuant to this paragraph is not subject to the net debt limit in Minnesota Statutes, section  
48.14 475.53. Approval of the electors is not necessary to issue bonds or other obligations under  
48.15 this paragraph. The city may pledge any of its revenues, including property taxes and state  
48.16 aid issued pursuant to Minnesota Statutes, section 469.47, to the obligations issued pursuant  
48.17 to this paragraph. The city must not issue obligations that are only payable from or secured  
48.18 by state aid issued pursuant to Minnesota Statutes, section 469.47.

48.19 (d) Notwithstanding Minnesota Statutes, section 469.068, the city and its authority need  
48.20 not require competitive bidding on a parking facility or other public improvement constructed  
48.21 to implement the development plan.

48.22 (e) Except as otherwise specified, all activities to develop and implement the development  
48.23 plan must comply with applicable state law and regulations and city ordinances, zoning,  
48.24 and planning requirements.

48.25 Subd. 4. **Report.** Beginning in 2025, by February 15 of each year, the city and authority  
48.26 must submit a joint report to the chairs and ranking minority members of the legislative  
48.27 committees and divisions with jurisdiction over jobs and economic development. The report  
48.28 must include:

48.29 (1) the development plan and any proposed changes to the development plan;

48.30 (2) information on the progress of projects identified in the development plan;

48.31 (3) costs and financing sources for the costs, including the amount paid with state aid  
48.32 and local contributions of projects completed in the previous two years;

49.1 (4) estimated costs and financing sources for projects anticipated to start in the next two  
49.2 years; and

49.3 (5) debt service schedules for all outstanding obligations of the city and authority for  
49.4 debt issued for projects identified in the plan.

49.5 Sec. 20. **REPEALER.**

49.6 Minnesota Statutes 2022, section 116J.435, subdivision 5, is repealed.

49.7 **ARTICLE 3**

49.8 **WORKFORCE DEVELOPMENT APPROPRIATIONS**

49.9 Section 1. Laws 2023, chapter 53, article 20, section 2, subdivision 4, is amended to read:

49.10 Subd. 4. **General Support Services** 18,045,000 8,045,000

49.11 Appropriations by Fund

49.12 2024 2025

49.13 General Fund 17,950,000 7,950,000

49.14 Workforce

49.15 Development 95,000 95,000

49.16 The base for the general support services  
49.17 division in fiscal year 2026 is \$5,950,000 for  
49.18 the general fund and \$95,000 for the  
49.19 workforce development fund.

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

49.23 (b) \$10,000,000 the first year is for the  
49.24 workforce digital transformation projects. This  
49.25 appropriation is onetime and is available until  
49.26 June 30, 2027.

49.27 Sec. 2. Laws 2023, chapter 53, article 20, section 2, subdivision 6, is amended to read:

49.28 45,691,000  
49.29 Subd. 6. **Vocational Rehabilitation** 45,691,000 40,636,000

49.30 Appropriations by Fund

49.31 2024 2025

|      |             |            |                       |
|------|-------------|------------|-----------------------|
| 50.1 |             |            | <del>37,861,000</del> |
| 50.2 | General     | 37,861,000 | <u>32,806,000</u>     |
| 50.3 | Workforce   |            |                       |
| 50.4 | Development | 7,830,000  | 7,830,000             |

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

50.8 (b) \$11,495,000 each year from the general  
 50.9 fund and \$6,830,000 each year from the  
 50.10 workforce development fund are for extended  
 50.11 employment services for persons with severe  
 50.12 disabilities under Minnesota Statutes, section  
 50.13 268A.15. Of the amounts appropriated from  
 50.14 the general fund, \$4,500,000 each year is for  
 50.15 maintaining prior rate increases to providers  
 50.16 of extended employment services for persons  
 50.17 with severe disabilities under Minnesota  
 50.18 Statutes, section 268A.15.

50.19 (c) ~~\$5,055,000 each year~~ in the first year is for  
 50.20 grants to programs that provide employment  
 50.21 support services to persons with mental illness  
 50.22 under Minnesota Statutes, sections 268A.13  
 50.23 and 268A.14, and is available until June 30,  
 50.24 2025. The base for this appropriation is  
 50.25 \$2,555,000 in fiscal year 2026 and each year  
 50.26 thereafter.

50.27 (d) \$7,011,000 each year is for grants to  
 50.28 centers for independent living under  
 50.29 Minnesota Statutes, section 268A.11. This  
 50.30 appropriation is available until June 30, 2027.  
 50.31 The base for this appropriation is \$3,011,000  
 50.32 in fiscal year 2026 and each year thereafter.

50.33 (e) \$1,000,000 each year is from the workforce  
 50.34 development fund for grants under Minnesota  
 50.35 Statutes, section 268A.16, for employment

51.1 services for persons, including transition-age  
 51.2 youth, who are deaf, deafblind, or  
 51.3 hard-of-hearing. If the amount in the first year  
 51.4 is insufficient, the amount in the second year  
 51.5 is available in the first year.

51.6 **Sec. 3. APPROPRIATIONS; DEPARTMENT OF EMPLOYMENT AND**  
 51.7 **ECONOMIC DEVELOPMENT.**

51.8 \$16,750,000 in fiscal year 2025 is appropriated from the workforce development fund  
 51.9 to the commissioner of employment and economic development. This is a onetime  
 51.10 appropriation and is in addition to the amounts appropriated in Laws 2023, chapter 53. Of  
 51.11 this amount:

51.12 (1) \$550,000 is for a grant to Sabathani Community Center for specialized community  
 51.13 outreach and engagement, a marketing and communication plan, program evaluation,  
 51.14 personal empowerment training for men, empowerment and truancy curriculum for youth,  
 51.15 wellness training for seniors, a workforce strategies mentorship and jobs training program,  
 51.16 a 15-passenger van, and service kiosks for the Sabathani Community Center, including a  
 51.17 onetime paid internship to support these programs;

51.18 (2) \$700,000 is for a grant to the Shakopee Chamber Foundation for the Shakopee area  
 51.19 workforce development scholarship pilot program;

51.20 (3) \$2,000,000 is for a grant to PFund Foundation for: (i) workforce development and  
 51.21 job skills training for LGBTQIA2S+ individuals; and (ii) medical, mental health, social,  
 51.22 and other service providers who serve those individuals. Up to five percent of this amount  
 51.23 may be used for the grantee's administrative costs;

51.24 (4) \$200,000 is for a grant to Bolder Options Youth Mentoring Program for disadvantaged  
 51.25 youth ages 12 to 22 in the Bolder Options program in the Twin Cities and Rochester for  
 51.26 providing mentorship, programming, and educational, job placement, and job training  
 51.27 services;

51.28 (5) \$200,000 is for a grant to the Greater Minneapolis Council of Churches for a STEM  
 51.29 training and career preparation program targeted at the needs of BIPOC youth who are at  
 51.30 least 11 years of age and less than 24 years of age. This amount is available until June 30,  
 51.31 2027;

51.32 (6) \$255,000 is for a grant to the International Institute of Minnesota to expand their  
 51.33 business career pathways for new Americans by paying the costs of adding a new

52.1 employment counselor, a digital literacy instructor, and a professional leadership training  
52.2 instructor, and associated program costs including entrepreneurship training and work  
52.3 readiness training;

52.4 (7) \$350,000 is for a grant to the city of Austin to develop and implement training  
52.5 programs offered by Riverland Community College for water operators and for wastewater  
52.6 operators. This amount is available until June 30, 2027. Of this amount: \$100,000 is to  
52.7 develop training programs for water supply system operators and wastewater treatment  
52.8 facility operators; \$100,000 is for personnel to staff the programs within the Riverland  
52.9 Customized Training and Education division of Riverland Community College; \$65,000 is  
52.10 for marketing the programs; \$35,000 is for the costs of Riverland Community College for  
52.11 administering the programs; \$35,000 is for equipment for the programs; and \$15,000 is for  
52.12 the costs of the city of Austin for administering the programs;

52.13 (8) \$200,000 is for a grant to the Jobs Foundation for direct training, support services,  
52.14 safety enhancements, and economic support for formerly incarcerated individuals  
52.15 participating in the Repowered work readiness program;

52.16 (9) \$280,000 is for a grant to Hired to create services for low-income Minnesotans  
52.17 designed to increase job retention by offering a continuum of employment coaching,  
52.18 navigation, and support services to economically disadvantaged employees leading to a  
52.19 more stable workforce for employers;

52.20 (10) \$100,000 is for a grant to Equaspace for work space, IT support, human resources  
52.21 assistance, accounting, fundraising, and executive director support to be used to provide  
52.22 work space and wrap-around services to small and startup nonprofit organizations;

52.23 (11) \$1,000,000 is for a grant to Lakeview Methodist Health Care Center to expand  
52.24 child care program capacity;

52.25 (12) \$500,000 is for a grant to Change Starts With Community for the Change Starts  
52.26 With Community Violence Prevention Program;

52.27 (13) \$1,000,000 is for a grant to African Immigrants Community Services for workforce  
52.28 development for new Americans;

52.29 (14) \$1,000,000 is for a grant to WomenVenture for supporting child care providers by  
52.30 providing business training, mentorship, services, and educational materials, by facilitating  
52.31 shared administrative staff and pooled management of services such as banking and payroll,  
52.32 by providing child care management software and software training, and by distributing

53.1 subgrants and loans, which may be forgivable at WomenVenture's discretion. This amount  
53.2 is available until June 30, 2027;

53.3 (15) \$1,000,000 is for a grant to the Black Chamber of Commerce for technical support  
53.4 to Black-owned small businesses, for implementing initiatives to address barriers facing  
53.5 the Black business community, and for networking, mentorship, and training programs.  
53.6 This amount is available until June 30, 2027;

53.7 (16) \$375,000 is to provide grants to secondary career and technical education programs  
53.8 for the purpose of offering instruction in meat cutting and butchery, including the costs of  
53.9 faculty training and of obtaining necessary equipment and facilities. The commissioner of  
53.10 employment and economic development may prioritize funding to applicants that are  
53.11 coordinating with Minnesota State Colleges and Universities institutions or with local  
53.12 industry partners and may enter into an interagency agreement with the Department of  
53.13 Agriculture for operation of the program, including agreements to transfer funds. By  
53.14 November 1, 2025, the commissioner of employment and economic development must  
53.15 report to the chairs and ranking minority members of the legislative committees with  
53.16 jurisdiction over agriculture finance, education finance, and workforce development finance  
53.17 regarding all grants issued under this clause by county and the number and amount of grant  
53.18 requests not fulfilled;

53.19 (17) \$75,000 is for a grant to InspireMSP to develop programming to assist  
53.20 middle-school-aged children in Minneapolis and St. Paul to develop an interest in and  
53.21 connect with the creative industry in Minnesota;

53.22 (18) \$150,000 is for a grant to Summit Academy OIC to start and enroll students in a  
53.23 dental assistant program and to work with employers to place students in the field upon  
53.24 successful completion of the program;

53.25 (19) \$250,000 is for a grant to the Karen Organization of Minnesota for job training and  
53.26 financial support and incentives for job training participants;

53.27 (20) \$100,000 is for a grant to Indigenous Roots for soft skills training and career  
53.28 readiness training for youth and dance instructors of the Cypher Side Dance School;

53.29 (21) \$100,000 is for a grant to Ramsey County for a subgrant with Milestone Community  
53.30 Development to provide competitive grants for culturally specific East African-led youth  
53.31 workforce development programs, which must be awarded through at least two requests  
53.32 for proposals, and this amount is available until June 30, 2026;

54.1 (22) \$100,000 is for a grant to Ramsey County for a subgrant with People in Action to  
54.2 provide workforce development programming. This amount is available until June 30, 2026,  
54.3 and 40 percent of the amount must be expended within the city of St. Paul. Grants provided  
54.4 by People in Action must be awarded through at least two requests for proposals;

