



2.1	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
2.2	<u>Workforce</u>		
2.3	<u>Development</u>	<u>23,937,000</u>	<u>23,237,000</u>

2.4 The amounts that may be spent for each  
 2.5 purpose are specified in the following  
 2.6 subdivisions.

2.7	<b><u>Subd. 2. Business and Community Development</u></b>	<u>705,290,000</u>	<u>136,488,000</u>
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2.8	<u>Appropriations by Fund</u>		
2.9	<u>General</u>	<u>703,240,000</u>	<u>134,438,000</u>
2.10	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
2.11	<u>Workforce</u>		
2.12	<u>Development</u>	<u>1,350,000</u>	<u>1,350,000</u>

2.13 (a) \$1,787,000 each year is for the greater  
 2.14 Minnesota business development public  
 2.15 infrastructure grant program under Minnesota  
 2.16 Statutes, section 116J.431. This appropriation  
 2.17 is available until June 30, 2027.

2.18 (b) \$6,425,000 each year is for the small  
 2.19 business partnership program under Minnesota  
 2.20 Statutes, section 116J.8746. In fiscal year 2026  
 2.21 and beyond, the base amount is \$4,679,000.

2.22 (c) \$1,772,000 each year is for contaminated  
 2.23 site cleanup and development grants under  
 2.24 Minnesota Statutes, sections 116J.551 to  
 2.25 116J.558. This appropriation is available until  
 2.26 expended.

2.27 (d) \$700,000 each year is from the remediation  
 2.28 fund for contaminated site cleanup and  
 2.29 development grants under Minnesota Statutes,  
 2.30 sections 116J.551 to 116J.558. This  
 2.31 appropriation is available until expended.

2.32 (e) \$389,000 each year is for the Center for  
 2.33 Rural Policy and Development. In fiscal year

3.1 2026 and beyond, the base amount is  
3.2 \$139,000.

3.3 (f) \$25,000 each year is for the administration  
3.4 of state aid for the Destination Medical Center  
3.5 under Minnesota Statutes, sections 469.40 to  
3.6 469.47.

3.7 (g) \$875,000 each year is for the host  
3.8 community economic development program  
3.9 established in Minnesota Statutes, section  
3.10 116J.548.

3.11 (h)(1) \$6,500,000 each year is for grants to  
3.12 local communities to increase the number of  
3.13 quality child care providers to support  
3.14 economic development. This appropriation is  
3.15 available through June 30, 2025. Beginning  
3.16 in fiscal year 2026, the base amount is  
3.17 \$1,500,000. Fifty percent of grant funds must  
3.18 go to communities located outside the  
3.19 seven-county metropolitan area as defined in  
3.20 Minnesota Statutes, section 473.121,  
3.21 subdivision 2.

3.22 (2) Grant recipients must obtain a 50 percent  
3.23 nonstate match to grant funds in either cash  
3.24 or in-kind contribution, unless the  
3.25 commissioner waives the requirement. Grant  
3.26 funds available under this subdivision must  
3.27 be used to implement projects to reduce the  
3.28 child care shortage in the state, including but  
3.29 not limited to funding for child care business  
3.30 start-ups or expansion, training, facility  
3.31 modifications, direct subsidies or incentives  
3.32 to retain employees, or improvements required  
3.33 for licensing and assistance with licensing and  
3.34 other regulatory requirements. In awarding  
3.35 grants, the commissioner must give priority

4.1 to communities that have demonstrated a  
4.2 shortage of child care providers.

4.3 (3) Within one year of receiving grant funds,  
4.4 grant recipients must report to the  
4.5 commissioner on the outcomes of the grant  
4.6 program, including but not limited to the  
4.7 number of new providers, the number of  
4.8 additional child care provider jobs created, the  
4.9 number of additional child care slots, and the  
4.10 amount of cash and in-kind local funds  
4.11 invested. Within one month of all grant  
4.12 recipients reporting on program outcomes, the  
4.13 commissioner must report the grant recipients'  
4.14 outcomes to the chairs and ranking minority  
4.15 members of the legislative committees with  
4.16 jurisdiction over early learning, child care, and  
4.17 economic development.

4.18 (i) \$3,500,000 each year is for a grant to the  
4.19 Minnesota Initiative Foundations. This  
4.20 appropriation is available until June 30, 2027.  
4.21 Beginning in fiscal year 2026, the base amount  
4.22 is \$1,000,000. The Minnesota Initiative  
4.23 Foundations must use grant funds under this  
4.24 section to:

4.25 (1) facilitate planning processes for rural  
4.26 communities resulting in a community solution  
4.27 action plan that guides decision making to  
4.28 sustain and increase the supply of quality child  
4.29 care in the region to support economic  
4.30 development;

4.31 (2) engage the private sector to invest local  
4.32 resources to support the community solution  
4.33 action plan and ensure quality child care is a  
4.34 vital component of additional regional  
4.35 economic development planning processes;

5.1 (3) provide locally based training and technical  
5.2 assistance to rural child care business owners  
5.3 individually or through a learning cohort.  
5.4 Access to financial and business development  
5.5 assistance must prepare child care businesses  
5.6 for quality engagement and improvement by  
5.7 stabilizing operations, leveraging funding from  
5.8 other sources, and fostering business acumen  
5.9 that allows child care businesses to plan for  
5.10 and afford the cost of providing quality child  
5.11 care; and

5.12 (4) recruit child care programs to participate  
5.13 in quality rating and improvement  
5.14 measurement programs. The Minnesota  
5.15 Initiative Foundations must work with local  
5.16 partners to provide low-cost training,  
5.17 professional development opportunities, and  
5.18 continuing education curricula. The Minnesota  
5.19 Initiative Foundations must fund, through local  
5.20 partners, an enhanced level of coaching to  
5.21 rural child care providers to obtain a quality  
5.22 rating through measurement programs.

5.23 (j) \$8,000,000 each year is for the Minnesota  
5.24 job creation fund under Minnesota Statutes,  
5.25 section 116J.8748. Of this amount, the  
5.26 commissioner of employment and economic  
5.27 development may use up to three percent for  
5.28 administrative expenses. This appropriation  
5.29 is available until expended.

5.30 (k) \$12,370,000 each year is for the Minnesota  
5.31 investment fund under Minnesota Statutes,  
5.32 section 116J.8731. Of this amount, the  
5.33 commissioner of employment and economic  
5.34 development may use up to three percent for  
5.35 administration and monitoring of the program.

6.1 This appropriation is available until expended.  
6.2 Notwithstanding Minnesota Statutes, section  
6.3 116J.8731, money appropriated to the  
6.4 commissioner for the Minnesota investment  
6.5 fund may be used for the redevelopment  
6.6 program under Minnesota Statutes, sections  
6.7 116J.575 and 116J.5761, at the discretion of  
6.8 the commissioner. Grants under this paragraph  
6.9 are not subject to the grant amount limitation  
6.10 under Minnesota Statutes, section 116J.8731.

6.11 (l) \$2,246,000 each year is for the  
6.12 redevelopment program under Minnesota  
6.13 Statutes, sections 116J.575 and 116J.5761.

6.14 (m) \$1,000,000 each year is for the Minnesota  
6.15 emerging entrepreneur loan program under  
6.16 Minnesota Statutes, section 116M.18. Funds  
6.17 available under this paragraph are for transfer  
6.18 into the emerging entrepreneur program  
6.19 special revenue fund account created under  
6.20 Minnesota Statutes, chapter 116M, and are  
6.21 available until expended. Of this amount, up  
6.22 to four percent is for administration and  
6.23 monitoring of the program.

6.24 (n) \$325,000 each year is for the Minnesota  
6.25 Film and TV Board. The appropriation each  
6.26 year is available only upon receipt by the  
6.27 board of \$1 in matching contributions of  
6.28 money or in-kind contributions from nonstate  
6.29 sources for every \$3 provided by this  
6.30 appropriation, except that each year up to  
6.31 \$50,000 is available on July 1 even if the  
6.32 required matching contribution has not been  
6.33 received by that date.

6.34 (o) \$12,000 each year is for a grant to the  
6.35 Upper Minnesota Film Office.

7.1 (p) \$500,000 each year is for a grant to the  
7.2 Minnesota Film and TV Board for the film  
7.3 production jobs program under Minnesota  
7.4 Statutes, section 116U.26. This appropriation  
7.5 is available until June 30, 2027.

7.6 (q) \$4,195,000 each year is for the Minnesota  
7.7 job skills partnership program under  
7.8 Minnesota Statutes, sections 116L.01 to  
7.9 116L.17. If the appropriation for either year  
7.10 is insufficient, the appropriation for the other  
7.11 year is available. This appropriation is  
7.12 available until expended.

7.13 (r) \$1,350,000 each year from the workforce  
7.14 development fund is for jobs training grants  
7.15 under Minnesota Statutes, section 116L.41.

7.16 (s) \$2,500,000 each year is for Launch  
7.17 Minnesota. This appropriation is available  
7.18 until June 30, 2027. The base in fiscal year  
7.19 2026 is \$0. Of this amount:

7.20 (1) \$1,500,000 each year is for innovation  
7.21 grants to eligible Minnesota entrepreneurs or  
7.22 start-up businesses to assist with their  
7.23 operating needs;

7.24 (2) \$500,000 each year is for administration  
7.25 of Launch Minnesota; and

7.26 (3) \$500,000 each year is for grantee activities  
7.27 at Launch Minnesota.

7.28 (t) \$250,000 each year is for the publication,  
7.29 dissemination, and use of labor market  
7.30 information under Minnesota Statutes, section  
7.31 116J.401.

7.32 (u) \$500,000 each year is for the airport  
7.33 infrastructure renewal (AIR) grant program

8.1 under Minnesota Statutes, section 116J.439.  
8.2 In awarding grants with this appropriation, the  
8.3 commissioner must prioritize eligible  
8.4 applicants that did not receive a grant pursuant  
8.5 to the appropriation in Laws 2019, First  
8.6 Special Session chapter 7, article 1, section 2,  
8.7 subdivision 2, paragraph (q).  
8.8 (v) \$350,000 each year is for administration  
8.9 of the community energy transition office.  
8.10 (w) \$5,000,000 each year is for the community  
8.11 energy transition grant program under  
8.12 Minnesota Statutes, section 116J.55. This is  
8.13 a onetime appropriation and is available until  
8.14 expended.  
8.15 (x) \$500,000,000 in the first year is for  
8.16 providing businesses with matching funds  
8.17 required by federal programs. This  
8.18 appropriation is available until spent. Of this  
8.19 amount:  
8.20 (1) \$100,000,000 is to match no less than  
8.21 \$100,000,000 in federal funds provided by  
8.22 Public Law 117-328 to establish a campus for  
8.23 biomanufacturing pilot-scale testing and  
8.24 commercialization, including site acquisition  
8.25 and development;  
8.26 (2) \$100,000,000 is to match no less than  
8.27 \$100,000,000 in federal funds provided by  
8.28 Public Law 117-328 for economic  
8.29 development projects that expand Minnesota's  
8.30 economy and job creation; and  
8.31 (3) \$300,000,000 is to match no less than  
8.32 \$300,000,000 in federal funds provided by  
8.33 Public Law 117-167 for microelectronic



9.1 manufacturing facilities and workforce  
9.2 development.