54.5 (23) \$700,000 is for a grant to the Metro Youth Diversion Center to support its  
54.6 Youth-Care Assessment and Readiness Education program to enhance workforce  
54.7 development opportunities for youth with a focus on underrepresented East African students;

54.8 (24) \$174,000 is for a grant to Independent School District No. 709, Duluth, for a software  
54.9 subscription to facilitate the career planning of students;

54.10 (25) \$171,000 is for a grant to Independent School District No. 704, Proctor, to develop  
54.11 a regional career and technical education program to serve Independent School District No.  
54.12 704, Proctor, Independent School District No. 700, Hermantown, and Independent School  
54.13 District No. 99, Esko;

54.14 (26) \$100,000 is for a grant to Lake County Ambulance Service to establish a training  
54.15 program for Cook County and Lake County high school students interested in pursuing  
54.16 careers as emergency medical technicians;

54.17 (27) \$2,000,000 is for a grant to the city of Brooklyn Park for the Brooklyn Park Small  
54.18 Business Center and for the city to expand the workforce development programming of  
54.19 Brooklyn Park and Brooklyn Center through workforce development programs serving  
54.20 primarily underrepresented populations, including such programs as Brooklynk, Career  
54.21 Pathways, Youth Entrepreneurship, and Community Partnership. This appropriation is  
54.22 available until June 30, 2027;

54.23 (28) \$750,000 is for a grant to Riverside Plaza Tenant Association to address employment,  
54.24 economic, and technology access disparities for low-income unemployed or underemployed  
54.25 individuals through training in health care, technology, and construction or skilled trades  
54.26 industries;

54.27 (29) \$150,000 is for a grant to African Career, Education, and Resources, Inc., to develop  
54.28 a program for health care skills training and computer skills training in collaboration with  
54.29 the Organization of Liberians in Minnesota;

54.30 (30) \$150,000 is for a grant to the Organization of Liberians in Minnesota to develop a  
54.31 program for health care skills training and computer skills training in collaboration with the  
54.32 African Career, Education, and Resources, Inc.;

55.1 (31) \$180,000 is for a grant to Equitable Development Action for it to fund programs  
55.2 and provide technical assistance to underserved businesses;

55.3 (32) \$50,000 is to for a grant to Ka Joog to operate a workforce technology training  
55.4 center to provide job readiness, skills training, entrepreneurship training, digital literacy,  
55.5 and ongoing career learning;

55.6 (33) \$50,000 is for a grant to HIRPHA International for use on youth apprenticeships,  
55.7 entrepreneurship training, computer skills, and work readiness training;

55.8 (34) \$300,000 is for a grant to Theater Mu for planning and to design, redesign, renovate,  
55.9 construct, furnish, and equip a building located in the city of St. Paul that will house a  
55.10 workforce development program for working and aspiring BIPOC artists, administrative  
55.11 offices, and a public gathering space for theater art;

55.12 (35) \$100,000 is for a grant to Higher Works Collaborative to act as the fiscal agent for  
55.13 the Center for African Immigrants and Refugees Organization to provide workforce training  
55.14 by enhancing their youth programs that help students gain work experience, earn experience  
55.15 in high-demand fields, and transition into family-sustaining careers;

55.16 (36) \$450,000 is for a grant to YWCA St. Paul for a strategic intervention program  
55.17 designed to target and connect program participants to meaningful, sustainable living wage  
55.18 employment;

55.19 (37) \$50,000 is for a grant to United Senior Lao American Association to provide job  
55.20 and skills training for an underserved population;

55.21 (38) \$100,000 is for a grant to Hmong American Farmers Association for workforce  
55.22 readiness, employment exploration, and skills development;

55.23 (39) \$240,000 is for a grant to MN Zej Zog for workforce readiness, employment  
55.24 exploration, and skills development;

55.25 (40) \$250,000 is for the Minnesota Family Resiliency Partnership under Minnesota  
55.26 Statutes, section 116L.96;

55.27 (41) \$150,000 is for a grant to Ramsey County for a Justice Impact Navigator to support  
55.28 Ramsey County residents who have a justice impact or who are reentering the community  
55.29 after incarceration to connect to resources with a focus on employment and training supports.  
55.30 Funds will be used for a navigator pilot and other administrative expenses such as outreach,  
55.31 marketing, and resources for residents; and

56.1 (42) \$150,000 is for a grant to Ramsey County for a Digital Equity Specialist to support  
 56.2 Ramsey County residents with digital literacy resources and skills to connect to employment  
 56.3 and training supports. Funds must be used for a digital navigator pilot serving in Ramsey  
 56.4 County Career Labs and community-based locations and other administrative expenses,  
 56.5 such as outreach, marketing, and resources for residents.

56.6 Sec. 4. **APPROPRIATION; UNIVERSITY OF MINNESOTA; THE CENTER FOR**  
 56.7 **NURSING EQUITY AND EXCELLENCE.**

56.8 \$250,000 in fiscal year 2025 is appropriated from the workforce development fund to  
 56.9 the Board of Regents of the University of Minnesota to perform the duties required to  
 56.10 establish and carry out the duties of the Center for Nursing Equity and Excellence. This is  
 56.11 a onetime appropriation.

56.12 Sec. 5. **APPROPRIATIONS.**

56.13 \$5,055,000 in fiscal year 2025 is appropriated from the general fund to the commissioner  
 56.14 of employment and economic development for grants to programs that provide employment  
 56.15 support services to persons with mental illness under Minnesota Statutes, sections 268A.13  
 56.16 and 268A.14. This is a onetime appropriation and available until June 30, 2027.

## 56.17 ARTICLE 4

### 56.18 WORKFORCE DEVELOPMENT

56.19 Section 1. Minnesota Statutes 2022, section 116J.8748, subdivision 1, is amended to read:

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

56.22 (b) "Agreement" or "business subsidy agreement" means a business subsidy agreement  
 56.23 under section 116J.994 that must include, but is not limited to: specification of the duration  
 56.24 of the agreement, job goals and a timeline for achieving those goals over the duration of  
 56.25 the agreement, construction and other investment goals and a timeline for achieving those  
 56.26 goals over the duration of the agreement, and the value of benefits the firm may receive  
 56.27 following achievement of capital investment and employment goals. The local government  
 56.28 and business must report to the commissioner on the business performance using the forms  
 56.29 developed by the commissioner.

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

57.1 (d) "Capital investment" means money that is expended for the purpose of building or  
 57.2 improving real fixed property where employees under paragraphs (g) and (h) are or will be  
 57.3 employed and also includes construction materials, services, and supplies, and the purchase  
 57.4 and installation of equipment and machinery as provided under subdivision 4, paragraph  
 57.5 (b), clause (5).

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

57.7 (f) "Minnesota job creation fund business" means a business that is designated by the  
 57.8 commissioner under subdivision 3.

57.9 (g) "Minority person" means a person belonging to a racial or ethnic minority as defined  
 57.10 in Code of Federal Regulations, title 49, section 23.5.

57.11 (h) "New full-time equivalent employee" means an employee who:

57.12 (1) begins work at a Minnesota job creation fund business facility noted in a business  
 57.13 subsidy agreement and following the designation as a job creation fund business; and

57.14 (2) has expected work hours of at least 2,080 hours annually or the equivalent of  
 57.15 annualized expected hours of work equal to 2,080 hours of one or more employees.

57.16 (i) "Persons with disabilities" means an individual with a disability, as defined under  
 57.17 the Americans with Disabilities Act, United States Code, title 42, section 12102.

57.18 (j) "Retained job equivalent" means a full-time equivalent position:

57.19 (1) that existed at the facility prior to the designation as a job creation fund business;  
 57.20 and

57.21 (2) has expected work hours of at least 2,080 hours annually or the equivalent of  
 57.22 annualized expected hours of work equal to 2,080 hours of one or more employees.

57.23 (k) "Veteran" means a veteran as defined in section 197.447.

57.24 (l) "Wages" has the meaning given in section 290.92, subdivision 1, clause (1).

57.25 Sec. 2. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 3, is amended  
 57.26 to read:

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

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

- 58.1 (i) manufacturing;
- 58.2 (ii) warehousing;
- 58.3 (iii) distribution;
- 58.4 (iv) information technology;
- 58.5 (v) finance;
- 58.6 (vi) insurance; or
- 58.7 (vii) professional or technical services;
- 58.8 (2) the business must not be primarily engaged in lobbying; gambling; entertainment;
- 58.9 professional sports; political consulting; leisure; hospitality; or professional services provided
- 58.10 by attorneys, accountants, business consultants, physicians, or health care consultants, or
- 58.11 primarily engaged in making retail sales to purchasers who are physically present at the
- 58.12 business's location;
- 58.13 (3) the business must enter into a binding construction and job creation business subsidy
- 58.14 agreement with the commissioner to expend directly, or ensure expenditure by or in
- 58.15 partnership with a third party constructing or managing the project, at least \$500,000 in
- 58.16 capital investment in a capital investment project that includes a new, expanded, or remodeled
- 58.17 facility within one year following designation as a Minnesota job creation fund business or
- 58.18 \$250,000 if the project is located outside the metropolitan area as defined in section 200.02,
- 58.19 subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans,
- 58.20 women, or persons with a disability; and:
- 58.21 (i) create at least ten new full-time equivalent employee positions within two years of
- 58.22 the benefit date following the designation as a Minnesota job creation fund business or five
- 58.23 new full-time equivalent employee positions within two years of the benefit date if the
- 58.24 project is located outside the metropolitan area as defined in section 200.02, subdivision
- 58.25 24, or if 51 percent of the business is cumulatively owned by minorities, veterans, women,
- 58.26 or persons with a disability; or
- 58.27 (ii) expend at least \$25,000,000, which may include the installation and purchase of
- 58.28 machinery and equipment, in capital investment and retain at least 100 full-time equivalent
- 58.29 employees for projects located in the metropolitan area as defined in section 200.02,
- 58.30 subdivision 24, or expend at least \$10,000,000, which may include the installation and
- 58.31 purchase of machinery and equipment, in capital investment and retain at least 50 full-time
- 58.32 equivalent employees for projects located outside the metropolitan area;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

60.4 Sec. 3. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 4, is amended  
60.5 to read:

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

60.10 (b) A qualified Minnesota job creation fund business may be certified eligible for the  
60.11 benefits in this paragraph for up to five years for projects located in the metropolitan area  
60.12 as defined in section 200.02, subdivision 24, and seven years for projects located outside  
60.13 the metropolitan area, as determined by the commissioner when considering the best interests  
60.14 of the state and local area. Notwithstanding section 16B.98, subdivision 5, paragraph (a),  
60.15 clause (3), or 16B.98, subdivision 5, paragraph (b), grant agreements for projects located  
60.16 outside the metropolitan area may be for up to seven years in length. The eligibility for the  
60.17 following benefits begins the date the commissioner certifies the business as a qualified  
60.18 Minnesota job creation fund business under this subdivision:

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

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

60.25 (3) up to \$1,000,000 in capital investment rebates and \$1,000,000 in job creation awards  
60.26 are allowable for projects that have at least \$25,000,000 in capital investment and 100 new  
60.27 full-time equivalent employees in the metropolitan area as defined in section 200.02,  
60.28 subdivision 24, or at least \$10,000,000 in capital investment and 50 new full-time equivalent  
60.29 employees for projects located outside the metropolitan area;

60.30 (4) up to \$1,000,000 in capital investment rebates and up to \$1,000,000 in job creation  
60.31 awards are allowable for projects that have at least \$25,000,000 in capital investment, which  
60.32 may include the installation and purchase of machinery and equipment, and 100 retained  
60.33 full-time equivalent employees for projects located in the metropolitan area as defined in

61.1 section 200.02, subdivision 24, or at least \$10,000,000 in capital investment, which may  
61.2 include the installation and purchase of machinery and equipment, and 50 retained full-time  
61.3 equivalent employees for projects located outside the metropolitan area; and

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

61.7 (c) The job creation award may be provided in multiple years as long as the qualified  
61.8 Minnesota job creation fund business continues to meet the job creation goals provided for  
61.9 in its agreement under subdivision 3 and the total award does not exceed \$500,000 except  
61.10 as provided under paragraph (b), clauses (3) and (4). Under paragraph (b), clause (4), a job  
61.11 creation award of \$2,000 per full-time equivalent job retained ~~job~~ may be provided one time  
61.12 if the qualified Minnesota job creation fund business meets the minimum capital investment  
61.13 and retained employee requirement as provided in paragraph (b), clause (4), for at least two  
61.14 years.

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

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

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

61.32 (g) A Minnesota job creation fund business must demonstrate reasonable progress on  
61.33 capital investment expenditures within six months following designation as a Minnesota  
61.34 job creation fund business to ensure that the capital investment goal in the agreement under

62.1 subdivision 1 will be met. Businesses not making reasonable progress will not be eligible  
62.2 for benefits under the submitted application and will need to work with the local government  
62.3 unit to resubmit a new application and request to be a Minnesota job creation fund business.  
62.4 Notwithstanding the goals noted in its agreement under subdivision 1, this action shall not  
62.5 be considered a default of the business subsidy agreement.

62.6 Sec. 4. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 6, is amended  
62.7 to read:

62.8 Subd. 6. **Job creation award.** (a) A qualified Minnesota job creation fund business is  
62.9 eligible for an annual award for each new full-time equivalent job created and maintained  
62.10 under subdivision 4, paragraph (b), clauses (2) and (3), by the business using the following  
62.11 schedule: \$1,000 for each job position paying annual wages at least \$26,000 but less than  
62.12 \$35,000; \$2,000 for each job position paying at least \$35,000 but less than \$45,000; \$3,000  
62.13 for each job position paying at least \$45,000 but less than \$55,000; and \$4,000 for each job  
62.14 position paying at least \$55,000; and as noted in the goals under the agreement provided  
62.15 under subdivision 1. These awards are increased by \$1,000 if the business is located outside  
62.16 the metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the  
62.17 business is cumulatively owned by minorities, veterans, women, or persons with a disability.

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

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

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

62.28 Sec. 5. Minnesota Statutes 2023 Supplement, section 116L.17, subdivision 1, is amended  
62.29 to read:

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

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

63.1 (c) "Dislocated worker" means an individual who is a resident of Minnesota at the time  
63.2 employment ceased or was working in the state at the time employment ceased and:

63.3 (1) has been permanently separated or has received a notice of permanent separation  
63.4 from public or private sector employment and is eligible for or has exhausted entitlement  
63.5 to unemployment benefits, and is unlikely to return to the previous industry or occupation;

63.6 (2) has been long-term unemployed and has limited opportunities for employment or  
63.7 reemployment in the same or a similar occupation in the area in which the individual resides,  
63.8 including older individuals who may have substantial barriers to employment by reason of  
63.9 age;

63.10 (3) has been terminated or has received a notice of termination of employment as a result  
63.11 of a plant closing or a substantial layoff at a plant, facility, or enterprise;

63.12 (4) has been self-employed, including farmers and ranchers, and is unemployed as a  
63.13 result of general economic conditions in the community in which the individual resides or  
63.14 because of natural disasters;

63.15 (5) is a veteran as defined by section 197.447, has been discharged or released from  
63.16 active duty under honorable conditions within the last 36 months, and (i) is unemployed or  
63.17 (ii) is employed in a job verified to be below the skill level and earning capacity of the  
63.18 veteran;

63.19 (6) is an individual determined by the United States Department of Labor to be covered  
63.20 by trade adjustment assistance under United States Code, title 19, sections 2271 to 2331,  
63.21 as amended; ~~or~~

63.22 (7) is a displaced homemaker. A "displaced homemaker" is an individual who has spent  
63.23 a substantial number of years in the home providing homemaking service and (i) has been  
63.24 dependent upon the financial support of another; and due to divorce, separation, death, or  
63.25 disability of that person, must now find employment to self support; or (ii) derived the  
63.26 substantial share of support from public assistance on account of dependents in the home  
63.27 and no longer receives such support. To be eligible under this clause, the support must have  
63.28 ceased while the worker resided in Minnesota;

63.29 (8) is the spouse of a member of the United States armed forces who is on active duty  
63.30 and who meets at least one of the following: (i) has lost employment as a direct result of  
63.31 relocation to accommodate a permanent change in the service member's duty station; or (ii)  
63.32 is unemployed or underemployed and facing barriers to obtaining or upgrading employment;

64.1 (9) is an individual with non-work-related injuries or illnesses who does not have a  
 64.2 workers' compensation case but needs support to re-enter or remain in the workforce; or

64.3 (10) is an adult with a low income, is a recipient of public assistance, or is deficient in  
 64.4 basic skills.

64.5 For the purposes of this section, "dislocated worker" does not include an individual who  
 64.6 was an employee, at the time employment ceased, of a political committee, political fund,  
 64.7 principal campaign committee, or party unit, as those terms are used in chapter 10A, or an  
 64.8 organization required to file with the federal elections commission.

64.9 (d) "Eligible organization" means a state or local government unit, nonprofit organization,  
 64.10 community action agency, business organization or association, or labor organization.

64.11 (e) "Plant closing" means the announced or actual permanent shutdown of a single site  
 64.12 of employment, or one or more facilities or operating units within a single site of  
 64.13 employment.

64.14 (f) "Substantial layoff" means a permanent reduction in the workforce, which is not a  
 64.15 result of a plant closing, and which results in an employment loss at a single site of  
 64.16 employment during any 30-day period for at least 50 employees excluding those employees  
 64.17 that work less than 20 hours per week.

64.18 Sec. 6. Minnesota Statutes 2023 Supplement, section 116L.43, subdivision 1, is amended  
 64.19 to read:

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

64.22 (b) "Community-based organization" means a nonprofit organization that:

64.23 (1) provides workforce development programming or services;

64.24 ~~(2) has an annual organizational budget of no more than \$1,000,000;~~

64.25 ~~(3)~~ (2) has its primary office located in a historically underserved community of color  
 64.26 or low-income community; and

64.27 ~~(4)~~ (3) serves a population that generally reflects the demographics of that local  
 64.28 community.

64.29 (c) "Entry level jobs" means part-time or full-time jobs that an individual can perform  
 64.30 without any prior education or experience.

65.1 (d) "High wage" means the income needed for a family to cover minimum necessary  
65.2 expenses in a given geographic area, including food, child care, health care, housing, and  
65.3 transportation.

65.4 (e) "Industry specific certification" means a credential an individual can earn to show  
65.5 proficiency in a particular area or skill.

65.6 (f) "Remedial training" means additional training provided to staff following the  
65.7 identification of a need and intended to increase proficiency in performing job tasks.

65.8 (g) "Small business" has the same meaning as section 645.445.

65.9 Sec. 7. Minnesota Statutes 2022, section 268.035, subdivision 20, is amended to read:

65.10 Subd. 20. **Noncovered employment.** "Noncovered employment" means:

65.11 (1) employment for the United States government or an instrumentality thereof, including  
65.12 military service;

65.13 (2) employment for a state, other than Minnesota, or a political subdivision or  
65.14 instrumentality thereof;

65.15 (3) employment for a foreign government;

65.16 (4) employment covered under the federal Railroad Unemployment Insurance Act;

65.17 (5) employment for a church or convention or association of churches, or a nonprofit  
65.18 organization operated primarily for religious purposes that is operated, supervised, controlled,  
65.19 or principally supported by a church or convention or association of churches;

65.20 (6) employment for an elementary or secondary school with a curriculum that includes  
65.21 religious education that is operated by a church, a convention or association of churches,  
65.22 or a nonprofit organization that is operated, supervised, controlled, or principally supported  
65.23 by a church or convention or association of churches;

65.24 (7) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
65.25 a duly ordained or licensed minister of a church in the exercise of a ministry or by a member  
65.26 of a religious order in the exercise of duties required by the order;

65.27 (8) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
65.28 an individual receiving rehabilitation of "sheltered" work in a facility conducted for the  
65.29 purpose of carrying out a program of rehabilitation for individuals whose earning capacity  
65.30 is impaired by age or physical or mental deficiency or injury or a program providing  
65.31 "sheltered" work for individuals who because of an impaired physical or mental capacity

66.1 cannot be readily absorbed in the competitive labor market. This clause applies only to  
66.2 services performed in a facility certified by the Rehabilitation Services Branch of the  
66.3 department or in a day training or habilitation program licensed by the Department of Human  
66.4 Services;

66.5 (9) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
66.6 an individual receiving work relief or work training as part of an unemployment work relief  
66.7 or work training program financed in whole or in part by any federal agency or an agency  
66.8 of a state or political subdivision thereof. This clause does not apply to programs that require  
66.9 unemployment benefit coverage for the participants;

66.10 (10) employment for Minnesota or a political subdivision, as an elected official, a member  
66.11 of a legislative body, or a member of the judiciary;

66.12 (11) employment as a member of the Minnesota National Guard or Air National Guard;

66.13 (12) employment for Minnesota or a political subdivision, or instrumentality thereof, of  
66.14 an individual serving on a temporary basis in case of fire, flood, tornado, or similar  
66.15 emergency;

66.16 (13) employment as an election official or election worker for Minnesota or a political  
66.17 subdivision, if the compensation for that employment was less than \$1,000 in a calendar  
66.18 year;

66.19 (14) employment for Minnesota that is a major policy-making or advisory position in  
66.20 the unclassified service;

66.21 (15) employment for Minnesota in an unclassified position established under section  
66.22 43A.08, subdivision 1a;

66.23 (16) employment for a political subdivision of Minnesota that is a nontenured major  
66.24 policy making or advisory position;

66.25 (17) domestic employment in a private household, local college club, or local chapter  
66.26 of a college fraternity or sorority, if the wages paid in any calendar quarter in either the  
66.27 current or prior calendar year to all individuals in domestic employment totaled less than  
66.28 \$1,000.