9.3 (y) \$1,250,000 each year is to hire, train, and  
9.4 deploy small business navigators in  
9.5 communities and locations throughout the state  
9.6 to assist small businesses and entrepreneurs,  
9.7 especially historically underserved small  
9.8 businesses and entrepreneurs, in accessing  
9.9 state, federal, local, and private small business  
9.10 assistance programs. Of this amount, \$500,000  
9.11 must be used to improve the agency's digital  
9.12 navigation and information services for small  
9.13 businesses and entrepreneurs. In fiscal year  
9.14 2026 and beyond, the base amount is  
9.15 \$1,000,000.

9.16 (z) \$500,000 each year is for the Office of  
9.17 Child Care Community Partnerships. Of this  
9.18 amount:

9.19 (1) \$450,000 each year is for administration  
9.20 of the Office of Child Care Community  
9.21 Partnerships; and

9.22 (2) \$50,000 each year is for the Labor Market  
9.23 Information Office to conduct research and  
9.24 analysis related to the child care industry.

9.25 (aa) \$5,000,000 in the first year is for a grant  
9.26 to the Bloomington Port Authority to provide  
9.27 funding for the Expo 2027 host organization.  
9.28 The Bloomington Port Authority must enter  
9.29 into an agreement with the host organization  
9.30 over the use of funds, which may be used for  
9.31 activities, including but not limited to  
9.32 finalizing the community dossier and staffing  
9.33 the host organization as well as infrastructure  
9.34 design and planning, financial modeling,

10.1 development planning and coordination of  
10.2 both real estate and public private partnerships,  
10.3 and reimbursement of the Bloomington Port  
10.4 Authority for costs incurred. In selecting  
10.5 vendors and exhibitors for Expo 2027, the host  
10.6 organization shall prioritize outreach to,  
10.7 collaboration with, and inclusion of businesses  
10.8 that are majority owned by people of color,  
10.9 women, and people with disabilities. The host  
10.10 organization and the Bloomington Port  
10.11 Authority may be reimbursed for expenses 90  
10.12 days prior to encumbrance. This appropriation  
10.13 is contingent on approval of the project by the  
10.14 Bureau International des Expositions.

10.15 (bb) \$500,000 each year is for grants to small  
10.16 business development centers under Minnesota  
10.17 Statutes, section 116J.68. Money made  
10.18 available under this paragraph may be used to  
10.19 match funds under the federal Small Business  
10.20 Development Center (SBDC) program under  
10.21 United States Code, title 15, section 648, to  
10.22 provide consulting and technical services or  
10.23 to build additional SBDC network capacity to  
10.24 serve entrepreneurs and small businesses.

10.25 (cc) \$1,500,000 each year is for deposit in the  
10.26 community wealth-building account in the  
10.27 special revenue fund. Of this amount, up to  
10.28 five percent is for administration and  
10.29 monitoring of the community wealth-building  
10.30 grant program under Minnesota Statutes,  
10.31 section 116J.9925.

10.32 (dd) \$4,000,000 in the first year and  
10.33 \$1,000,000 in the second year are for grants  
10.34 to the Neighborhood Development Center.

11.1 This is a onetime appropriation. Of these  
11.2 amounts:

11.3 (1) \$750,000 each year is for small business  
11.4 programs, including training, lending, business  
11.5 services, and real estate programming;

11.6 (2) \$250,000 each year is for technical  
11.7 assistance activities for partners located  
11.8 outside the seven-county metropolitan area,  
11.9 as defined in Minnesota Statutes, section  
11.10 473.121, subdivision 2;

11.11 (3) \$1,000,000 in the first year is for  
11.12 development of permanently affordable,  
11.13 concentrated commercial space and  
11.14 wraparound business services outside the  
11.15 seven-county metropolitan area, as defined in  
11.16 Minnesota Statutes, section 473.121,  
11.17 subdivision 2; and

11.18 (4) \$2,000,000 in the first year is for high-risk,  
11.19 character-based loan capital for nonrecourse  
11.20 loans to be used to leverage at least  
11.21 \$10,000,000 in recourse lending capital.

11.22 (ee)(1) \$5,500,000 in the first year is for a  
11.23 grant to the Center for Economic Inclusion for  
11.24 strategic, data-informed investments in job  
11.25 creation strategies that respond to the needs  
11.26 of underserved populations statewide. This  
11.27 may include pay-for-performance contracts  
11.28 with nonprofit organizations to provide  
11.29 outreach, training, and support services for  
11.30 dislocated and chronically underemployed  
11.31 people, as well as forgivable loans,  
11.32 revenue-based financing, and equity  
11.33 investments for entrepreneurs with barriers to  
11.34 growth. Of this amount, up to ten percent may

- 12.1 be used for the center's technical assistance  
12.2 and administrative costs. This appropriation  
12.3 is available until June 30, 2025.
- 12.4 (2) By January 15, 2026, the Center for  
12.5 Economic Inclusion shall submit a report on  
12.6 the use of grant funds, including any loans  
12.7 made, to the legislative committees with  
12.8 jurisdiction over economic development.
- 12.9 (ff) \$4,000,000 in the first year is for the  
12.10 Canadian border counties economic relief  
12.11 program. Of this amount, \$1,000,000 is for  
12.12 Tribal economic development. This  
12.13 appropriation is available until June 30, 2025.
- 12.14 (gg) \$10,000,000 in the first year is for the  
12.15 targeted community capital project grant  
12.16 program under Minnesota Statutes, section  
12.17 116J.9924.
- 12.18 (hh) \$13,550,000 in the first year is for deposit  
12.19 in the emerging developer fund account in the  
12.20 special revenue fund. Of this amount, up to  
12.21 five percent is for the administration and  
12.22 monitoring of the emerging developer fund  
12.23 program under Minnesota Statutes, section  
12.24 116J.9926.
- 12.25 (ii) \$2,000,000 in the first year is for a grant  
12.26 to African Economic Development Solutions  
12.27 for a loan fund that must address pervasive  
12.28 economic inequities by supporting business  
12.29 ventures of entrepreneurs in the African  
12.30 immigrant community. This appropriation is  
12.31 available until June 30, 2026.
- 12.32 (jj) \$500,000 each year is for grants to  
12.33 Enterprise Minnesota, Inc., to directly invest  
12.34 in Minnesota manufacturers for the small

13.1 business growth acceleration program under  
13.2 Minnesota Statutes, section 116O.115. This  
13.3 is a onetime appropriation.

13.4 (kk)(1) \$1,500,000 each year is for grants to  
13.5 MNSBIR, Inc., to support moving scientific  
13.6 excellence and technological innovation from  
13.7 the lab to the market for start-ups and small  
13.8 businesses by securing federal research and  
13.9 development funding. The purpose of the grant  
13.10 is to build a strong Minnesota economy and  
13.11 stimulate the creation of novel products,  
13.12 services, and solutions in the private sector;  
13.13 strengthen the role of small business in  
13.14 meeting federal research and development  
13.15 needs; increase the commercial application of  
13.16 federally supported research results; and  
13.17 develop and increase the Minnesota  
13.18 workforce, especially by fostering and  
13.19 encouraging participation by small businesses  
13.20 owned by women and people who are Black,  
13.21 Indigenous, or people of color. This is a  
13.22 onetime appropriation.

13.23 (2) MNSBIR, Inc., shall use the grant money  
13.24 to be the dedicated resource for federal  
13.25 research and development for small businesses  
13.26 of up to 500 employees statewide to support  
13.27 research and commercialization of novel ideas,  
13.28 concepts, and projects into cutting-edge  
13.29 products and services for worldwide economic  
13.30 impact. MNSBIR, Inc., shall use grant money  
13.31 to:

13.32 (i) assist small businesses in securing federal  
13.33 research and development funding, including  
13.34 the Small Business Innovation Research and  
13.35 Small Business Technology Transfer programs

- 14.1 and other federal research and development
- 14.2 funding opportunities;
- 14.3 (ii) support technology transfer and
- 14.4 commercialization from the University of
- 14.5 Minnesota, Mayo Clinic, and federal
- 14.6 laboratories;
- 14.7 (iii) partner with large businesses;
- 14.8 (iv) conduct statewide outreach, education,
- 14.9 and training on federal rules, regulations, and
- 14.10 requirements;
- 14.11 (v) assist with scientific and technical writing;
- 14.12 (vi) help manage federal grants and contracts;
- 14.13 and
- 14.14 (vii) support cost accounting and sole-source
- 14.15 procurement opportunities.
- 14.16 (ll) \$2,000,000 in the first year is for a grant
- 14.17 to African Career, Education, and Resource,
- 14.18 Inc., for operational infrastructure and
- 14.19 technical assistance to small businesses. This
- 14.20 appropriation is available until June 30, 2025.
- 14.21 (mm) \$4,000,000 in the first year is for a grant
- 14.22 to the African Development Center to provide
- 14.23 loans to purchase commercial real estate and
- 14.24 to expand organizational infrastructure. This
- 14.25 appropriation is available until June 30, 2025.
- 14.26 Of this amount:
- 14.27 (1) \$2,800,000 is for loans to purchase
- 14.28 commercial real estate targeted at African
- 14.29 immigrant small business owners;
- 14.30 (2) \$364,000 is for loan loss reserves to
- 14.31 support loan volume growth and attract
- 14.32 additional capital; and

15.1 (3) \$836,000 is for increasing organizational  
15.2 capacity.

15.3 (nn)(1) \$375,000 each year is for grants to  
15.4 PFund Foundation to provide grants to  
15.5 LGBTQ+-owned small businesses and  
15.6 entrepreneurs. Of this amount, up to ten  
15.7 percent may be used for PFund Foundation's  
15.8 technical assistance and administrative costs.  
15.9 This appropriation is onetime and is available  
15.10 until June 30, 2026. To the extent practicable,  
15.11 money must be distributed by PFund  
15.12 Foundation as follows:

15.13 (i) at least 33.3 percent to racial  
15.14 minority-owned businesses; and

15.15 (ii) at least 33.3 percent to businesses outside  
15.16 of the seven-county metropolitan area as  
15.17 defined in Minnesota Statutes, section  
15.18 473.121, subdivision 2.

15.19 (oo) \$125,000 each year is for grants to  
15.20 Quorum to provide business support, training,  
15.21 development, technical assistance, and related  
15.22 activities for LGBTQ+-owned small  
15.23 businesses that are recipients of a PFund  
15.24 Foundation grant. Of this amount, up to ten  
15.25 percent may be used for Quorum's technical  
15.26 assistance and administrative costs. This  
15.27 appropriation is onetime and is available until  
15.28 June 30, 2026.

15.29 (pp) \$6,000,000 in the first year is for grants  
15.30 to the Minnesota initiative foundations to  
15.31 capitalize their revolving loan funds, which  
15.32 address unmet financing needs of for-profit  
15.33 business start-ups, expansions, and ownership  
15.34 transitions; nonprofit organizations; and

16.1 developers of housing to support the  
16.2 construction, rehabilitation, and conversion  
16.3 of housing units. Of this amount:  
16.4 (1) \$1,000,000 is for a grant to the Southwest  
16.5 Initiative Foundation;  
16.6 (2) \$1,000,000 is for a grant to the West  
16.7 Central Initiative Foundation;  
16.8 (3) \$1,000,000 is for a grant to the Southern  
16.9 Minnesota Initiative Foundation;  
16.10 (4) \$1,000,000 is for a grant to the Northwest  
16.11 Minnesota Foundation;  
16.12 (5) \$1,000,000 is for a grant to the Initiative  
16.13 Foundation; and  
16.14 (6) \$1,000,000 is for a grant to the Northland  
16.15 Foundation.  
16.16 (qq) \$627,000 in the first year is for a grant to  
16.17 Community and Economic Development  
16.18 Associates (CEDA) to provide funding for  
16.19 economic development technical assistance  
16.20 and economic development project grants to  
16.21 small communities across rural Minnesota and  
16.22 for CEDA to design, implement, market, and  
16.23 administer specific types of basic community  
16.24 and economic development programs tailored  
16.25 to individual community needs. Technical  
16.26 assistance grants shall be based on need and  
16.27 given to communities that are otherwise  
16.28 unable to afford these services. Of this amount,  
16.29 up to \$270,000 may be used for economic  
16.30 development project implementation in  
16.31 conjunction with the technical assistance  
16.32 received.