66.29 "Domestic employment" includes all service in the operation and maintenance of a  
66.30 private household, for a local college club, or local chapter of a college fraternity or sorority  
66.31 as distinguished from service as an employee in the pursuit of an employer's trade or business;

67.1 (18) employment of an individual by a son, daughter, or spouse, and employment of a  
67.2 child under the age of 18 by the child's father or mother;

67.3 (19) employment of an inmate of a custodial or penal institution;

67.4 (20) employment for a school, college, or university, by a student who is enrolled and  
67.5 whose primary relation to the school, college, or university is as a student. This does not  
67.6 include an individual whose primary relation to the school, college, or university is as an  
67.7 employee who also takes courses;

67.8 (21) employment of an individual who is enrolled as a student in a full-time program at  
67.9 a nonprofit or public educational institution that maintains a regular faculty and curriculum  
67.10 and has a regularly organized body of students in attendance at the place where its educational  
67.11 activities are carried on, taken for credit at the institution, that combines academic instruction  
67.12 with work experience, if the employment is an integral part of the program, and the institution  
67.13 has so certified to the employer, except that this clause does not apply to employment in a  
67.14 program established for or on behalf of an employer or group of employers;

67.15 (22) employment of a foreign college or university student who works on a seasonal or  
67.16 temporary basis under the J-1 visa summer work travel program described in Code of Federal  
67.17 Regulations, title 22, section 62.32;

67.18 (23) employment of university, college, or professional school students in an internship  
67.19 or other training program with the city of St. Paul or the city of Minneapolis under Laws  
67.20 1990, chapter 570, article 6, section 3;

67.21 (24) employment for a hospital by a patient of the hospital. "Hospital" means an institution  
67.22 that has been licensed by the Department of Health as a hospital;

67.23 (25) employment as a student nurse for a hospital or a nurses' training school by an  
67.24 individual who is enrolled and is regularly attending classes in an accredited nurses' training  
67.25 school;

67.26 (26) employment as an intern for a hospital by an individual who has completed a  
67.27 four-year course in an accredited medical school;

67.28 (27) employment as an insurance salesperson, by other than a corporate officer, if all  
67.29 the wages from the employment is solely by way of commission. The word "insurance"  
67.30 includes an annuity and an optional annuity;

67.31 (28) employment as an officer of a township mutual insurance company or farmer's  
67.32 mutual insurance company under chapter 67A;

68.1 (29) employment of a corporate officer, if the officer directly or indirectly, including  
 68.2 through a subsidiary or holding company, owns 25 percent or more of the employer  
 68.3 corporation, and employment of a member of a limited liability company, if the member  
 68.4 directly or indirectly, including through a subsidiary or holding company, owns 25 percent  
 68.5 or more of the employer limited liability company;

68.6 (30) employment as a real estate salesperson, other than a corporate officer, if all the  
 68.7 wages from the employment is solely by way of commission;

68.8 (31) employment as a direct seller as defined in United States Code, title 26, section  
 68.9 3508;

68.10 (32) employment of an individual under the age of 18 in the delivery or distribution of  
 68.11 newspapers or shopping news, not including delivery or distribution to any point for  
 68.12 subsequent delivery or distribution;

68.13 (33) casual employment performed for an individual, other than domestic employment  
 68.14 under clause (17), that does not promote or advance that employer's trade or business;

68.15 (34) employment in "agricultural employment" unless it is "covered agricultural  
 68.16 employment" under subdivision 11; ~~or~~

68.17 (35) if employment during one-half or more of any pay period was covered employment,  
 68.18 all the employment for the pay period is covered employment; but if during more than  
 68.19 one-half of any pay period the employment was noncovered employment, then all of the  
 68.20 employment for the pay period is noncovered employment. "Pay period" means a period  
 68.21 of not more than a calendar month for which a payment or compensation is ordinarily made  
 68.22 to the employee by the employer; or

68.23 (36) employment of a foreign agricultural worker who works on a seasonal or temporary  
 68.24 basis under the H-2A visa temporary agricultural employment program described in Code  
 68.25 of Federal Regulations, title 20, part 655.

68.26 Sec. 8. Laws 2023, chapter 53, article 20, section 2, subdivision 3, is amended to read:

68.27 Subd. 3. **Employment and Training Programs** 112,038,000 104,499,000

68.28 Appropriations by Fund

68.29 2024 2025

68.30 General 91,036,000 83,497,000

68.31 Workforce  
 68.32 Development 21,002,000 21,002,000

69.1 (a) \$500,000 each year from the general fund  
69.2 and \$500,000 each year from the workforce  
69.3 development fund are for rural career  
69.4 counseling coordinators in the workforce  
69.5 service areas and for the purposes specified  
69.6 under Minnesota Statutes, section 116L.667.

69.7 (b) \$25,000,000 each year is for the targeted  
69.8 population workforce grants under Minnesota  
69.9 Statutes, section 116L.43. The department  
69.10 may use up to five percent of this  
69.11 appropriation for administration, monitoring,  
69.12 and oversight of the program. Of this amount:

69.13 (1) \$18,500,000 each year is for job and  
69.14 entrepreneurial skills training grants under  
69.15 Minnesota Statutes, section 116L.43,  
69.16 subdivision 2;

69.17 (2) \$1,500,000 each year is for diversity and  
69.18 inclusion training for small employers under  
69.19 Minnesota Statutes, section 116L.43,  
69.20 subdivision 3; and

69.21 (3) \$5,000,000 each year is for capacity  
69.22 building grants under Minnesota Statutes,  
69.23 section 116L.43, subdivision 4.

69.24 The base for this appropriation is \$1,275,000  
69.25 in fiscal year 2026 and each year thereafter.

69.26 (c) \$750,000 each year is for the women and  
69.27 high-wage, high-demand, nontraditional jobs  
69.28 grant program under Minnesota Statutes,  
69.29 section 116L.99. Of this amount, up to five  
69.30 percent is for administration and monitoring  
69.31 of the program.

69.32 (d) \$10,000,000 each year is for the Drive for  
69.33 Five Initiative to conduct outreach and provide  
69.34 job skills training, career counseling, case

70.1 management, and supportive services for  
70.2 careers in (1) technology, (2) labor, (3) the  
70.3 caring professions, (4) manufacturing, and (5)  
70.4 educational and professional services. This is  
70.5 a onetime appropriation.

70.6 (e) Of the amounts appropriated in paragraph  
70.7 (d), the commissioner must make \$7,000,000  
70.8 each year available through a competitive  
70.9 request for proposal process. The grant awards  
70.10 must be used to provide education and training  
70.11 in the five industries identified in paragraph  
70.12 (d). Education and training may include:

70.13 (1) student tutoring and testing support  
70.14 services;

70.15 (2) training and employment placement in high  
70.16 wage and high growth employment;

70.17 (3) assistance in obtaining industry-specific  
70.18 certifications;

70.19 (4) remedial training leading to enrollment in  
70.20 employment training programs or services;

70.21 (5) real-time work experience;

70.22 (6) career and educational counseling;

70.23 (7) work experience and internships; and

70.24 (8) supportive services.

70.25 (f) Of the amount appropriated in paragraph  
70.26 (d), \$2,000,000 each year must be awarded  
70.27 through competitive grants made to trade  
70.28 associations or chambers of commerce for job  
70.29 placement services. Grant awards must be used  
70.30 to encourage workforce training efforts to  
70.31 ensure that efforts are aligned with employer  
70.32 demands and that graduates are connected with  
70.33 employers that are currently hiring. Trade

71.1 associations or chambers must partner with  
71.2 employers with current or anticipated  
71.3 employment opportunities and nonprofit  
71.4 workforce training partners participating in  
71.5 this program. The trade associations or  
71.6 chambers must work closely with the industry  
71.7 sector training providers in the five industries  
71.8 identified in paragraph (d). Grant awards may  
71.9 be used for:

71.10 (1) employer engagement strategies to align  
71.11 employment opportunities for individuals  
71.12 exiting workforce development training  
71.13 programs. These strategies may include  
71.14 business recruitment, job opening  
71.15 development, employee recruitment, and job  
71.16 matching. Trade associations must utilize the  
71.17 state's labor exchange system;

71.18 (2) diversity, inclusion, and retention training  
71.19 of their members to increase the business'  
71.20 understanding of welcoming and retaining a  
71.21 diverse workforce; and

71.22 (3) industry-specific training.

71.23 (g) Of the amount appropriated in paragraph  
71.24 (d), \$1,000,000 each year is to hire, train, and  
71.25 deploy business services representatives in  
71.26 local workforce development areas throughout  
71.27 the state. Business services representatives  
71.28 must work with an assigned local workforce  
71.29 development area to address the hiring needs  
71.30 of Minnesota's businesses by connecting job  
71.31 seekers and program participants in the  
71.32 CareerForce system. Business services  
71.33 representatives serve in the classified service  
71.34 of the state and operate as part of the agency's  
71.35 Employment and Training Office. The

72.1 commissioner shall develop and implement  
72.2 training materials and reporting and evaluation  
72.3 procedures for the activities of the business  
72.4 services representatives. The business services  
72.5 representatives must:

72.6 (1) serve as the primary contact for businesses  
72.7 in that area;

72.8 (2) actively engage employers by assisting  
72.9 with matching employers to job seekers by  
72.10 referring candidates, convening job fairs, and  
72.11 assisting with job announcements; and

72.12 (3) work with the local area board and its  
72.13 partners to identify candidates for openings in  
72.14 small and midsize companies in the local area.

72.15 (h) \$2,546,000 each year from the general fund  
72.16 and \$4,604,000 each year from the workforce  
72.17 development fund are for the pathways to  
72.18 prosperity competitive grant program. Of this  
72.19 amount, up to five percent is for administration  
72.20 and monitoring of the program.

72.21 (i) \$500,000 each year is from the workforce  
72.22 development fund for current Minnesota  
72.23 affiliates of OIC of America, Inc. This  
72.24 appropriation shall be divided equally among  
72.25 the eligible centers.

72.26 (j) \$1,000,000 each year is for competitive  
72.27 grants to organizations providing services to  
72.28 relieve economic disparities in the Southeast  
72.29 Asian community through workforce  
72.30 recruitment, development, job creation,  
72.31 assistance of smaller organizations to increase  
72.32 capacity, and outreach. Of this amount, up to  
72.33 five percent is for administration and  
72.34 monitoring of the program.

73.1 (k) \$1,000,000 each year is for a competitive  
73.2 grant program to provide grants to  
73.3 organizations that provide support services for  
73.4 individuals, such as job training, employment  
73.5 preparation, internships, job assistance to  
73.6 parents, financial literacy, academic and  
73.7 behavioral interventions for low-performing  
73.8 students, and youth intervention. Grants made  
73.9 under this section must focus on low-income  
73.10 communities, young adults from families with  
73.11 a history of intergenerational poverty, and  
73.12 communities of color. Of this amount, up to  
73.13 five percent is for administration and  
73.14 monitoring of the program.

73.15 (l) \$750,000 each year from the general fund  
73.16 and \$6,698,000 each year from the workforce  
73.17 development fund are for the youth-at-work  
73.18 competitive grant program under Minnesota  
73.19 Statutes, section 116L.562. Of this amount,  
73.20 up to five percent is for administration and  
73.21 monitoring of the youth workforce  
73.22 development competitive grant program. All  
73.23 grant awards shall be for two consecutive  
73.24 years. Grants shall be awarded in the first year.  
73.25 The base for this appropriation is \$750,000  
73.26 from the general fund and \$3,348,000 from  
73.27 the workforce development fund beginning in  
73.28 fiscal year 2026 and each year thereafter.

73.29 (m) \$1,093,000 each year is from the general  
73.30 fund and \$1,000,000 each year is from the  
73.31 workforce development fund for the  
73.32 youthbuild program under Minnesota Statutes,  
73.33 sections 116L.361 to 116L.366. The base for  
73.34 this appropriation is \$1,000,000 from the

74.1 workforce development fund in fiscal year  
74.2 2026 and each year thereafter.

74.3 (n) \$4,511,000 each year from the general fund  
74.4 and \$4,050,000 each year from the workforce  
74.5 development fund are for the Minnesota youth  
74.6 program under Minnesota Statutes, sections  
74.7 116L.56 and 116L.561. The base for this  
74.8 appropriation is \$0 from the general fund and  
74.9 \$4,050,000 from the workforce development  
74.10 fund in fiscal year 2026 and each year  
74.11 thereafter.

74.12 (o) \$750,000 each year is for the Office of  
74.13 New Americans under Minnesota Statutes,  
74.14 section 116J.4231.

74.15 (p) \$1,000,000 each year from the workforce  
74.16 development fund is for a grant to the  
74.17 Minnesota Technology Association to support  
74.18 the SciTech internship program, a program  
74.19 that supports science, technology, engineering,  
74.20 and math (STEM) internship opportunities for  
74.21 two- and four-year college students and  
74.22 graduate students in their fields of study. The  
74.23 internship opportunities must match students  
74.24 with paid internships within STEM disciplines  
74.25 at small, for-profit companies located in  
74.26 Minnesota having fewer than 250 employees  
74.27 worldwide. At least 325 students must be  
74.28 matched each year. No more than 15 percent  
74.29 of the hires may be graduate students. Selected  
74.30 hiring companies shall receive from the grant  
74.31 50 percent of the wages paid to the intern,  
74.32 capped at \$3,000 per intern. The program must  
74.33 work toward increasing the participation  
74.34 among women or other underserved  
74.35 populations. This is a onetime appropriation.

75.1 (q) \$750,000 each year is for grants to the  
75.2 Minneapolis Park and Recreation Board's Teen  
75.3 Teamworks youth employment and training  
75.4 programs. This is a onetime appropriation and  
75.5 available until June 30, 2027. Any  
75.6 unencumbered balance remaining at the end  
75.7 of the first year does not cancel but is available  
75.8 in the second year.

75.9 (r) \$900,000 each year is for a grant to Avivo  
75.10 to provide low-income individuals with career  
75.11 education and job skills training that is fully  
75.12 integrated with chemical and mental health  
75.13 services. Of this amount, up to \$250,000 each  
75.14 year is for a grant to Avivo to provide  
75.15 resources and support services to survivors of  
75.16 sex trafficking and domestic abuse in the  
75.17 greater St. Cloud area as they search for  
75.18 employment. Program resources include but  
75.19 are not limited to costs for day care,  
75.20 transportation, housing, legal advice, procuring  
75.21 documents required for employment, interview  
75.22 clothing, technology, and Internet access. The  
75.23 program shall also include public outreach and  
75.24 corporate training components to communicate  
75.25 to the public and potential employers about  
75.26 the specific struggles faced by survivors as  
75.27 they re-enter the workforce. This is a onetime  
75.28 appropriation.

75.29 (s) \$1,000,000 each year is for the getting to  
75.30 work grant program under Minnesota Statutes,  
75.31 section 116J.545. Of this amount, up to five  
75.32 percent is for administration and monitoring  
75.33 of the program. This is a onetime  
75.34 appropriation.

76.1 (t) \$400,000 each year is for a grant to the  
76.2 nonprofit 30,000 Feet to fund youth  
76.3 apprenticeship jobs, wraparound services,  
76.4 after-school programming, and summer  
76.5 learning loss prevention efforts targeted at  
76.6 African American youth. This is a onetime  
76.7 appropriation.

76.8 (u) \$463,000 the first year is for a grant to the  
76.9 Boys and Girls Club of Central Minnesota.  
76.10 This is a onetime appropriation. Of this  
76.11 amount:

76.12 (1) \$313,000 is to fund one year of free  
76.13 full-service programming for a new program  
76.14 in Waite Park that will employ part-time youth  
76.15 development staff and provide community  
76.16 volunteer opportunities for people of all ages.  
76.17 Career exploration and life skills programming  
76.18 will be a significant dimension of  
76.19 programming at this new site; and

76.20 (2) \$150,000 is for planning and design for a  
76.21 new multiuse facility for the Boys and Girls  
76.22 Club of Waite Park and other community  
76.23 partners, including the Waite Park Police  
76.24 Department and the Whitney Senior Center.

76.25 (v) \$1,000,000 each year is for a grant to the  
76.26 Minnesota Alliance of Boys and Girls Clubs  
76.27 to administer a statewide project of youth job  
76.28 skills and career development. This project,  
76.29 which may have career guidance components  
76.30 including health and life skills, must be  
76.31 designed to encourage, train, and assist youth  
76.32 in early access to education and job-seeking  
76.33 skills, work-based learning experience,  
76.34 including career pathways in STEM learning,  
76.35 career exploration and matching, and first job

77.1 placement through local community  
77.2 partnerships and on-site job opportunities. This  
77.3 grant requires a 25 percent match from  
77.4 nonstate resources. This is a onetime  
77.5 appropriation.

77.6 (w) \$1,000,000 the first year is for a grant to  
77.7 the Owatonna Area Chamber of Commerce  
77.8 Foundation for the Learn and Earn Initiative  
77.9 to help the Owatonna and Steele County  
77.10 region grow and retain a talented workforce.  
77.11 This is a onetime appropriation and is  
77.12 available until June 30, 2025. Of this amount:

77.13 (1) \$900,000 is to develop an advanced  
77.14 manufacturing career pathway program for  
77.15 youth and adult learners with shared learning  
77.16 spaces, state-of-the-art equipment, and  
77.17 instructional support to grow and retain talent  
77.18 in Owatonna; and

77.19 (2) \$100,000 is to create the Owatonna  
77.20 Opportunity scholarship model for the Learn  
77.21 and Earn Initiative for students and employers.

77.22 (x) \$250,000 each year from the workforce  
77.23 development fund is for a grant to the White  
77.24 Bear Center for the Arts for establishing a paid  
77.25 internship program for high school students  
77.26 to learn professional development skills  
77.27 through an arts perspective. This is a onetime  
77.28 appropriation.

77.29 (y) \$250,000 each year is for the Minnesota  
77.30 Family Resiliency Partnership under  
77.31 Minnesota Statutes, section 116L.96. The  
77.32 commissioner, through the adult career  
77.33 pathways program, shall distribute the money  
77.34 to existing nonprofit and state displaced

78.1 homemaker programs. This is a onetime  
78.2 appropriation.

78.3 (z) \$600,000 each year is for a grant to East  
78.4 Side Neighborhood Services. This is a onetime  
78.5 appropriation of which:

78.6 (1) \$300,000 each year is for the senior  
78.7 community service employment program,  
78.8 which provides work readiness training to  
78.9 low-income adults ages 55 and older to  
78.10 provide ongoing support and mentoring  
78.11 services to the program participants as well as  
78.12 the transition period from subsidized wages  
78.13 to unsubsidized wages; and

78.14 (2) \$300,000 each year is for the nursing  
78.15 assistant plus program to serve the increased  
78.16 need for growth of medical talent pipelines  
78.17 through expansion of the existing program and  
78.18 development of in-house training.

78.19 The amounts specified in clauses (1) and (2)  
78.20 may also be used to enhance employment  
78.21 programming for youth and young adults, ages  
78.22 14 to 24, to introduce them to work culture,  
78.23 develop essential work readiness skills, and  
78.24 make career plans through paid internship  
78.25 experiences and work readiness training.

78.26 (aa) \$1,500,000 each year from the workforce  
78.27 development fund is for a grant to Ujamaa  
78.28 Place to assist primarily African American  
78.29 men with job training, employment  
78.30 preparation, internships, education, vocational  
78.31 housing, and organizational capacity building.  
78.32 This is a onetime appropriation.

78.33 (bb) \$500,000 each year is for a grant to  
78.34 Comunidades Organizando el Poder y la

79.1 Acción Latina (COPAL) for worker center  
79.2 programming that supports primarily  
79.3 low-income, migrant, and Latinx workers with  
79.4 career planning, workforce training and  
79.5 education, workers' rights advocacy, health  
79.6 resources and navigation, and wealth creation  
79.7 resources. This is a onetime appropriation.

79.8 (cc) \$2,000,000 each year is for a grant to  
79.9 Propel Nonprofits to provide capacity-building  
79.10 grants and related technical assistance to small,  
79.11 culturally specific organizations that primarily  
79.12 serve historically underserved cultural  
79.13 communities. Propel Nonprofits may only  
79.14 award grants to nonprofit organizations that  
79.15 have an annual organizational budget of less  
79.16 than \$1,000,000. These grants may be used  
79.17 for:

79.18 (1) organizational infrastructure  
79.19 improvements, including developing database  
79.20 management systems and financial systems,  
79.21 or other administrative needs that increase the  
79.22 organization's ability to access new funding  
79.23 sources;

79.24 (2) organizational workforce development,  
79.25 including hiring culturally competent staff,  
79.26 training and skills development, and other  
79.27 methods of increasing staff capacity; or

79.28 (3) creating or expanding partnerships with  
79.29 existing organizations that have specialized  
79.30 expertise in order to increase capacity of the  
79.31 grantee organization to improve services to  
79.32 the community.

80.1 Of this amount, up to five percent may be used  
80.2 by Propel Nonprofits for administrative costs.  
80.3 This is a onetime appropriation.

80.4 (dd) \$1,000,000 each year is for a grant to  
80.5 Goodwill Easter Seals Minnesota and its  
80.6 partners. The grant must be used to continue  
80.7 the FATHER Project in Rochester, St. Cloud,  
80.8 St. Paul, Minneapolis, and the surrounding  
80.9 areas to assist fathers in overcoming barriers  
80.10 that prevent fathers from supporting their  
80.11 children economically and emotionally,  
80.12 including with community re-entry following  
80.13 confinement. This is a onetime appropriation.

80.14 (ee) \$250,000 the first year is for a grant to  
80.15 the ProStart and Hospitality Tourism  
80.16 Management Program for a well-established,  
80.17 proven, and successful education program that  
80.18 helps young people advance careers in the  
80.19 hospitality industry and addresses critical  
80.20 long-term workforce shortages in that industry.

80.21 (ff) \$450,000 each year is for grants to  
80.22 Minnesota Diversified Industries to provide  
80.23 inclusive employment opportunities and  
80.24 services for people with disabilities. This is a  
80.25 onetime appropriation.

80.26 (gg) \$1,000,000 the first year is for a grant to  
80.27 Minnesota Diversified Industries to assist  
80.28 individuals with disabilities through the  
80.29 unified work model by offering virtual and  
80.30 in-person career skills classes augmented with  
80.31 virtual reality tools. Minnesota Diversified  
80.32 Industries shall submit a report on the number  
80.33 and demographics of individuals served, hours  
80.34 of career skills programming delivered,  
80.35 outreach to employers, and recommendations

81.1 for future career skills delivery methods to the  
81.2 chairs and ranking minority members of the  
81.3 legislative committees with jurisdiction over  
81.4 labor and workforce development policy and  
81.5 finance by January 15, 2026. This is a onetime  
81.6 appropriation and is available until June 30,  
81.7 2025.

81.8 (hh) \$1,264,000 each year is for a grant to  
81.9 Summit Academy OIC to expand employment  
81.10 placement, GED preparation and  
81.11 administration, and STEM programming in  
81.12 the Twin Cities, Saint Cloud, and Bemidji.  
81.13 This is a onetime appropriation.

81.14 (ii) \$500,000 each year is for a grant to  
81.15 Minnesota Independence College and  
81.16 Community to provide employment  
81.17 preparation, job placement, job retention, and  
81.18 service coordination services to adults with  
81.19 autism and learning differences. This is a  
81.20 onetime appropriation.

81.21 (jj) \$1,000,000 the first year and \$2,000,000  
81.22 the second year are for a clean economy  
81.23 equitable workforce grant program. Money  
81.24 must be used for grants to support partnership  
81.25 development, planning, and implementation  
81.26 of workforce readiness programs aimed at  
81.27 workers who are Black, Indigenous, and  
81.28 People of Color. Programs must include  
81.29 workforce training, career development,  
81.30 workers' rights training, employment  
81.31 placement, and culturally appropriate job  
81.32 readiness and must prepare workers for careers  
81.33 in the high-demand fields of construction,  
81.34 clean energy, and energy efficiency. Grants  
81.35 must be given to nonprofit organizations that

82.1 serve historically disenfranchised  
82.2 communities, including new Americans, with  
82.3 preference for organizations that are new  
82.4 providers of workforce programming or which  
82.5 have partnership agreements with registered  
82.6 apprenticeship programs. This is a onetime  
82.7 appropriation.