17.1 (rr) \$3,000,000 in the first year is for a grant  
17.2 to the Latino Economic Development Center.  
17.3 This appropriation is available until June 30,  
17.4 2025. Of this amount:

17.5 (1) \$1,500,000 is to assist, support, finance,  
17.6 and launch microentrepreneurs by delivering  
17.7 training, workshops, and one-on-one  
17.8 consultations to businesses; and

17.9 (2) \$1,500,000 is to guide prospective  
17.10 entrepreneurs in their start-up process by  
17.11 introducing them to key business concepts,  
17.12 including business start-up readiness. Grant  
17.13 proceeds must be used to offer workshops on  
17.14 a variety of topics throughout the year,  
17.15 including finance, customer service,  
17.16 food-handler training, and food-safety  
17.17 certification. Grant proceeds may also be used  
17.18 to provide lending to business startups.

17.19 (ss)(1) \$125,000 each year is for grants to the  
17.20 Latino Chamber of Commerce Minnesota to  
17.21 support the growth and expansion of small  
17.22 businesses statewide. Funds may be used for  
17.23 the cost of programming, outreach, staffing,  
17.24 and supplies. This is a onetime appropriation.

17.25 (2) By January 15, 2026, the Latino Chamber  
17.26 of Commerce Minnesota must submit a report  
17.27 to the legislative committees with jurisdiction  
17.28 over economic development that details the  
17.29 use of grant funds and the grant's economic  
17.30 impact.

17.31 (tt)(1) \$7,500,000 in the first year is for a grant  
17.32 to the Metropolitan Economic Development  
17.33 Association (MEDA) for statewide business

18.1 development and assistance services to  
18.2 minority-owned businesses. Of this amount:  
18.3 (i) \$5,000,000 is for a revolving loan fund to  
18.4 provide additional minority-owned businesses  
18.5 with access to capital; and  
18.6 (ii) \$2,500,000 is for operating support  
18.7 activities related to business development and  
18.8 assistance services for minority business  
18.9 enterprises.  
18.10 (2) By February 1, 2025, MEDA shall report  
18.11 to the commissioner and the legislative  
18.12 committees with jurisdiction over economic  
18.13 development on the use of grant funds and  
18.14 grant outcomes.  
18.15 (uu) \$175,000 in the first year is for a grant to  
18.16 the city of South St. Paul for repurposing the  
18.17 1927 American Legion Memorial Library after  
18.18 the property is no longer used as a library. This  
18.19 appropriation is available until the project is  
18.20 completed or abandoned, subject to Minnesota  
18.21 Statutes, section 16A.642.  
18.22 (vv) \$62,934,000 each year is for the  
18.23 empowering enterprise program. This is a  
18.24 onetime appropriation, of which:  
18.25 (1) at least \$31,000,000 each year is for a grant  
18.26 to the city of Minneapolis;  
18.27 (2) \$11,000,000 each year is for a grant to the  
18.28 city of St. Paul;  
18.29 (3) \$5,425,000 each year is for a grant to the  
18.30 Northside Economic Opportunity Network;  
18.31 (4) \$5,425,000 each year is for a grant to the  
18.32 Lake Street Council;

- 19.1 (5) \$5,425,000 each year is for a grant to the  
19.2 Midway Chamber of Commerce; and
- 19.3 (6) \$250,000 each year is for a grant to the  
19.4 Asian Economic Development Association.
- 19.5 (ww) \$250,000 in the first year is for a grant  
19.6 to LatinoLEAD for organizational  
19.7 capacity-building.
- 19.8 (xx) \$200,000 in the first year is for a grant to  
19.9 the Neighborhood Development Center for  
19.10 small business competitive grants to software  
19.11 companies working to improve employee  
19.12 engagement and workplace culture and to  
19.13 reduce turnover.
- 19.14 (yy) \$2,000,000 in the first year and  
19.15 \$1,000,000 in the second year are for grants  
19.16 to the Local Initiatives Support Corporation.  
19.17 This is a onetime appropriation. Of these  
19.18 amounts:
- 19.19 (1) \$200,000 in the first year and \$100,000 in  
19.20 the second year are for predevelopment grants  
19.21 and technical assistance in support of real  
19.22 estate development in areas negatively affected  
19.23 by civil unrest; and
- 19.24 (2) \$1,800,000 in the first year and \$900,000  
19.25 in the second year are for capitalizing a loan  
19.26 program for the development and construction  
19.27 of commercial and residential projects in areas  
19.28 negatively affected by civil unrest. A priority  
19.29 for use of these funds shall be participants in  
19.30 programs for emerging developers.
- 19.31 (zz) \$1,000,000 in fiscal year 2024 is for a  
19.32 grant to WomenVenture to support child care  
19.33 providers through business training and shared  
19.34 services programs and to create materials that

20.1 could be used, free of charge, for start-up,  
 20.2 expansion, and operation of child care  
 20.3 businesses statewide, with the goal of helping  
 20.4 new and existing child care businesses in  
 20.5 underserved areas of the state become  
 20.6 profitable and sustainable. The commissioner  
 20.7 shall report data on outcomes and  
 20.8 recommendations for replication of this  
 20.9 training program throughout Minnesota to the  
 20.10 governor and relevant committees of the  
 20.11 legislature by December 15, 2025. This is a  
 20.12 onetime appropriation and is available until  
 20.13 June 20, 2025.

20.14 **Subd. 3. Employment and Training Programs** 102,548,000 102,448,000

20.15	<u>Appropriations by Fund</u>		
20.16	<u>General</u>	<u>87,846,000</u>	<u>88,446,000</u>
20.17	<u>Workforce</u>		
20.18	<u>Development</u>	<u>14,702,000</u>	<u>14,002,000</u>

20.19 (a) \$500,000 each year from the general fund  
 20.20 and \$500,000 each year from the workforce  
 20.21 development fund are for rural career  
 20.22 counseling coordinators in the workforce  
 20.23 service areas and for the purposes specified  
 20.24 under Minnesota Statutes, section 116L.667.

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

20.31 (c) \$2,546,000 each year from the general fund  
 20.32 and \$4,604,000 each year from the workforce  
 20.33 development fund are for the pathways to  
 20.34 prosperity competitive grant program. Of this

- 21.1 amount, up to five percent is for administration  
21.2 and monitoring of the program.
- 21.3 (d) \$500,000 each year is from the workforce  
21.4 development fund for current Minnesota  
21.5 affiliates of OIC of America, Inc. This  
21.6 appropriation shall be divided equally among  
21.7 the eligible centers.
- 21.8 (e) \$1,000,000 each year is for competitive  
21.9 grants to organizations providing services to  
21.10 relieve economic disparities in the Southeast  
21.11 Asian community through workforce  
21.12 recruitment, development, job creation,  
21.13 assistance of smaller organizations to increase  
21.14 capacity, and outreach. Of this amount, up to  
21.15 five percent is for administration and  
21.16 monitoring of the program.
- 21.17 (f) \$1,000,000 each year is for a competitive  
21.18 grant program to provide grants to  
21.19 organizations that provide support services for  
21.20 individuals, such as job training, employment  
21.21 preparation, internships, job assistance to  
21.22 parents, financial literacy, academic and  
21.23 behavioral interventions for low-performing  
21.24 students, and youth intervention. Grants made  
21.25 under this section must focus on low-income  
21.26 communities, young adults from families with  
21.27 a history of intergenerational poverty, and  
21.28 communities of color. Of this amount, up to  
21.29 five percent is for administration and  
21.30 monitoring of the program.
- 21.31 (g) \$1,750,000 each year is for a grant to  
21.32 Propel Nonprofits to provide capacity-building  
21.33 grants and related technical assistance to small,  
21.34 culturally specific organizations that primarily  
21.35 serve historically underserved cultural

22.1 communities. Propel Nonprofits may only  
22.2 award grants to nonprofit organizations that  
22.3 have an annual organizational budget of less  
22.4 than \$1,000,000. These grants may be used  
22.5 for:

22.6 (1) organizational infrastructure  
22.7 improvements, including developing database  
22.8 management systems and financial systems,  
22.9 or other administrative needs that increase the  
22.10 organization's ability to access new funding  
22.11 sources;

22.12 (2) organizational workforce development,  
22.13 including hiring culturally competent staff,  
22.14 training and skills development, and other  
22.15 methods of increasing staff capacity; or

22.16 (3) creating or expanding partnerships with  
22.17 existing organizations that have specialized  
22.18 expertise in order to increase capacity of the  
22.19 grantee organization to improve services to  
22.20 the community.

22.21 Of this amount, up to ten percent may be used  
22.22 by Propel Nonprofits for administrative costs.  
22.23 This is a onetime appropriation.

22.24 (h) \$5,230,000 each year from the general fund  
22.25 and \$3,348,000 each year from the workforce  
22.26 development fund are for the youth-at-work  
22.27 competitive grant program under Minnesota  
22.28 Statutes, section 116L.562. Of this amount,  
22.29 up to five percent is for administration and  
22.30 monitoring of the youth workforce  
22.31 development competitive grant program. All  
22.32 grant awards shall be for two consecutive  
22.33 years. Grants shall be awarded in the first year.

23.1 In fiscal year 2026 and beyond, the base  
23.2 amount from the general fund is \$750,000.

23.3 (i) \$1,093,000 each year from the general fund  
23.4 and \$1,000,000 each year from the workforce  
23.5 development fund are for the youthbuild  
23.6 program under Minnesota Statutes, sections  
23.7 116L.361 to 116L.366. In fiscal year 2026 and  
23.8 beyond, the base amount from the general fund  
23.9 is \$0.

23.10 (j) \$4,427,000 each year from the general fund  
23.11 and \$4,050,000 each year from the workforce  
23.12 development fund are for the Minnesota youth  
23.13 program under Minnesota Statutes, sections  
23.14 116L.56 and 116L.561. In fiscal year 2026  
23.15 and beyond, the base amount from the general  
23.16 fund is \$0.