82.8 (kk) \$350,000 the first year and \$25,000 the  
82.9 second year are for a grant to the University  
82.10 of Minnesota Tourism Center for the creation  
82.11 and operation of an online hospitality training  
82.12 program in partnership with Explore  
82.13 Minnesota Tourism. This training program  
82.14 must be made available at no cost to  
82.15 Minnesota residents in an effort to address  
82.16 critical workforce shortages in the hospitality  
82.17 and tourism industries and assist in career  
82.18 development. The base for this appropriation  
82.19 is \$25,000 in fiscal year 2026 and each year  
82.20 thereafter for ongoing system maintenance,  
82.21 management, and content updates.

82.22 (ll) \$3,000,000 the first year is for competitive  
82.23 grants to support high school robotics teams  
82.24 and prepare youth for careers in STEM fields.  
82.25 Of this amount, \$2,000,000 is for creating  
82.26 internships for high school students to work  
82.27 at private companies in STEM fields,  
82.28 including the payment of student stipends.  
82.29 This is a onetime appropriation and is  
82.30 available until June 30, 2028.

82.31 (mm) \$750,000 each year is for grants to the  
82.32 nonprofit Sanneh Foundation to fund  
82.33 out-of-school and summer programs focused  
82.34 on mentoring and behavioral, social, and  
82.35 emotional learning interventions and

- 83.1 enrichment activities directed toward  
83.2 low-income students of color. This is a  
83.3 onetime appropriation and available until June  
83.4 30, ~~2026~~ 2027.
- 83.5 (nn) \$1,000,000 each year is for a grant to the  
83.6 Hmong American Partnership to expand job  
83.7 training and placement programs primarily  
83.8 serving the Southeast Asian community. This  
83.9 is a onetime appropriation.
- 83.10 (oo) \$1,000,000 each year is for a grant to  
83.11 Comunidades Latinas Unidas En Servicio  
83.12 (CLUES) to address employment, economic,  
83.13 and technology access disparities for  
83.14 low-income unemployed or underemployed  
83.15 individuals. Grant money must support  
83.16 short-term certifications and transferable skills  
83.17 in high-demand fields, workforce readiness,  
83.18 customized financial capability, and  
83.19 employment supports. At least 50 percent of  
83.20 this amount must be used for programming  
83.21 targeted at greater Minnesota. This is a  
83.22 onetime appropriation.
- 83.23 (pp) \$300,000 each year is for a grant to All  
83.24 Square. The grant must be used to support the  
83.25 operations of All Square's Fellowship and  
83.26 Prison to Law Pipeline programs which  
83.27 operate in Minneapolis, St. Paul, and  
83.28 surrounding correctional facilities to assist  
83.29 incarcerated and formerly incarcerated  
83.30 Minnesotans in overcoming employment  
83.31 barriers that prevent economic and emotional  
83.32 freedom. This is a onetime appropriation.
- 83.33 (qq) \$1,000,000 each year is for a grant to the  
83.34 Redemption Project to provide employment  
83.35 services to adults leaving incarceration,

84.1 including recruiting, educating, training, and  
84.2 retaining employment mentors and partners.

84.3 This is a onetime appropriation.

84.4 (rr) \$500,000 each year is for a grant to  
84.5 Greater Twin Cities United Way to make  
84.6 grants to partner organizations to provide  
84.7 workforce training using the career pathways  
84.8 model that helps students gain work  
84.9 experience, earn experience in high-demand  
84.10 fields, and transition into family-sustaining  
84.11 careers. This is a onetime appropriation.

84.12 (ss) \$3,000,000 each year is for a grant to  
84.13 Community Action Partnership of Hennepin  
84.14 County. This is a onetime appropriation. Of  
84.15 this amount:

84.16 (1) \$1,500,000 each year is for grants to 21  
84.17 Days of Peace for social equity building and  
84.18 community engagement activities; and

84.19 (2) \$1,500,000 each year is for grants to A  
84.20 Mother's Love for community outreach,  
84.21 empowerment training, and employment and  
84.22 career exploration services.

84.23 (tt) \$750,000 each year is for a grant to Mind  
84.24 the G.A.P.P. (Gaining Assistance to Prosperity  
84.25 Program) to improve the quality of life of  
84.26 unemployed and underemployed individuals  
84.27 by improving their employment outcomes and  
84.28 developing individual earnings potential. This  
84.29 is a onetime appropriation. Any unencumbered  
84.30 balance remaining at the end of the first year  
84.31 does not cancel but is available in the second  
84.32 year.

84.33 (uu) \$550,000 each year is for a grant to the  
84.34 International Institute of Minnesota. Grant

85.1 money must be used for workforce training  
85.2 for new Americans in industries in need of a  
85.3 trained workforce. This is a onetime  
85.4 appropriation.

85.5 (vv) \$400,000 each year from the workforce  
85.6 development fund is for a grant to Hired to  
85.7 expand their career pathway job training and  
85.8 placement program that connects lower-skilled  
85.9 job seekers to entry-level and gateway jobs in  
85.10 high-growth sectors. This is a onetime  
85.11 appropriation.

85.12 (ww) \$500,000 each year is for a grant to the  
85.13 American Indian Opportunities and  
85.14 Industrialization Center for workforce  
85.15 development programming, including reducing  
85.16 academic disparities for American Indian  
85.17 students and adults. This is a onetime  
85.18 appropriation.

85.19 (xx) \$500,000 each year from the workforce  
85.20 development fund is for a grant to the Hmong  
85.21 Chamber of Commerce to train ethnically  
85.22 Southeast Asian business owners and  
85.23 operators in better business practices. Of this  
85.24 amount, up to \$5,000 may be used for  
85.25 administrative costs. This is a onetime  
85.26 appropriation.

85.27 (yy) \$275,000 each year is for a grant to  
85.28 Southeast Minnesota Workforce Development  
85.29 Area 8 and Workforce Development, Inc., to  
85.30 provide career planning, career pathway  
85.31 training and education, wraparound support  
85.32 services, and job skills advancement in  
85.33 high-demand careers to individuals with  
85.34 barriers to employment in Steele County, and  
85.35 to help families build secure pathways out of

86.1 poverty and address worker shortages in the  
86.2 Owatonna and Steele County area, as well as  
86.3 supporting Employer Outreach Services that  
86.4 provide solutions to workforce challenges and  
86.5 direct connections to workforce programming.  
86.6 Money may be used for program expenses,  
86.7 including but not limited to hiring instructors  
86.8 and navigators; space rental; and supportive  
86.9 services to help participants attend classes,  
86.10 including assistance with course fees, child  
86.11 care, transportation, and safe and stable  
86.12 housing. Up to five percent of grant money  
86.13 may be used for Workforce Development,  
86.14 Inc.'s administrative costs. This is a onetime  
86.15 appropriation and is available until June 30,  
86.16 2027.

86.17 (zz) \$589,000 the first year and \$588,000 the  
86.18 second year are for grants to the Black  
86.19 Women's Wealth Alliance to provide  
86.20 low-income individuals with job skills  
86.21 training, career counseling, and job placement  
86.22 assistance. This is a onetime appropriation.

86.23 (aaa) \$250,000 each year is for a grant to  
86.24 Abijahs on the Backside to provide equine  
86.25 experiential mental health therapy to first  
86.26 responders suffering from job-related trauma  
86.27 and post-traumatic stress disorder. For  
86.28 purposes of this paragraph, a "first responder"  
86.29 is a peace officer as defined in Minnesota  
86.30 Statutes, section 626.84, subdivision 1,  
86.31 paragraph (c); a full-time firefighter as defined  
86.32 in Minnesota Statutes, section 299N.03,  
86.33 subdivision 5; or a volunteer firefighter as  
86.34 defined in Minnesota Statutes, section  
86.35 299N.03, subdivision 7.

87.1 Abijahs on the Backside must report to the  
87.2 commissioner of employment and economic  
87.3 development and the chairs and ranking  
87.4 minority members of the legislative  
87.5 committees with jurisdiction over employment  
87.6 and economic development policy and finance  
87.7 on the equine experiential mental health  
87.8 therapy provided to first responders under this  
87.9 paragraph. The report must include an  
87.10 overview of the program's budget, a detailed  
87.11 explanation of program expenditures, the  
87.12 number of first responders served by the  
87.13 program, and a list and explanation of the  
87.14 services provided to and benefits received by  
87.15 program participants. An initial report is due  
87.16 by January 15, 2024, and a final report is due  
87.17 by January 15, 2026. This is a onetime  
87.18 appropriation.

87.19 (bbb) \$500,000 each year is for a grant to  
87.20 Ramsey County to provide job training and  
87.21 workforce development for underserved  
87.22 communities. Grant money may be subgranted  
87.23 to Milestone Community Development for the  
87.24 Milestone Tech program. This is a onetime  
87.25 appropriation.

87.26 (ccc) \$500,000 each year is for a grant to  
87.27 Ramsey County for a technology training  
87.28 pathway program focused on intergenerational  
87.29 community tech work for residents who are  
87.30 at least 18 years old and no more than 24 years  
87.31 old and who live in a census tract that has a  
87.32 poverty rate of at least 20 percent as reported  
87.33 in the most recently completed decennial  
87.34 census published by the United States Bureau  
87.35 of the Census. Grant money may be used for

88.1 program administration, training, training  
88.2 stipends, wages, and support services. This is  
88.3 a onetime appropriation.

88.4 (ddd) \$200,000 each year is for a grant to  
88.5 Project Restore Minnesota for the Social  
88.6 Kitchen project, a pathway program for careers  
88.7 in the culinary arts. This is a onetime  
88.8 appropriation and is available until June 30,  
88.9 2027.

88.10 (eee) \$100,000 each year is for grants to the  
88.11 Minnesota Grocers Association Foundation  
88.12 for Carts to Careers, a statewide initiative to  
88.13 promote careers, conduct outreach, provide  
88.14 job skills training, and award scholarships for  
88.15 students pursuing careers in the food industry.  
88.16 This is a onetime appropriation.

88.17 (fff) \$1,200,000 each year is for a grant to  
88.18 Twin Cities R!SE. Of this amount, \$700,000  
88.19 each year is for performance grants under  
88.20 Minnesota Statutes, section 116J.8747, to  
88.21 Twin Cities R!SE to provide training to  
88.22 individuals facing barriers to employment;  
88.23 and \$500,000 each year is to increase the  
88.24 capacity of the Empowerment Institute through  
88.25 employer partnerships across Minnesota and  
88.26 expansion of the youth personal empowerment  
88.27 curriculum. This is a onetime appropriation  
88.28 and available until June 30, 2026.

88.29 (ggg) \$750,000 each year is for a grant to  
88.30 Bridges to Healthcare to provide career  
88.31 education, wraparound support services, and  
88.32 job skills training in high-demand health care  
88.33 fields to low-income parents, nonnative  
88.34 speakers of English, and other hard-to-train  
88.35 individuals, helping families build secure

89.1 pathways out of poverty while also addressing  
89.2 worker shortages in one of Minnesota's most  
89.3 innovative industries. Grants may be used for  
89.4 program expenses, including but not limited  
89.5 to hiring instructors and navigators; space  
89.6 rental; and supportive services to help  
89.7 participants attend classes, including assistance  
89.8 with course fees, child care, transportation,  
89.9 and safe and stable housing. In addition, up to  
89.10 five percent of grant money may be used for  
89.11 Bridges to Healthcare's administrative costs.  
89.12 This is a onetime appropriation.

89.13 (hhh) \$500,000 each year is for a grant to Big  
89.14 Brothers Big Sisters of the Greater Twin Cities  
89.15 to provide disadvantaged youth ages 12 to 21  
89.16 with job-seeking skills, connections to job  
89.17 training and education opportunities, and  
89.18 mentorship while exploring careers. The grant  
89.19 shall serve youth in the Big Brothers Big  
89.20 Sisters chapters in the Twin Cities, central  
89.21 Minnesota, and southern Minnesota. This is a  
89.22 onetime appropriation.