23.17 (k) \$1,000,000 each year is for a grant to the  
23.18 Minnesota Technology Association to support  
23.19 the SciTech Internship Program, a program  
23.20 that supports science, technology, engineering,  
23.21 and math (STEM) internship opportunities for  
23.22 two- and four-year college students and  
23.23 graduate students in their fields of study. The  
23.24 internship opportunities must match students  
23.25 with paid internships within STEM disciplines  
23.26 at small, for-profit companies located in  
23.27 Minnesota having fewer than 250 employees  
23.28 worldwide. At least 250 students must be  
23.29 matched each year. No more than 15 percent  
23.30 of the hires may be graduate students. Selected  
23.31 hiring companies shall receive from the grant  
23.32 50 percent of the wages paid to the intern,  
23.33 capped at \$3,000 per intern. The program must  
23.34 work toward increasing the participation

- 24.1 among women or other underserved  
24.2 populations. This is a onetime appropriation.
- 24.3 (l) \$7,500,000 each year is for the Drive for  
24.4 Five Initiative to conduct outreach and provide  
24.5 job skills training, career counseling, case  
24.6 management, and supportive services for  
24.7 careers in (1) technology, (2) labor, (3) the  
24.8 caring professions, (4) manufacturing, and (5)  
24.9 educational and professional services. These  
24.10 are onetime appropriations.
- 24.11 (m) Of the amounts appropriated in paragraph  
24.12 (l), the commissioner must make \$5,000,000  
24.13 each year available through a competitive  
24.14 request for proposal process. The grant awards  
24.15 must be used to provide education and training  
24.16 in the five industries identified in paragraph  
24.17 (l). Education and training may include:
- 24.18 (1) student tutoring and testing support  
24.19 services;
- 24.20 (2) training and employment placement in high  
24.21 wage and high growth employment;
- 24.22 (3) assistance in obtaining industry-specific  
24.23 certifications;
- 24.24 (4) remedial training leading to enrollment;  
24.25 (5) real-time work experience in information;  
24.26 (6) career and educational counseling;  
24.27 (7) work experience and internships; and  
24.28 (8) supportive services.
- 24.29 (n) Of the amount appropriated in paragraph  
24.30 (l), \$1,625,000 each year must be awarded  
24.31 through competitive grants made to trade  
24.32 associations or chambers of commerce for job



25.1 placement services. Grant awards must be used  
25.2 to encourage workforce training efforts to  
25.3 ensure that efforts are aligned with employer  
25.4 demands and that graduates are connected with  
25.5 employers that are hiring. Trade associations  
25.6 or chambers must partner with employers with  
25.7 current or anticipated employment  
25.8 opportunities and nonprofit workforce training  
25.9 partners participating in this program. The  
25.10 trade associations or chambers must work  
25.11 closely with the industry sector training  
25.12 providers in the five industries identified in  
25.13 paragraph (l). Grant awards may be used for:  
25.14 (1) employer engagement strategies to align  
25.15 employment opportunities for individuals  
25.16 exiting workforce development training  
25.17 programs. These strategies may include  
25.18 business recruitment, job opening  
25.19 development, employee recruitment, and job  
25.20 matching. Trade associations must utilize the  
25.21 state's labor exchange system;  
25.22 (2) diversity, inclusion, and retention training  
25.23 for members to increase the business  
25.24 understanding of welcoming and retaining a  
25.25 diverse workforce; and  
25.26 (3) industry-specific training.  
25.27 (o) Of the amount appropriated in paragraph  
25.28 (l), \$875,000 each year is to hire, train, and  
25.29 deploy business services representatives in  
25.30 local workforce development areas throughout  
25.31 the state. Business services representatives  
25.32 must work with an assigned local workforce  
25.33 development area to address the hiring needs  
25.34 of Minnesota's businesses by connecting job  
25.35 seekers and program participants in the

26.1 CareerForce system. Business services  
26.2 representatives serve in the classified service  
26.3 of the state and operate as part of the agency's  
26.4 Employment and Training Office. The  
26.5 commissioner shall develop and implement  
26.6 training materials and reporting and evaluation  
26.7 procedures for the activities of the business  
26.8 services representatives. The business services  
26.9 representatives must:

26.10 (1) serve as the primary contact for businesses  
26.11 in that area;

26.12 (2) actively engage employers by assisting  
26.13 with matching employers to job seekers by  
26.14 referring candidates, convening job fairs, and  
26.15 assisting with job announcements; and

26.16 (3) work with the local area board and the  
26.17 board's partners to identify candidates for  
26.18 openings in small and midsize companies in  
26.19 the local area.

26.20 (p) \$30,000,000 each year is for the targeted  
26.21 population workforce grants under Minnesota  
26.22 Statutes, section 116L.43. The department  
26.23 may use up to ten percent of this appropriation  
26.24 for administration, monitoring, and oversight  
26.25 of the program. Of this amount:

26.26 (1) \$22,000,000 each year is for job and  
26.27 entrepreneurial skills training grants under  
26.28 Minnesota Statutes, section 116L.43,  
26.29 subdivision 2;

26.30 (2) \$2,000,000 each year is for diversity and  
26.31 inclusion training for small employers under  
26.32 Minnesota Statutes, section 116L.43,  
26.33 subdivision 3; and

- 27.1 (3) \$6,000,000 each year is for capacity  
27.2 building grants under Minnesota Statutes,  
27.3 section 116L.43, subdivision 4.
- 27.4 Beginning in fiscal year 2026, the base amount  
27.5 is \$2,500,000.
- 27.6 (q) \$1,500,000 each year is to establish an  
27.7 Office of New Americans. This is a onetime  
27.8 appropriation.
- 27.9 (r) \$400,000 each year is for a grant to the  
27.10 nonprofit 30,000 Feet to fund youth  
27.11 apprenticeship jobs, wraparound services,  
27.12 after-school programming, and summer  
27.13 learning loss prevention targeted at African  
27.14 American youth. This is a onetime  
27.15 appropriation.
- 27.16 (s) \$700,000 each year is for a grant to Avivo  
27.17 to provide low-income individuals with career  
27.18 education and job skills training that is fully  
27.19 integrated with chemical and mental health  
27.20 services. This is a onetime appropriation.
- 27.21 (t)(1) \$450,000 each year is for a grant to  
27.22 Better Futures Minnesota to provide job skills  
27.23 training to individuals who have been released  
27.24 from incarceration for a felony-level offense  
27.25 and are no more than 12 months from the date  
27.26 of release. This is a onetime appropriation.
- 27.27 (2) Better Futures Minnesota shall annually  
27.28 report to the commissioner on how the money  
27.29 was spent and what results were achieved. The  
27.30 report must include, at a minimum,  
27.31 information and data about the number of  
27.32 participants; participant homelessness,  
27.33 employment, recidivism, and child support

28.1 compliance; and job skills training provided  
28.2 to program participants.

28.3 (u) \$600,000 each year is for a grant to East  
28.4 Side Neighborhood Services. This is a onetime  
28.5 appropriation of which:

28.6 (1) \$300,000 each year is for the senior  
28.7 community service employment program,  
28.8 which provides work readiness training to  
28.9 low-income adults ages 55 and older to  
28.10 provide ongoing support and mentoring  
28.11 services to the program participants as well as  
28.12 the transition period from subsidized wages  
28.13 to unsubsidized wages; and

28.14 (2) \$300,000 each year is for the nursing  
28.15 assistant plus program to serve the increased  
28.16 need for growth of medical talent pipelines  
28.17 through expansion of the existing program and  
28.18 development of in-house training.

28.19 The amounts specified in clauses (1) and (2)  
28.20 may also be used to enhance employment  
28.21 programming for youth and young adults, ages  
28.22 14 to 24, to introduce them to work culture,  
28.23 develop essential work readiness skills, and  
28.24 make career plans through paid internship  
28.25 experiences and work readiness training.

28.26 (v) \$250,000 each year is for Minnesota  
28.27 Family Resiliency Partnership programs under  
28.28 Minnesota Statutes, section 116L.96. The  
28.29 commissioner, through the adult career  
28.30 pathways program, shall distribute the money  
28.31 to existing nonprofit and state displaced  
28.32 homemaker programs. This is a onetime  
28.33 appropriation.

- 29.1 (w) \$550,000 each year is for a grant to the  
29.2 International Institute of Minnesota for  
29.3 workforce training for new Americans in  
29.4 industries in need of a trained workforce. This  
29.5 is a onetime appropriation.
- 29.6 (x) \$1,500,000 each year is for a grant to  
29.7 Summit Academy OIC to expand employment  
29.8 placement, GED preparation and  
29.9 administration, and STEM programming in  
29.10 the Twin Cities, Saint Cloud, and Bemidji.  
29.11 This is a onetime appropriation.
- 29.12 (y) \$500,000 each year is for a grant to Big  
29.13 Brothers Big Sisters of the Greater Twin Cities  
29.14 to provide disadvantaged youth ages 12 to 21  
29.15 with job-seeking skills, connections to job  
29.16 training and education opportunities, and  
29.17 mentorship while exploring careers. The grant  
29.18 must serve youth in the Big Brothers Big  
29.19 Sisters chapters in the Twin Cities, central  
29.20 Minnesota, and southern Minnesota. This is a  
29.21 onetime appropriation.
- 29.22 (z) \$400,000 each year is for a grant to the  
29.23 White Bear Center for the Arts for establishing  
29.24 a paid internship program for high school  
29.25 students to learn professional development  
29.26 skills through an arts perspective. This is a  
29.27 onetime appropriation.
- 29.28 (aa) \$750,000 each year is for a grant to  
29.29 Bridges to Healthcare to provide career  
29.30 education, wraparound support services, and  
29.31 job skills training in high-demand health care  
29.32 fields to low-income parents, nonnative  
29.33 speakers of English, and other hard-to-train  
29.34 individuals, and to help families build secure  
29.35 pathways out of poverty and address worker

30.1 shortages in one of Minnesota's most  
30.2 innovative industries. Money may be used for  
30.3 program expenses, including but not limited  
30.4 to hiring instructors and navigators; space  
30.5 rental; and supportive services to help  
30.6 participants attend classes, including assistance  
30.7 with course fees, child care, transportation,  
30.8 and safe and stable housing. Up to five percent  
30.9 of grant money may be used for Bridges to  
30.10 Healthcare's administrative costs. This is a  
30.11 onetime appropriation.

30.12 (bb) \$400,000 each year is for a grant to Hired  
30.13 to expand their career pathway job training  
30.14 and placement program that connects  
30.15 lower-skilled job seekers to entry-level and  
30.16 gateway jobs in high-growth sectors. This is  
30.17 a onetime appropriation.

30.18 (cc) \$1,000,000 each year is for a grant to the  
30.19 Minnesota Alliance of Boys and Girls Clubs  
30.20 to administer a statewide project of youth job  
30.21 skills and career development. This project,  
30.22 which may have career guidance components  
30.23 including health and life skills, must be  
30.24 designed to encourage, train, and assist youth  
30.25 in early access to education and job-seeking  
30.26 skills; work-based learning experience,  
30.27 including career pathways in STEM learning,  
30.28 career exploration, and matching; and first job  
30.29 placement through local community  
30.30 partnerships and on-site job opportunities. This  
30.31 grant requires a 25 percent match from  
30.32 nonstate sources. This is a onetime  
30.33 appropriation.

30.34 (dd) \$300,000 each year is for a grant to  
30.35 Southeast Minnesota Workforce Development

31.1 Area 8 and Workforce Development, Inc., to  
31.2 provide career planning, career pathway  
31.3 training and education, wraparound support  
31.4 services, and job skills advancement in  
31.5 high-demand careers to individuals with  
31.6 barriers to employment in Steele County, and  
31.7 to help families build secure pathways out of  
31.8 poverty and address worker shortages in the  
31.9 Owatonna and Steele County area, as well as  
31.10 supporting Employer Outreach Services that  
31.11 provide solutions to workforce challenges and  
31.12 direct connections to workforce programming.  
31.13 Money may be used for program expenses,  
31.14 including but not limited to hiring instructors  
31.15 and navigators; space rental; and supportive  
31.16 services to help participants attend classes,  
31.17 including assistance with course fees, child  
31.18 care, transportation, and safe and stable  
31.19 housing. Up to five percent of grant money  
31.20 may be used for Workforce Development,  
31.21 Inc.'s administrative costs. This is a onetime  
31.22 appropriation and is available until June 30,  
31.23 2025.

31.24 (ee) \$1,250,000 each year is for a grant to  
31.25 Ujamaa Place to assist primarily African  
31.26 American men with job training, employment  
31.27 preparation, internships, education, vocational  
31.28 housing, and organizational capacity building.  
31.29 This is a onetime appropriation.

31.30 (ff) \$500,000 each year is for grants to  
31.31 Minnesota Diversified Industries, Inc., to  
31.32 provide inclusive employment opportunities  
31.33 and services for people with disabilities. This  
31.34 is a onetime appropriation.

- 32.1 (gg) \$1,000,000 each year is for performance  
32.2 grants under Minnesota Statutes, section  
32.3 116J.8747, to Twin Cities R!SE to provide  
32.4 training to individuals facing barriers to  
32.5 employment. This is a onetime appropriation  
32.6 and is available until June 30, 2026.
- 32.7 (hh) \$500,000 each year is for the getting to  
32.8 work grant program under Minnesota Statutes,  
32.9 section 116J.545. Of this amount, up to five  
32.10 percent is for administration and monitoring  
32.11 of the program. This is a onetime  
32.12 appropriation.
- 32.13 (ii) \$400,000 the first year is for a grant to the  
32.14 ProStart and Hospitality Tourism Management  
32.15 Program for a well-established, proven, and  
32.16 successful education program that helps young  
32.17 people advance careers in the hospitality  
32.18 industry and addresses critical long-term  
32.19 workforce shortages in the tourism industry.
- 32.20 (jj) \$1,500,000 each year is for a grant to  
32.21 Comunidades Latinas Unidas En Servicio -  
32.22 Latino Communities United in Service  
32.23 (CLUES) to address employment, economic,  
32.24 and technology access disparities for  
32.25 low-income, unemployed, or underemployed  
32.26 individuals. Money must be used to support  
32.27 short-term certifications and transferable skills  
32.28 in high-demand fields, workforce readiness,  
32.29 customized financial capability, and  
32.30 employment supports. At least 50 percent of  
32.31 this amount must be used for programming  
32.32 targeted at greater Minnesota. This is a  
32.33 onetime appropriation.
- 32.34 (kk) \$500,000 each year is for a grant to the  
32.35 American Indian Opportunities and



- 33.1 Industrialization Center for workforce  
33.2 development programming, including reducing  
33.3 academic disparities for American Indian  
33.4 students and adults. This is a onetime  
33.5 appropriation.
- 33.6 (ll) \$300,000 each year is for a grant to YMCA  
33.7 of the North to provide career exploration, job  
33.8 training, and workforce development services  
33.9 for underserved youth and young adults. This  
33.10 is a onetime appropriation.
- 33.11 (mm) \$750,000 each year is for grants to the  
33.12 Minneapolis Park and Recreation Board's Teen  
33.13 Teamworks youth employment and training  
33.14 programs. This is a onetime appropriation and  
33.15 is available in either year of the biennium and  
33.16 is available until spent.
- 33.17 (nn) \$700,000 each year is for grants to  
33.18 support competitive robotics teams that  
33.19 prepare youth for careers in STEM fields, by  
33.20 creating internships for high school students  
33.21 to work at private companies in STEM fields,  
33.22 including the payment of student stipends.  
33.23 This is a onetime appropriation.
- 33.24 (oo) \$1,000,000 in the first year and  
33.25 \$2,000,000 in the second year are for a clean  
33.26 economy equitable workforce grant program.  
33.27 Money must be used for grants to support  
33.28 partnership development, planning, and  
33.29 implementation of workforce readiness  
33.30 programs aimed at workers who are Black,  
33.31 Indigenous, and People of Color. Programs  
33.32 may include workforce training, career  
33.33 development, workers' rights training,  
33.34 employment placement, and culturally  
33.35 appropriate job readiness and must prepare

34.1 workers for careers in the high-demand fields  
34.2 of construction, clean energy, and energy  
34.3 efficiency. Grants must be given to nonprofit  
34.4 organizations that serve historically  
34.5 disenfranchised communities, including new  
34.6 Americans, with preference for organizations  
34.7 that are new providers of workforce  
34.8 programming or which have partnership  
34.9 agreements with registered apprenticeship  
34.10 programs. This is a onetime appropriation.

34.11 (pp) \$500,000 each year is for a grant to  
34.12 Emerge Community Development to support  
34.13 and reinforce critical workforce training at the  
34.14 Emerge Career and Technical Center,  
34.15 Cedar-Riverside Opportunity Center, and  
34.16 Emerge Second Chance programs in  
34.17 Minneapolis. This is a onetime appropriation.

34.18 (qq) \$500,000 each year is for a grant to  
34.19 Project for Pride in Living to provide job  
34.20 training and workforce development services  
34.21 for underserved communities. This is a  
34.22 onetime appropriation.

34.23 (rr) \$500,000 each year is for a grant to  
34.24 Pillsbury United Communities to provide job  
34.25 training and workforce development services  
34.26 for underserved communities. This is a  
34.27 onetime appropriation.

34.28 (ss) \$1,000,000 each year is for a grant to the  
34.29 Redemption Project to provide employment  
34.30 services to adults leaving incarceration,  
34.31 including recruiting, educating, training, and  
34.32 retaining employment mentors and partners.  
34.33 This is a onetime appropriation.

35.1 (tt) \$350,000 each year is for a grant to the  
35.2 YWCA of Minneapolis to provide training to  
35.3 eligible individuals, including job skills  
35.4 training, career counseling, and job placement  
35.5 assistance necessary to secure a child  
35.6 development associate credential and to have  
35.7 a career path in early childhood education.  
35.8 This is a onetime appropriation.

35.9 (uu) \$500,000 each year is for a grant to  
35.10 Greater Twin Cities United Way to make  
35.11 grants to partner organizations to provide  
35.12 workforce training using the career pathways  
35.13 model that helps students gain work  
35.14 experience, earn experience in high-demand  
35.15 fields, and transition into family-sustaining  
35.16 careers. This is a onetime appropriation.

35.17 (vv) \$1,500,000 each year is for a grant to the  
35.18 nonprofit Sanneh Foundation to fund  
35.19 out-of-school summer programs focused on  
35.20 mentoring and behavioral, social, and  
35.21 emotional learning interventions and  
35.22 enrichment activities directed toward  
35.23 low-income students of color. This is a  
35.24 onetime appropriation and is available until  
35.25 spent.

35.26 (ww) \$3,000,000 each year is for a grant to  
35.27 Youthprise to provide economic development  
35.28 services designed to enhance long-term  
35.29 economic self-sufficiency in communities with  
35.30 concentrated African populations statewide.  
35.31 Of these amounts, 50 percent is for subgrants  
35.32 to Ka Joog and 50 percent is for competitive  
35.33 subgrants to community organizations. This  
35.34 is a onetime appropriation.

- 36.1 (xx) \$1,000,000 each year is for performance  
36.2 grants under Minnesota Statutes, section  
36.3 116J.8747, to Goodwill-Easter Seals  
36.4 Minnesota and its partners. The grant shall be  
36.5 used to continue the FATHER Project in  
36.6 Rochester, St. Cloud, St. Paul, Minneapolis,  
36.7 and the surrounding areas to assist fathers in  
36.8 overcoming barriers that prevent fathers from  
36.9 supporting their children economically and  
36.10 emotionally, including with community  
36.11 re-entry following confinement. This is a  
36.12 onetime appropriation.
- 36.13 (yy) \$1,000,000 each year is for a grant to the  
36.14 Hmong American Partnership to expand job  
36.15 training and placement programs primarily  
36.16 servicing the Southeast Asian community. This  
36.17 is a onetime appropriation.
- 36.18 (zz) \$400,000 each year is for a grant to  
36.19 Project Restore Minnesota for the Social  
36.20 Kitchen project, a pathway program for careers  
36.21 in the culinary arts. This is a onetime  
36.22 appropriation.
- 36.23 (aaa) \$1,000,000 each year is for competitive  
36.24 grants to organizations providing services to  
36.25 relieve economic disparities in the African  
36.26 immigrant community through workforce  
36.27 recruitment, development, job creation,  
36.28 assistance of smaller organizations to increase  
36.29 capacity, and outreach. Of this amount, up to  
36.30 five percent is for administration and  
36.31 monitoring of the program. Beginning in fiscal  
36.32 year 2026, the base amount is \$200,000.
- 36.33 (bbb) \$500,000 each year is for a grant to the  
36.34 Hmong Chamber of Commerce to train  
36.35 ethnically Southeast Asian business owners

37.1 and operators in better business practices. Of  
37.2 this amount, up to \$5,000 may be used for  
37.3 administrative costs. This is a onetime  
37.4 appropriation.

37.5 (ccc) \$100,000 each year is for grants to the  
37.6 Minnesota Grocers Association Foundation  
37.7 for Carts to Careers, a statewide initiative to  
37.8 promote careers, conduct outreach, provide  
37.9 job skills training, and award scholarships for  
37.10 students pursuing careers in the food industry.  
37.11 This is a onetime appropriation.

37.12 (ddd) \$500,000 each year is for a grant to  
37.13 Minnesota Independence College and  
37.14 Community to provide employment  
37.15 preparation, job placement, job retention, and  
37.16 service coordination services to adults with  
37.17 autism and learning differences. This is a  
37.18 onetime appropriation.

37.19 (eee) \$500,000 each year is for a grant to  
37.20 Ramsey County to provide job training and  
37.21 workforce development for underserved  
37.22 communities. Grant money may be subgranted  
37.23 to Milestone Community Development for the  
37.24 Milestone Tech program. This is a onetime  
37.25 appropriation.

37.26 (fff) \$500,000 each year is for a grant to  
37.27 Ramsey County for a technology training  
37.28 pathway program focused on intergenerational  
37.29 community tech work for residents who are  
37.30 at least 18 years old and no more than 24 years  
37.31 old and who live in a census tract that has a  
37.32 poverty rate of at least 20 percent as reported  
37.33 in the most recently completed decennial  
37.34 census published by the United States Bureau  
37.35 of the Census. Grant money may be used for

38.1 program administration, training, training  
 38.2 stipends, wages, and support services. This is  
 38.3 a onetime appropriation.  
 38.4 (ggg) \$700,000 in the first year is from the  
 38.5 workforce development fund for a grant to the  
 38.6 Southwest Initiative Foundation for the  
 38.7 southwestern Minnesota workforce  
 38.8 development scholarship pilot program. This  
 38.9 is a onetime appropriation and is available  
 38.10 until June 30, 2028.

38.11 **Subd. 4. General Support Services** 17,505,000 7,505,000

38.12	<u>Appropriations by Fund</u>		
38.13	<u>General Fund</u>	<u>17,450,000</u>	<u>7,450,000</u>
38.14	<u>Workforce</u>		
38.15	<u>Development</u>	<u>55,000</u>	<u>55,000</u>

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

38.19 (b) \$10,000,000 in the first year is for the  
 38.20 workforce digital transformation projects. This  
 38.21 appropriation is available until June 30, 2027.

38.22 **Subd. 5. Minnesota Trade Office** \$2,242,000 \$2,242,000

38.23 (a) \$300,000 each year is for the STEP grants  
 38.24 in Minnesota Statutes, section 116J.979.

38.25 (b) \$180,000 each year is for the Invest  
 38.26 Minnesota marketing initiative under  
 38.27 Minnesota Statutes, section 116J.9781.