89.23 (iii) \$3,000,000 each year is for a grant to  
89.24 Youthprise to provide economic development  
89.25 services designed to enhance long-term  
89.26 economic self-sufficiency in communities with  
89.27 concentrated African populations statewide.  
89.28 Of these amounts, 50 percent is for subgrants  
89.29 to Ka Joog and 50 percent is for competitive  
89.30 subgrants to community organizations. This  
89.31 is a onetime appropriation.

89.32 (jjj) \$350,000 each year is for a grant to the  
89.33 YWCA Minneapolis to provide training to  
89.34 eligible individuals, including job skills  
89.35 training, career counseling, and job placement

90.1 assistance necessary to secure a child  
90.2 development associate credential and to have  
90.3 a career path in early education. This is a  
90.4 onetime appropriation.

90.5 (kkk) \$500,000 each year is for a grant to  
90.6 Emerge Community Development to support  
90.7 and reinforce critical workforce training at the  
90.8 Emerge Career and Technical Center, Cedar  
90.9 Riverside Opportunity Center, and Emerge  
90.10 Second Chance programs in the city of  
90.11 Minneapolis. This is a onetime appropriation.

90.12 (lll) \$425,000 each year is for a grant to Better  
90.13 Futures Minnesota to provide job skills  
90.14 training to individuals who have been released  
90.15 from incarceration for a felony-level offense  
90.16 and are no more than 12 months from the date  
90.17 of release. This is a onetime appropriation.

90.18 Better Futures Minnesota shall annually report  
90.19 to the commissioner on how the money was  
90.20 spent and what results were achieved. The  
90.21 report must include, at a minimum,  
90.22 information and data about the number of  
90.23 participants; participant homelessness,  
90.24 employment, recidivism, and child support  
90.25 compliance; and job skills training provided  
90.26 to program participants.

90.27 (mmm) \$500,000 each year is for a grant to  
90.28 Pillsbury United Communities to provide job  
90.29 training and workforce development services  
90.30 for underserved communities. This is a  
90.31 onetime appropriation.

90.32 (nnn) \$500,000 each year is for a grant to  
90.33 Project for Pride in Living for job training and  
90.34 workforce development services for

- 91.1 underserved communities. This is a onetime  
91.2 appropriation.
- 91.3 (ooo) \$300,000 each year is for a grant to  
91.4 YMCA of the North to provide career  
91.5 exploration, job training, and workforce  
91.6 development services for underserved youth  
91.7 and young adults. This is a onetime  
91.8 appropriation.
- 91.9 (ppp) \$500,000 each year is for a grant to Al  
91.10 Maa'uun, formerly the North at Work program,  
91.11 for a strategic intervention program designed  
91.12 to target and connect program participants to  
91.13 meaningful, sustainable living wage  
91.14 employment. This is a onetime appropriation.
- 91.15 (qqq) \$500,000 each year is for a grant to  
91.16 CAIRO to provide workforce development  
91.17 services in health care, technology, and  
91.18 transportation (CDL) industries. This is a  
91.19 onetime appropriation.
- 91.20 (rrr) \$500,000 each year is for a grant to the  
91.21 Central Minnesota Community Empowerment  
91.22 Organization for providing services to relieve  
91.23 economic disparities in the African immigrant  
91.24 community through workforce recruitment,  
91.25 development, job creation, assistance of  
91.26 smaller organizations to increase capacity, and  
91.27 outreach. Of this amount, up to five percent  
91.28 is for administration and monitoring of the  
91.29 program. This is a onetime appropriation.
- 91.30 (sss) \$270,000 each year is for a grant to the  
91.31 Stairstep Foundation for community-based  
91.32 workforce development efforts. This is a  
91.33 onetime appropriation.

92.1 (ttt) \$400,000 each year is for a grant to  
92.2 Building Strong Communities, Inc, for a  
92.3 statewide apprenticeship readiness program  
92.4 to prepare women, BIPOC community  
92.5 members, and veterans to enter the building  
92.6 and construction trades. This is a onetime  
92.7 appropriation.

92.8 (uuu) \$150,000 each year is for prevailing  
92.9 wage staff under Minnesota Statutes, section  
92.10 116J.871, subdivision 2.

92.11 (vvv) \$250,000 each year is for the purpose  
92.12 of awarding a grant to Minnesota Community  
92.13 of African People with Disabilities  
92.14 (MNCAPD), Roots Connect, and Fortune  
92.15 Relief and Youth Empowerment Organization  
92.16 (FRAYEO). This is a onetime appropriation.  
92.17 MNCAPD, Roots Connect, and FRAYEO  
92.18 must use grant proceeds to provide funding  
92.19 for workforce development activities for  
92.20 at-risk youth from low-income families and  
92.21 unengaged young adults experiencing  
92.22 disabilities, including:

92.23 (1) job readiness training for at-risk youth,  
92.24 including resume building, interview skills,  
92.25 and job search strategies;

92.26 (2) on-the-job training opportunities with local  
92.27 businesses;

92.28 (3) support services such as transportation  
92.29 assistance and child care to help youth attend  
92.30 job training programs; and

92.31 (4) mentorship and networking opportunities  
92.32 to connect youth with professionals in the  
92.33 youth's desired fields.

93.1 (www)(1) \$250,000 each year is for a grant  
93.2 to Greater Rochester Advocates for  
93.3 Universities and Colleges (GRAUC), a  
93.4 collaborative organization representing health  
93.5 care, business, workforce development, and  
93.6 higher education institutions, for expenses  
93.7 relating to starting up a state-of-the-art  
93.8 simulation center for training health care  
93.9 workers in southeast Minnesota. Once  
93.10 established, this center must be self-sustaining  
93.11 through user fees. Eligible expenses include  
93.12 leasing costs, developing and providing  
93.13 training, and operational costs. This is a  
93.14 onetime appropriation.

93.15 (2) By January 15, 2025, GRAUC must submit  
93.16 a report, including an independent financial  
93.17 audit of the use of grant money, to the chairs  
93.18 and ranking minority members of the  
93.19 legislative committees having jurisdiction over  
93.20 higher education and economic development.  
93.21 This report must include details on the training  
93.22 provided at the simulation center, including  
93.23 the names of all organizations that use the  
93.24 center for training, the number of individuals  
93.25 each organization trained, and the type of  
93.26 training provided.

93.27 (xxx)(1) \$350,000 each year is for a grant to  
93.28 the Minnesota Association of Black Lawyers  
93.29 for a pilot program supporting black  
93.30 undergraduate students pursuing admission to  
93.31 law school. This is a onetime appropriation.

93.32 (2) The program must:

93.33 (i) enroll an initial cohort of ten to 20 black  
93.34 Minnesota resident students attending a

- 94.1 baccalaureate degree-granting postsecondary  
94.2 institution in Minnesota full time;
- 94.3 (ii) support each of the program's students with  
94.4 an academic scholarship in the amount of  
94.5 \$4,000 per academic year;
- 94.6 (iii) organize events and programming,  
94.7 including but not limited to one-on-one  
94.8 mentoring, to familiarize enrolled students  
94.9 with law school and legal careers; and
- 94.10 (iv) provide the program's students free test  
94.11 preparation materials, academic support, and  
94.12 registration for the Law School Admission  
94.13 Test (LSAT) examination.
- 94.14 (3) The Minnesota Association of Black  
94.15 Lawyers may use grant funds under clause (1)  
94.16 for costs related to:
- 94.17 (i) student scholarships;
- 94.18 (ii) academic events and programming,  
94.19 including food and transportation costs for  
94.20 students;
- 94.21 (iii) LSAT preparation materials, courses, and  
94.22 registrations; and
- 94.23 (iv) hiring staff for the program.
- 94.24 (4) By January 30, 2024, and again by January  
94.25 30, 2025, the Minnesota Association of Black  
94.26 Lawyers must submit a report to the  
94.27 commissioner and to the chairs and ranking  
94.28 minority members of legislative committees  
94.29 with jurisdiction over workforce development  
94.30 finance and policy and higher education  
94.31 finance and policy. The report must include  
94.32 an accurate and detailed account of the pilot  
94.33 program, its outcomes, and its revenues and

95.1 expenses, including the use of all state funds  
 95.2 appropriated in clause (1).  
 95.3 (yyy) \$2,000,000 the first year is for a grant  
 95.4 to the Power of People Leadership Institute  
 95.5 (POPLI) to expand pre- and post-release  
 95.6 personal development and leadership training  
 95.7 and community reintegration services, to  
 95.8 reduce recidivism, and increase access to  
 95.9 employment. This is a onetime appropriation  
 95.10 and is available until June 30, 2025.

95.11 (zzz) \$500,000 the first year is to the  
 95.12 Legislative Coordinating Commission for the  
 95.13 Working Group on Youth Interventions. This  
 95.14 is a onetime appropriation.

95.15 Sec. 9. Laws 2023, chapter 53, article 21, section 6, is amended to read:

95.16 Sec. 6. **TRANSFERS.**

95.17 (a) In the biennium ending on June 30, 2025, the commissioner of management and  
 95.18 budget must transfer \$400,000,000 from the general fund to the Minnesota forward fund  
 95.19 account established in Minnesota Statutes, section 116J.8752, subdivision 2. The base for  
 95.20 this transfer is \$0.

95.21 (b) In the biennium ending on June 30, 2025, the commissioner of management and  
 95.22 budget shall transfer \$25,000,000 from the general fund to the Minnesota climate innovation  
 95.23 authority account established in Minnesota Statutes, section 216C.441, subdivision 11. The  
 95.24 base for this transfer is \$0.

95.25 (c) In the biennium ending on June 30, 2025, the commissioner of management and  
 95.26 budget must transfer \$75,000,000 from the general fund to the state competitiveness fund  
 95.27 account established in Minnesota Statutes, section 216C.391, subdivision 2. Notwithstanding  
 95.28 Minnesota Statutes, section 216C.391, subdivision 2, the commissioner of commerce must  
 95.29 use this transfer for grants to eligible entities for projects receiving federal loans or tax  
 95.30 credits where the benefits are in disadvantaged communities. The base for this transfer is  
 95.31 \$0. Up to three percent of money transferred under this paragraph is for administrative costs.

96.1 (d) ~~In the biennium ending on June 30, 2027,~~ The commissioners of management and  
 96.2 budget, in consultation with the commissioners of employment and economic development  
 96.3 and commerce, may transfer money between the Minnesota forward fund account, the  
 96.4 Minnesota climate innovation authority account, and the state competitiveness fund account.  
 96.5 The commissioner of management and budget must notify the Legislative Advisory  
 96.6 Commission within 15 days of making transfers under this paragraph.

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

96.8 Sec. 10. **CHANGE STARTS WITH COMMUNITY VIOLENCE PREVENTION**  
 96.9 **PROGRAM.**

96.10 Subdivision 1. Objectives. Change Starts With Community must:

96.11 (1) develop and implement year-round job training programs for at-risk youth and adults  
 96.12 and provide trusted adult mentorship for at-risk BIPOC youth, providing them with the  
 96.13 skills needed for gainful employment and career opportunities; and

96.14 (2) create on-site job opportunities at Shiloh Cares Food Shelf, promoting community  
 96.15 engagement and economic development.

96.16 Subd. 2. Partnerships. (a) Change Starts With Community shall partner with the Cargill  
 96.17 Foundation to support at-risk youth educational career field trips and mental health check-ins,  
 96.18 exposing participants to multiple career paths and preventing further trauma through mental  
 96.19 health check-ins for youth.

96.20 (b) Change Starts With Community shall partner with Hennepin County juvenile  
 96.21 corrections and the Minneapolis Police Department to receive referrals for at-risk youth  
 96.22 who would benefit from enrollment in the program to prevent risky behaviors and community  
 96.23 violence.