38.28 (c) \$270,000 each year is for the Minnesota  
 38.29 Trade Offices under Minnesota Statutes,  
 38.30 section 116J.978.

38.31 **Subd. 6. Vocational Rehabilitation** 42,341,000 42,341,000

39.1	<u>Appropriations by Fund</u>		
39.2	<u>General</u>	<u>34,511,000</u>	<u>34,511,000</u>
39.3	<u>Workforce</u>		
39.4	<u>Development</u>	<u>7,830,000</u>	<u>7,830,000</u>

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

39.8 (b) \$11,495,000 each year from the general  
 39.9 fund and \$6,830,000 each year from the  
 39.10 workforce development fund are for extended  
 39.11 employment services for persons with severe  
 39.12 disabilities under Minnesota Statutes, section  
 39.13 268A.15. Of the amounts appropriated from  
 39.14 the general fund, \$4,500,000 each year is for  
 39.15 new rate increases and maintaining prior rate  
 39.16 increases to providers of extended employment  
 39.17 services.

39.18 (c) \$4,805,000 each year is for grants to  
 39.19 programs that provide employment support  
 39.20 services to persons with mental illness under  
 39.21 Minnesota Statutes, sections 268A.13 and  
 39.22 268A.14. Beginning in fiscal year 2026, the  
 39.23 base amount is \$2,555,000.

39.24 (d) \$3,911,000 each year is for grants to  
 39.25 centers for independent living under  
 39.26 Minnesota Statutes, section 268A.11.  
 39.27 Beginning in fiscal year 2026, the base amount  
 39.28 is \$3,011,000.

39.29 (e) \$1,000,000 each year is from the workforce  
 39.30 development fund for grants under Minnesota  
 39.31 Statutes, section 268A.16, for employment  
 39.32 services for persons, including transition-age  
 39.33 youth, who are deaf, deafblind, or  
 39.34 hard-of-hearing. If the amount in the first year

40.1 is insufficient, the amount in the second year  
40.2 is available in the first year.

40.3 **Subd. 7. Services for the Blind** 11,425,000 11,425,000

40.4 (a) \$500,000 each year is for senior citizens  
40.5 who are becoming blind. At least one-half of  
40.6 the money for this purpose must be used to  
40.7 provide training services for seniors who are  
40.8 becoming blind. Training services must  
40.9 provide independent living skills to seniors  
40.10 who are becoming blind to allow them to  
40.11 continue to live independently in their homes.

40.12 (b) \$2,500,000 each year is for the employer  
40.13 reasonable accommodation fund. This is a  
40.14 onetime appropriation.

40.15 **Sec. 3. EXPLORE MINNESOTA TOURISM** **\$ 26,307,000 \$ 21,169,000**

40.16 (a) \$500,000 each year must be matched from  
40.17 nonstate sources to develop maximum private  
40.18 sector involvement in tourism. Each \$1 of state  
40.19 incentive must be matched with \$6 of private  
40.20 sector money. "Matched" means revenue to  
40.21 the state or documented in-kind, soft match,  
40.22 or cash expenditures directly expended to  
40.23 support Explore Minnesota Tourism under  
40.24 section 116U.05. The incentive in fiscal year  
40.25 2024 is based on fiscal year 2023 private  
40.26 sector contributions. The incentive in fiscal  
40.27 year 2025 is based on fiscal year 2024 private  
40.28 sector contributions. This incentive is ongoing.

40.29 (b) \$5,900,000 each year is for the  
40.30 development of new initiatives for Explore  
40.31 Minnesota Tourism. This is a onetime  
40.32 appropriation and of this amount:



- 41.1 (1) \$3,000,000 each year is for competitive  
41.2 grants for large-scale sporting and other major  
41.3 events;
- 41.4 (2) \$1,100,000 each year is for grants to  
41.5 Minnesota's 11 Tribal Nations to promote and  
41.6 support new tourism opportunities for Tribal  
41.7 Nations;
- 41.8 (3) \$1,000,000 each year is to expand  
41.9 diversity, equity, inclusion, and accessibility  
41.10 through tourism marketing;
- 41.11 (4) \$625,000 each year is for the tourism and  
41.12 hospitality industry and the Governor's Opener  
41.13 events;
- 41.14 (5) \$88,000 each year is to develop new  
41.15 resources and increase engagement for the  
41.16 tourism industry; and
- 41.17 (6) \$87,000 each year is to develop a  
41.18 long-term sustainability plan for tourism.
- 41.19 (c)(1) \$2,000,000 in the first year is for a  
41.20 tourism industry recovery grant program to  
41.21 provide grants to organizations, Tribal  
41.22 governments, underserved community groups,  
41.23 and communities to accelerate the recovery of  
41.24 the state's tourism industry, with preference  
41.25 for applicants who have not previously  
41.26 received grants. Grant money may be used to  
41.27 support meetings, conventions and group  
41.28 business, multicomunity and high-visibility  
41.29 events, and tourism marketing. Explore  
41.30 Minnesota Tourism must accept grant  
41.31 applications for at least five business days  
41.32 beginning at 8:00 a.m. on the first business  
41.33 day and, if total applications exceed  
41.34 \$10,000,000, the grants must be awarded to

42.1 eligible applicants at random until the funding  
 42.2 is exhausted. Of this amount:  
 42.3 (i) at least 25 percent must go to groups in  
 42.4 Hennepin and Ramsey counties;  
 42.5 (ii) at least 25 percent must go to groups in  
 42.6 Anoka, Carver, Dakota, Scott, and Washington  
 42.7 counties;  
 42.8 (iii) at least 25 percent must go to groups  
 42.9 outside of the metropolitan area, as defined  
 42.10 under Minnesota Statutes, section 473.121,  
 42.11 subdivision 2;  
 42.12 (iv) at least 25 percent must be distributed as  
 42.13 small grants of no more than \$10,000 each for  
 42.14 tourism promotional activities; and  
 42.15 (v) up to three percent may be used for  
 42.16 program administration, including promotional  
 42.17 activities and reporting.

42.18 (2) Explore Minnesota Tourism must submit  
 42.19 a preliminary report by November 1, 2023,  
 42.20 and a final report by January 1, 2025, to the  
 42.21 legislative committees with jurisdiction over  
 42.22 tourism that detail the use of grant funds.

42.23 (d) Money for marketing grants is available  
 42.24 either year of the biennium. Unexpended grant  
 42.25 money from the first year is available in the  
 42.26 second year.

42.27 **Sec. 4. DEPARTMENT OF CORRECTIONS    \$        3,500,000    \$        3,500,000**

42.28 (a) \$2,250,000 each year is for contracts with  
 42.29 Minnesota's institutions of higher education  
 42.30 to provide instruction to incarcerated  
 42.31 individuals in state correctional facilities and  
 42.32 to support partnerships with public and private  
 42.33 employers, trades programs, and community

43.1 colleges in providing employment  
 43.2 opportunities for individuals after  
 43.3 incarceration. Funding must be used for  
 43.4 contracts with institutions of higher education  
 43.5 and other training providers and associated  
 43.6 re-entry and operational support services  
 43.7 provided by the agency. Beginning in fiscal  
 43.8 year 2026, the base amount is \$200,000.

43.9 (b) \$1,250,000 each year is to expand the use  
 43.10 of the existing work release program at the  
 43.11 Department of Corrections to increase the  
 43.12 availability of educational programming for  
 43.13 incarcerated individuals who are eligible and  
 43.14 approved for work release. Beginning in fiscal  
 43.15 year 2026, the base amount is \$100,000.

## ARTICLE 2

### ECONOMIC DEVELOPMENT POLICY

43.16  
 43.17

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

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

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

43.23 (c) "Local unit of government" has the meaning given in section 116G.03, subdivision  
 43.24 3.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

44.29 (c) The report may be submitted electronically and is subject to section 3.195, subdivision  
44.30 1.

45.1 Sec. 2. [116J.681] SMALL BUSINESS NAVIGATORS.

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

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

45.5 (c) "Small business" has the meaning given in section 645.445.

45.6 (d) "Underserved" means Black, Indigenous, people of color, veterans, people with  
45.7 disabilities, rural Minnesotans, and low-income individuals.

45.8 Subd. 2. Generally. Small business navigators must work with small businesses and  
45.9 entrepreneurs to help navigate state programs, as well as programs managed by  
45.10 nongovernmental partners and other public and private organizations. The purpose of small  
45.11 business navigators is to connect small businesses and entrepreneurs with the services needed  
45.12 to be successful.

45.13 Subd. 3. Staffing. Staff of small business navigators serve in the classified service of  
45.14 the state and operate as part of the department's Small Business Assistance Office.

45.15 Subd. 4. Commissioner. The commissioner shall develop and implement training  
45.16 materials and reporting and evaluation procedures for the activities of small business  
45.17 navigators.

45.18 Subd. 5. Duties. Small business navigators shall:

45.19 (1) provide information and direction to small businesses and entrepreneurs in a timely,  
45.20 accurate, and comprehensive manner, connecting them with appropriate assistance services  
45.21 from the state and other governmental and nongovernmental organizations;

45.22 (2) build relationships with and provide targeted outreach to historically underserved  
45.23 populations and communities;

45.24 (3) provide for the delivery of information and assistance, including but not limited to  
45.25 the use of media, in a culturally appropriate manner that accommodates businesses and  
45.26 entrepreneurs with limited English proficiency;

45.27 (4) ensure the availability of small business navigators and materials in all media to  
45.28 persons with physical disabilities; and

45.29 (5) coordinate with and augment the services and outreach of the agency's Small Business  
45.30 Assistance Office, Small Business Development Center, Office of Small Business  
45.31 Partnerships, and Launch Minnesota.

46.1 Sec. 3. Minnesota Statutes 2022, section 116J.871, subdivision 1, is amended to read:

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

46.4 (b) "Economic development" means financial assistance provided to a person directly  
46.5 or to a local unit of government or nonprofit organization on behalf of a person who is  
46.6 engaged in the manufacture or sale of goods and services. Economic development does not  
46.7 include (1) financial assistance for rehabilitation of existing housing ~~or~~, (2) financial  
46.8 assistance for new housing construction in which total financial assistance at a single project  
46.9 site is less than \$100,000, or (3) financial assistance for detached single-family affordable  
46.10 homeownership units in which the single project site consists of fewer than five units.

46.11 (c) "Financial assistance" means (1) a grant awarded by a state agency for economic  
46.12 development related purposes if a single business receives \$200,000 or more of the grant  
46.13 proceeds; (2) a loan or the guaranty or purchase of a loan made by a state agency for  
46.14 economic development related purposes if a single business receives \$500,000 or more of  
46.15 the loan proceeds; or (3) a reduction, credit, or abatement of a tax assessed under chapter  
46.16 297A where the tax reduction, credit, or abatement applies to a geographic area smaller  
46.17 than the entire state and was granted for economic development related purposes. Financial  
46.18 assistance does not include payments by the state of aids and credits under chapter 273 or  
46.19 477A to a political subdivision.

46.20 (d) "Project site" means the location where improvements are made that are financed in  
46.21 whole or in part by the financial assistance; or the location of employees that receive financial  
46.22 assistance in the form of employment and training services as defined in section 116L.19,  
46.23 subdivision 4, or customized training from a technical college.

46.24 (e) "State agency" means any agency defined under section 16B.01, subdivision 2,  
46.25 Enterprise Minnesota, Inc., and the Iron Range Resources and Rehabilitation Board.

46.26 Sec. 4. Minnesota Statutes 2022, section 116J.871, subdivision 2, is amended to read:

46.27 Subd. 2. **Prevailing wage required.** (a) A state agency may provide financial assistance  
46.28 to a person only if the person receiving or benefiting from the financial assistance certifies  
46.29 to the commissioner of labor and industry that laborers and mechanics at the project site  
46.30 during construction, installation, remodeling, and repairs for which the financial assistance  
46.31 was provided will be paid the prevailing wage rate as defined in section 177.42, subdivision  
46.32 6, and be subject to the requirements and enforcement provisions of sections 177.27, 177.30,  
46.33 177.32, 177.41 to 177.435, and 177.45.

47.1 (b) For the purposes of a person subject to paragraph (a) who is required to comply with  
47.2 section 177.30, paragraph (a), clauses (6) and (7), the state agency awarding the financial  
47.3 assistance is considered the contracting authority and the project is considered a public  
47.4 works project. The person receiving or benefiting from the financial assistance shall notify  
47.5 all employers on the project of the record keeping and reporting requirements of section  
47.6 177.30, paragraph (a), clauses (6) and (7). Each employer shall submit the required  
47.7 information to the contracting authority.

47.8 **Sec. 5. [116J.8746] SMALL BUSINESS PARTNERSHIP PROGRAM.**

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

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

47.12 (c) "Eligible business" means an entity that:

47.13 (1) is a business, commercial cooperative, employee-owned business, or commercial  
47.14 land trust; and

47.15 (2) is either:

47.16 (i) located in greater Minnesota;

47.17 (ii) in the field of high technology; or

47.18 (iii) at least 51 percent owned by people who are either:

47.19 (A) Black, indigenous, or people of color;

47.20 (B) women;

47.21 (C) immigrants;

47.22 (D) veterans;

47.23 (E) people with disabilities;

47.24 (F) low-income; or

47.25 (G) LGBTQ+.

47.26 (d) "Program" means the small business partnership program established in this section.

47.27 Subd. 2. **Establishment.** The commissioner of employment and economic development  
47.28 shall establish a small business partnership program to make statewide grants to local and  
47.29 regional community-based nonprofit organizations to support the start-up, growth, and

48.1 success of eligible businesses through the delivery of high-quality free or low-cost  
48.2 professional business development and technical assistance services.

48.3 Subd. 3. **Grants to nonprofits.** (a) Nonprofit organizations shall apply for grants using  
48.4 a competitive process established by the commissioner.

48.5 (b) All grants shall be made in the first year of the biennium and shall be for two years.

48.6 (c) Up to ten percent of the grant amount may be used by the nonprofit for administrative  
48.7 expenses.

48.8 (d) Preference shall be given to applications from nonprofits that can demonstrate a  
48.9 record of successful outcomes serving historically underserved communities or increasing  
48.10 the upward economic mobility of clients.

48.11 Subd. 4. **Administration.** The commissioner may use up to five percent of program  
48.12 funds for administering and monitoring the program.

48.13 Subd. 5. **Reporting.** (a) Grant recipients shall report to the commissioner each year they  
48.14 receive grant funds. This report shall detail the use of grant funds and shall include data on  
48.15 the number of individuals served and other measures of program impact, along with any  
48.16 other information requested by the commissioner.

48.17 (b) By January 15, 2025, and by January 15 each odd-numbered year thereafter, the  
48.18 commissioner shall submit a report to the chairs and ranking minority members of the  
48.19 committees of the house of representatives and the senate having jurisdiction over business  
48.20 development that details the use of program funds and the program's impact. This report is  
48.21 in addition to the reporting required under section 3.195.

48.22 Sec. 6. Minnesota Statutes 2022, section 116J.8748, subdivision 3, is amended to read:

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

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

48.28 (i) manufacturing;

48.29 (ii) warehousing;

48.30 (iii) distribution;

48.31 (iv) information technology;



49.1 (v) finance;

49.2 (vi) insurance; or

49.3 (vii) professional or technical services;

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

49.9 (3) the business must enter into a binding construction and job creation business subsidy  
49.10 agreement with the commissioner to expend directly, or ensure expenditure by or in  
49.11 partnership with a third party constructing or managing the project, at least \$500,000 in  
49.12 capital investment in a capital investment project that includes a new, expanded, or remodeled  
49.13 facility within one year following designation as a Minnesota job creation fund business or  
49.14 \$250,000 if the project is located outside the metropolitan area as defined in section 200.02,  
49.15 subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans,  
49.16 women, or persons with a disability; and:

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

49.22 (ii) expend at least \$25,000,000, which may include the installation and purchase of  
49.23 machinery and equipment, in capital investment and retain at least ~~200~~ 100 employees for  
49.24 projects located in the metropolitan area as defined in section 200.02, subdivision 24, ~~and~~  
49.25 75 or expend at least \$10,000,000, which may include the installation and purchase of  
49.26 machinery and equipment, in capital investment and retain at least 50 employees for projects  
49.27 located outside the metropolitan area;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

50.28 Sec. 7. Minnesota Statutes 2022, section 116J.8748, subdivision 4, is amended to read:

50.29 Subd. 4. **Certification; benefits.** (a) The commissioner may certify a Minnesota job  
50.30 creation fund business as eligible to receive a specific value of benefit under paragraphs (b)

51.1 and (c) when the business has achieved its job creation and capital investment goals noted  
51.2 in its agreement under subdivision 3.

51.3 (b) A qualified Minnesota job creation fund business may be certified eligible for the  
51.4 benefits in this paragraph for up to five years for projects located in the metropolitan area  
51.5 as defined in section 200.02, subdivision 24, and seven years for projects located outside  
51.6 the metropolitan area, as determined by the commissioner when considering the best interests  
51.7 of the state and local area. Notwithstanding section 16B.98, subdivision 5, paragraph (a),  
51.8 clause (3), or 16B.98, subdivision 5, paragraph (b), grant agreements for projects located  
51.9 outside the metropolitan area may be for up to seven years in length. The eligibility for the  
51.10 following benefits begins the date the commissioner certifies the business as a qualified  
51.11 Minnesota job creation fund business under this subdivision:

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

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

51.18 (3) up to \$1,000,000 in capital investment rebates and \$1,000,000 in job creation awards  
51.19 are allowable for projects that have at least \$25,000,000 in capital investment and ~~200~~ 100  
51.20 new employees in the metropolitan area as defined in section 200.02, subdivision 24, and  
51.21 ~~75~~ 50 new employees for projects located outside the metropolitan area;

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

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

51.32 (c) The job creation award may be provided in multiple years as long as the qualified  
51.33 Minnesota job creation fund business continues to meet the job creation goals provided for  
51.34 in its agreement under subdivision 3 and the total award does not exceed \$500,000 except

52.1 as provided under paragraph (b), clauses (3) and (4). Under paragraph (b) clause (4), a job  
52.2 creation award of \$2,000 per retained job may be provided one time if the qualified Minnesota  
52.3 job creation fund business meets the minimum capital investment and retained employee  
52.4 requirement as provided in paragraph (b), clause (4), for at least two years.

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

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

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

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

52.30 Sec. 8. Minnesota Statutes 2022, section 116J.8748, subdivision 6, is amended to read:

52.31 Subd. 6. **Job creation award.** (a) A qualified Minnesota job creation fund business is  
52.32 eligible for an annual award for each new job created and maintained under subdivision 4,  
52.33 paragraph (b), clauses (2) and (3), by the business using the following schedule: \$1,000 for  
52.34 each job position paying annual wages at least \$26,000 but less than \$35,000; \$2,000 for

53.1 each job position paying at least \$35,000 but less than \$45,000; ~~and~~ \$3,000 for each job  
 53.2 position paying at least \$45,000 but less than \$55,000; and \$4,000 for each job position  
 53.3 paying at least \$55,000; and as noted in the goals under the agreement provided under  
 53.4 subdivision 1. These awards are increased by \$1,000 if the business is located outside the  
 53.5 metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business  
 53.6 is cumulatively owned by minorities, veterans, women, or persons with a disability.

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

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

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

53.17 Sec. 9. Minnesota Statutes 2022, section 116J.8748, is amended by adding a subdivision  
 53.18 to read:

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

53.22 Sec. 10. **[116J.8751] LAUNCH MINNESOTA.**

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

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

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

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

- 54.1 (d) "Department" means the Department of Employment and Economic Development.
- 54.2 (e) "Entrepreneur" means a Minnesota resident who is involved in establishing a business  
54.3 entity and secures resources directed to its growth while bearing the risk of loss.
- 54.4 (f) "Greater Minnesota" means the area of Minnesota located outside of the metropolitan  
54.5 area as defined in Minnesota Statutes, section 473.121, subdivision 2.
- 54.6 (g) "Innovative technology and business" means a new novel business model or product;  
54.7 a derivative product incorporating new elements into an existing product; a new use for a  
54.8 product; or a new process or method for the manufacture, use, or assessment of any product  
54.9 or activity, patentability, or scalability. Innovative technology or business model does not  
54.10 include locally based retail, lifestyle, or business services. The business must not be primarily  
54.11 engaged in real estate development, insurance, banking, lending, lobbying, political  
54.12 consulting, information technology consulting, wholesale or retail trade, leisure, hospitality,  
54.13 transportation, construction, ethanol production from corn, or professional services provided  
54.14 by attorneys, accountants, business consultants, physicians, or health care consultants.
- 54.15 (h) "Institution of higher education" has the meaning given in Minnesota Statutes, section  
54.16 136A.28, subdivision 6.
- 54.17 (i) "Minority group member" means a United States citizen or lawful permanent resident  
54.18 who is Asian, Pacific Islander, Black, Hispanic, or Native American.
- 54.19 (j) "Research and development" means any activity that is:
- 54.20 (1) a systematic, intensive study directed toward greater knowledge or understanding  
54.21 of the subject studies;
- 54.22 (2) a systematic study directed specifically toward applying new knowledge to meet a  
54.23 recognized need; or
- 54.24 (3) a systematic application of knowledge toward the production of useful materials,  
54.25 devices, systems and methods, including design, development and improvement of prototypes  
54.26 and new processes to meet specific requirements.
- 54.27 (k) "Start-up" means a business entity that has been in operation for less than ten years,  
54.28 has operations in Minnesota, and is in the development stage defined as devoting substantially  
54.29 all of its efforts to establishing a new business and either of the following conditions exists:
- 54.30 (1) planned principal operations have not commenced; or
- 54.31 (2) planned principal operations have commenced, but have raised at least \$1,000,000  
54.32 in equity financing.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

56.3 (b) Launch Minnesota may occupy and lease physical space in a private coworking  
56.4 facility that includes office space for staff and space for community engagement for training  
56.5 entrepreneurs. The physical space leased under this paragraph is exempt from the  
56.6 requirements in Minnesota Statutes, section 16B.24, subdivision 6.

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

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

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

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

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

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

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

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

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

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

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



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

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

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

57.9 (b) The commissioner shall provide a grant of up to \$35,000 to an eligible business or  
57.10 entrepreneur for research and development expenses, direct business expenses, and the  
57.11 purchase of technical assistance or services from public higher education institutions and  
57.12 nonprofit entities. Research and development expenditures may include but are not limited  
57.13 to proof of concept activities, intellectual property protection, prototype designs and  
57.14 production, and commercial feasibility. Expenditures funded under this subdivision are not  
57.15 eligible for the research and development tax credit under Minnesota Statutes, section  
57.16 290.068. Direct business expenses may include rent, equipment purchases, and supplier  
57.17 invoices. Taxes imposed by federal, state, or local government entities may not be reimbursed  
57.18 under this paragraph. Technical assistance or services must be purchased to assist in the  
57.19 development or commercialization of a product or service to be eligible. Each business or  
57.20 entrepreneur may receive only one grant per biennium under this paragraph.