96.24 Subd. 3. At-risk youth and adult job program positions. Change Starts With  
 96.25 Community must use grant proceeds to add positions to the program's complement, including  
 96.26 but not limited to youth mentorships, food service workers, an executive director, a director,  
 96.27 and a program director.

96.28 Subd. 4. Report. Change Starts With Community shall report to the commissioner of  
 96.29 employment and economic development, outlining the utilization of grant money, program  
 96.30 outcomes, and the impact on the targeted population. The report shall be submitted no later  
 96.31 than six months after the end of fiscal year 2025.

97.1 Sec. 11. CENTER FOR NURSING EQUITY AND EXCELLENCE.

97.2 Subdivision 1. Establishment. The Center for Nursing Equity and Excellence is  
97.3 established within the University of Minnesota, in collaboration with Minnesota State  
97.4 Colleges and Universities, to address nursing workforce needs, including issues of health  
97.5 equity, recruitment, retention, and utilization of nursing workforce resources that are within  
97.6 the current scope of the practice of nurses.

97.7 Subd. 2. Duties. The center shall:

97.8 (1) develop a strategic statewide plan for nursing workforce supply based on a detailed  
97.9 analysis of workforce needs by conducting a statistically valid biennial data-driven gap  
97.10 analysis of the supply and demand of the health care workforce. The center shall:

97.11 (i) establish and maintain a database on nursing supply and demand in the state, including  
97.12 current supply and demand; and

97.13 (ii) analyze the current and future supply and demand in the state;

97.14 (2) establish and maintain a database on nursing workforce needs, including current data  
97.15 and future projections;

97.16 (3) develop recommendations to increase nurse faculty and clinical preceptors, support  
97.17 nurse faculty development, and promote advanced nurse education;

97.18 (4) develop best practices in the academic preparation and continuing education needs  
97.19 of qualified nurse educators, nurse faculty, and clinical preceptors;

97.20 (5) collect data on nurse faculty, employment, distribution, and retention;

97.21 (6) pilot innovative projects to support the recruitment, development, and retention of  
97.22 qualified nurse faculty and clinical preceptors;

97.23 (7) encourage and coordinate the development of academic practice partnerships,  
97.24 including partnerships with hospitals that provide opportunities for nursing students to  
97.25 obtain clinical experience to support nurse faculty employment and advancement;

97.26 (8) develop distance learning infrastructure for advancing faculty competencies in the  
97.27 pedagogy of teaching and the evidence-based use of technology, simulation, and distance  
97.28 learning techniques;

97.29 (9) enhance and promote recognition, reward, and renewal activities for nurses in the  
97.30 state by:

98.1 (i) promoting nursing excellence programs such as magnet recognition by the American  
 98.2 Nurses Credentialing Center;

98.3 (ii) proposing and creating additional reward, recognition, and renewal activities for  
 98.4 nurses; and

98.5 (iii) promoting media and positive image-building efforts for nursing; and

98.6 (10) routinely convene various groups representative of nurses, health care professionals,  
 98.7 business and industry consumers, lawmakers, and educators to:

98.8 (i) review and comment on data analysis prepared for the center;

98.9 (ii) recommend systemic changes, including strategies for implementation of  
 98.10 recommended changes; and

98.11 (iii) evaluate and report the results of these efforts to the legislature and other entities.

98.12 Subd. 3. **Report.** Beginning in 2025, by no later than January 15 of each year, the center  
 98.13 shall submit a report to the governor and the chairs and ranking minority members of the  
 98.14 legislative committees having jurisdiction over higher education, health care, and workforce  
 98.15 development, providing details of the center's activities during the preceding calendar year  
 98.16 in pursuit of its goals and in the execution of its duties.

98.17 Sec. 12. **SHAKOPEE AREA WORKFORCE DEVELOPMENT SCHOLARSHIPS**  
 98.18 **PILOT.**

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

98.21 (b) "Employer-sponsored applicant" means a student applicant with a local employer  
 98.22 scholarship equal to or greater than 25 percent of the workforce development scholarship.

98.23 (c) "Local employer" means an employer with a physical location in a county within the  
 98.24 service area of the foundation as listed in paragraph (d).

98.25 (d) "Shakopee Chamber Foundation" or "foundation" means a nonprofit organization  
 98.26 which provides workforce and charitable services to Scott County as well as the Shakopee  
 98.27 Mdewakanton Sioux Community.

98.28 Subd. 2. **Grants and administration.** (a) The commissioner of employment and  
 98.29 economic development must award appropriated grant funds to the foundation to administer  
 98.30 the Shakopee area workforce development scholarship pilot program. The foundation may  
 98.31 use up to ten percent of grant funds for administrative costs.

99.1 (b) The foundation and participating college or university from the Minnesota State  
99.2 Colleges and Universities system must establish an application process and other guidelines  
99.3 for implementing this program.

99.4 Subd. 3. **Scholarship recipient requirements.** (a) To be eligible for a scholarship from  
99.5 the foundation, a student must:

99.6 (1) be enrolling or enrolled at least half-time in a program at a college or university from  
99.7 the Minnesota State Colleges and Universities system approved by the Dakota-Scott  
99.8 Workforce Development Board under subdivision 4; and

99.9 (2) complete the Free Application for Federal Student Aid (FAFSA), if applicable to  
99.10 the program for which they are enrolling or enrolled.

99.11 (b) A recipient of a scholarship awarded under this section must:

99.12 (1) adhere to any applicable participating local employer program requirements; and

99.13 (2) sign a contract agreeing to fulfill the employment obligation under paragraph (c).

99.14 (c) A scholarship recipient must fulfill a three-year full-time employment commitment  
99.15 within the service area of the foundation as listed in subdivision 1, paragraph (d). The  
99.16 employment may be with the local employer sponsoring the student or any qualified local  
99.17 employer in a high-demand occupation as defined by the Dakota-Scott Workforce  
99.18 Development Board. If a recipient of a scholarship fails to fulfill the requirements of this  
99.19 paragraph, the foundation may convert the scholarship to a loan. Amounts repaid from a  
99.20 loan must be used to fund scholarship awards under this section.

99.21 Subd. 4. **Program eligibility.** (a) The Dakota-Scott Workforce Development Board  
99.22 must annually identify eligible undergraduate degree, diploma, or certificate or  
99.23 industry-recognized credential programs in advanced manufacturing, health care, law  
99.24 enforcement, hospitality, or other high-demand occupations. The Dakota-Scott Workforce  
99.25 Development Board must consider data based on a workforce shortage for full-time  
99.26 employment requiring postsecondary education that is unique to the region, as reported in  
99.27 the most recent Department of Employment and Economic Development job vacancy survey  
99.28 data for the economic development region. A workforce shortage area is one in which the  
99.29 job vacancy rate for full-time employment in a specific occupation in the region is higher  
99.30 than the state average vacancy rate for that same occupation.

99.31 (b) By December 1, 2024, and annually through December 1, 2029, the Dakota-Scott  
99.32 Workforce Development Board must provide a list of eligible programs administered by

100.1 each Minnesota state college and university that are eligible for scholarships in the subsequent  
100.2 year.

100.3 Subd. 5. **Employer partnerships.** The foundation and Minnesota State Colleges and  
100.4 Universities must establish partnerships with qualified local employers to ensure that 25  
100.5 percent of the Shakopee area workforce development scholarship is matched with employer  
100.6 or foundation funds.

100.7 Subd. 6. **Scholarship awards.** (a) The foundation must coordinate available funds and  
100.8 award scholarships to Minnesota state colleges and universities with programs approved  
100.9 by the Dakota-Scott Workforce Development Board. Scholarships must be coordinated by  
100.10 the individual colleges approved by the Dakota-Scott Workforce Development Board and  
100.11 applied only after all other available tuition waivers and grant and scholarship funding  
100.12 through a last-dollar-in model. Scholarships are intended to supplement all other tuition  
100.13 waivers and grant and scholarship opportunities and to cover the full cost of attendance to  
100.14 the eligible students.

100.15 (b) If the appropriated grant is insufficient to award scholarships to all eligible applicants,  
100.16 priority must first be given to applicants that are program continuing applicants. Priority  
100.17 must then be given to employer-sponsored applicants.

100.18 Subd. 7. **Renewal; cap.** A student who has been awarded a scholarship may apply in  
100.19 subsequent academic years until the student completes a qualifying program. A student who  
100.20 successfully completes an eligible program and the subsequent work period requirement is  
100.21 eligible for a scholarship for a second program, but total lifetime awards must not exceed  
100.22 scholarships for two programs.

100.23 Subd. 8. **Report required.** The foundation must submit an annual report by December  
100.24 31 of each year regarding the scholarship program to the chairs and ranking minority  
100.25 members of the legislative committees with jurisdiction over employment and economic  
100.26 development policy. The first report is due no later than December 31, 2025. The annual  
100.27 report must describe the following:

100.28 (1) the number of students receiving a scholarship at each participating college during  
100.29 the previous calendar year;

100.30 (2) the number of scholarships awarded for each program and the type of each program  
100.31 during the previous calendar year;

100.32 (3) the number of scholarship recipients who completed a program of study or  
100.33 certification;

101.1 (4) the number of scholarship recipients who secured employment by their graduation  
 101.2 date and those who secured employment within three months of their graduation date;

101.3 (5) a list of the colleges that received funding, the amount of funding each institution  
 101.4 received, and whether all withheld funds were distributed;

101.5 (6) a list of occupations scholarship recipients are entering;

101.6 (7) the number of students who were denied a scholarship;

101.7 (8) a list of participating local employers and amounts of any applicable employer  
 101.8 contributions; and

101.9 (9) a list of recommendations to the legislature regarding potential program improvements.

101.10 **Sec. 13. REVISOR INSTRUCTION.**

101.11 The revisor of statutes shall codify Laws 2023, chapter 53, article 21, section 6, paragraph  
 101.12 (d), as Minnesota Statutes, section 116J.8752, subdivision 4a. The revisor may make any  
 101.13 technical, grammatical, or cross-reference changes necessary to effectuate this recodification.

101.14 **Sec. 14. REPEALER.**

101.15 Minnesota Statutes 2022, section 116L.17, subdivision 5, is repealed."

101.16 Delete the title and insert:

101.17 "A bill for an act

101.18 relating to economic development; making supplemental appropriations for  
 101.19 economic development and workforce development; establishing Explore  
 101.20 Minnesota Film; making various policy changes relating to economic development  
 101.21 and workforce development; appropriating money; amending Minnesota Statutes  
 101.22 2022, sections 116J.435, subdivisions 3, 4; 116J.5492, subdivision 2; 116J.8748,  
 101.23 subdivision 1; 116M.18; 116U.26; 116U.27, subdivision 5; 268.035, subdivision  
 101.24 20; 446A.072, subdivision 5a; 446A.073, subdivision 1; Minnesota Statutes 2023  
 101.25 Supplement, sections 116J.682, subdivisions 1, 3; 116J.8733; 116J.8748,  
 101.26 subdivisions 3, 4, 6; 116J.8751, by adding a subdivision; 116L.17, subdivision 1;  
 101.27 116L.43, subdivision 1; 116U.27, subdivisions 1, 4; Laws 2023, chapter 53, article  
 101.28 15, sections 32, subdivision 6; 33, subdivisions 4, 5; article 20, sections 2,  
 101.29 subdivisions 1, 2, 3, 4, 6; 3; article 21, section 6; proposing coding for new law in  
 101.30 Minnesota Statutes, chapter 116U; repealing Minnesota Statutes 2022, sections  
 101.31 116J.435, subdivision 5; 116L.17, subdivision 5."