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

57.28 Subd. 7. **Entrepreneur education grants.** (a) The commissioner shall make entrepreneur  
57.29 education grants to institutions of higher education and other organizations to provide  
57.30 educational programming to entrepreneurs and provide outreach to and collaboration with  
57.31 businesses, federal and state agencies, institutions of higher education, trade associations,  
57.32 and other organizations working to advance innovative technology businesses throughout  
57.33 Minnesota.

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

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

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

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

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

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

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

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

58.31 (b) By December 31, 2024, Launch Minnesota shall provide a comprehensive transition  
58.32 plan to the chairs and ranking minority members of the committees of the house of  
58.33 representatives and senate having jurisdiction over economic development policy and

59.1 finance. The transition plan shall include: (1) a detailed strategy for the transfer of Launch  
59.2 Minnesota activities to an entity outside of state government; (2) the projected date of the  
59.3 transfer; and (3) the role of the state, if any, in ongoing activities of Launch Minnesota or  
59.4 its successor entity.

59.5 Subd. 9. **Advisory board.** (a) The commissioner shall establish an advisory board to  
59.6 advise the executive director regarding the activities of Launch Minnesota, make the  
59.7 recommendations described in this section, and develop and initiate a strategic plan for  
59.8 transferring some activities of Launch Minnesota to a new or existing public-private  
59.9 partnership or nonprofit organization outside of state government.

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

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

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

59.22 Sec. 11. Minnesota Statutes 2022, section 116J.9924, subdivision 4, is amended to read:

59.23 Subd. 4. **Grant amount; project phasing.** (a) The commissioner shall award grants in  
59.24 an amount not to exceed ~~\$1,500,000~~ \$3,000,000 per grant.

59.25 (b) A grant awarded under this section must be no less than the amount required to  
59.26 complete one or more phases of the project, less any nonstate funds already committed for  
59.27 such activities.

59.28 Sec. 12. [116J.9925] COMMUNITY WEALTH-BUILDING GRANT PROGRAM.

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

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

60.1 (c) "Community business" means a cooperative, an employee-owned business, or a  
60.2 commercial land trust that is at least 51 percent owned by individuals from targeted groups.

60.3 (d) "Partner organization" means a community development financial institution or  
60.4 nonprofit corporation.

60.5 (e) "Program" means the community wealth-building grant program created under this  
60.6 section.

60.7 (f) "Targeted groups" means persons who are Black, Indigenous, People of Color,  
60.8 immigrants, low-income, women, veterans, or persons with disabilities.

60.9 Subd. 2. **Establishment.** The commissioner shall establish a community wealth-building  
60.10 grant program to award grants to partner organizations to fund low-interest loans to  
60.11 community businesses. The program must encourage tax-base revitalization, private  
60.12 investment, job creation for targeted groups, creation and strengthening of business  
60.13 enterprises, assistance to displaced businesses, and promotion of economic development in  
60.14 low-income areas.

60.15 Subd. 3. **Grants to partner organizations.** (a) The commissioner shall award grants to  
60.16 partner organizations through a competitive grant process where applicants apply using a  
60.17 form designed by the commissioner. In evaluating applications, the commissioner shall  
60.18 consider whether the applicant:

60.19 (1) has a board of directors that includes members experienced in business and community  
60.20 development, operating community businesses, addressing racial income disparities, and  
60.21 creating jobs for targeted groups;

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

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

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

60.26 (5) can establish a program and administer funds;

60.27 (6) can work with job referral networks assisting targeted groups; and

60.28 (7) has established relationships with communities of targeted groups.

60.29 (b) The commissioner shall ensure that loans through the program will fund community  
60.30 businesses statewide and shall make reasonable attempts to balance the amount of funding  
60.31 available to community businesses inside and outside of the metropolitan area as defined  
60.32 under section 473.121, subdivision 2.

61.1 (c) Partner organizations that receive grants under this subdivision shall use up to ten  
61.2 percent of their award to provide specialized technical and legal assistance, either directly  
61.3 or through a partnership with organizations with expertise in shared ownership structures,  
61.4 to community businesses and businesses in the process of transitioning to community  
61.5 ownership.

61.6 (d) Grants under this subdivision are available for five years. The commissioner shall  
61.7 review existing grant agreements every five years and may renew or terminate the agreement  
61.8 based on that review and consideration of the criteria under paragraph (a).

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

61.12 (b) Under the plan:

61.13 (1) the state contribution to each loan shall be no less than \$50,000 and no more than  
61.14 \$2,500,000;

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

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

61.18 (4) the interest rate on a loan shall not be higher than the Wall Street Journal prime rate;

61.19 (5) 50 percent of all repayments of principal on a loan under the program shall be repaid  
61.20 to the community wealth-building account created under subdivision 5. The partner  
61.21 organization may retain the remainder of loan repayments to service loans and provide  
61.22 further technical assistance;

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

61.25 (7) a partner organization may not make a loan to a project in which it has an ownership  
61.26 interest.

61.27 Subd. 5. **Community wealth-building account.** A community wealth-building account  
61.28 is created in the special revenue fund in the state treasury. Money in the account is  
61.29 appropriated to the commissioner for grants under this section.

61.30 Subd. 6. **Reports.** (a) Grant recipients shall submit an annual report to the commissioner  
61.31 by January 31 of each year they participate in the program. The report shall include:

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

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

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

62.7 (b) By February 15 of each year beginning in 2024, the commissioner shall submit a  
62.8 report to the chairs and ranking minority members of the legislative committees with  
62.9 jurisdiction over workforce and economic development on program outcomes, including  
62.10 copies of all reports received under paragraph (a).

62.11 **Sec. 13. [116J.9926] EMERGING DEVELOPER FUND PROGRAM.**

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

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

62.15 (c) "Disadvantaged community" means a community where the median household  
62.16 income is less than 80 percent of the area median income.

62.17 (d) "Eligible project" means a project that is based in Minnesota and meets one or more  
62.18 of the following criteria:

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

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

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

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

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

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

62.29 (e) "Emerging developer" means a developer who:

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

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

63.3 (3) is either a:

63.4 (i) minority as defined in section 116M.14, subdivision 6;

63.5 (ii) woman;

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

63.7 (iv) low-income person.

63.8 (f) "Low-income person" means a person who:

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

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

63.12 (g) "Partner organization" means a community development financial institution or a  
 63.13 similarly qualified nonprofit corporation, as determined by the commissioner.

63.14 (h) "Program" means the emerging developer fund program created under this section.

63.15 Subd. 2. **Establishment.** The commissioner shall establish an emerging developer fund  
 63.16 program to make grants to partner organizations to make grants and loans to emerging  
 63.17 developers for eligible projects to transform neighborhoods statewide and promote economic  
 63.18 development and the creation and retention of jobs in Minnesota. The program must also  
 63.19 reduce racial and socioeconomic disparities by growing the financial capacity of emerging  
 63.20 developers.

63.21 Subd. 3. **Grants to partner organizations.** (a) The commissioner shall design a  
 63.22 competitive process to award grants to partner organizations to make grants and loans to  
 63.23 emerging developers under subdivision 4.

63.24 (b) A partner organization may use up to ten percent of grant funds for the administrative  
 63.25 costs of the program.

63.26 Subd. 4. **Grants and loans to emerging developers.** (a) Through the program, partner  
 63.27 organizations shall offer emerging developers predevelopment grants and predevelopment,  
 63.28 construction, and bridge loans for eligible projects according to a plan submitted to and  
 63.29 approved by the commissioner.

63.30 (b) Predevelopment grants must be for no more than \$100,000. All loans must be for no  
 63.31 more than \$1,000,000.

64.1 (c) Loans must be for a term set by the partner organization and approved by the  
64.2 commissioner of no less than six months and no more than eight years, depending on the  
64.3 use of loan proceeds.

64.4 (d) Loans must be for zero interest or an interest rate of no more than the Wall Street  
64.5 Journal prime rate, as determined by the partner organization and approved by the  
64.6 commissioner based on the individual project risk and type of loan sought.

64.7 (e) Loans must have flexible collateral requirements compared to traditional loans, but  
64.8 may require a personal guaranty from the emerging developer and may be largely unsecured  
64.9 when the appraised value of the real estate is low.

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

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

64.14 (h) At the partner organization's request and the commissioner's discretion, an emerging  
64.15 developer may be required to work with an experienced developer or professional services  
64.16 consultant who can offer expertise and advice throughout the development of the project.

64.17 (i) All loan repayments must be paid into the emerging developer fund account created  
64.18 in this section to fund additional loans.

64.19 Subd. 5. **Eligible expenses.** (a) The following are eligible expenses for a predevelopment  
64.20 grant or loan under the program:

64.21 (1) earnest money or purchase deposit;

64.22 (2) building inspection fees and environmental reviews;

64.23 (3) appraisal and surveying;

64.24 (4) design and tax credit application fees;

64.25 (5) title and recording fees;

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

64.27 (7) interim maintenance and project overhead;

64.28 (8) property taxes and insurance;

64.29 (9) construction bonds or letters of credit;

64.30 (10) market and feasibility studies; and



65.1 (11) professional fees.

65.2 (b) The following are eligible expenses for a construction or bridge loan under the  
65.3 program:

65.4 (1) land or building acquisition;

65.5 (2) construction-related expenses;

65.6 (3) developer and contractor fees;

65.7 (4) site preparation, environmental cleanup, and demolition;

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

65.9 (6) professional fees;

65.10 (7) carrying costs;

65.11 (8) construction period interest;

65.12 (9) project reserves; and

65.13 (10) leasehold improvements and equipment purchase.

65.14 Subd. 6. **Emerging developer fund account.** An emerging developer fund account is  
65.15 created in the special revenue fund in the state treasury. Money in the account is appropriated  
65.16 to the commissioner for grants to partner organizations to make loans under this section.

65.17 Subd. 7. **Reports to the legislature.** (a) By January 15 of each year, beginning in 2025,  
65.18 each partner organization shall submit a report to the commissioner on the use of program  
65.19 funds and program outcomes.

65.20 (b) By February 15 of each year, beginning in 2025, the commissioner shall submit a  
65.21 report to the chairs of the house of representatives and senate committees with jurisdiction  
65.22 over economic development on the use of program funds and program outcomes.

65.23 **Sec. 14. EMPOWERING ENTERPRISE PROGRAM.**

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

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

65.27 (c) "Eligible organization" means:

65.28 (1) a federally certified community development financial institution;

65.29 (2) a nonprofit organization; or

66.1 (3) a city.

66.2 (d) "Entity" includes any registered business or nonprofit organization. This includes  
66.3 businesses, cooperatives, utilities, industrial, commercial, retail, and nonprofit organizations.

66.4 Subd. 2. **Establishment.** The commissioner shall establish a program to make grants to  
66.5 eligible organizations to develop and implement local economic relief programs designed  
66.6 with the primary goal of assisting communities adversely affected by civil unrest during  
66.7 the peacetime emergency declared in governor's Executive Order No. 20-64 by preserving  
66.8 incumbent entities and encouraging new entities to locate in those areas. To this end, local  
66.9 programs should include outreach to cultural communities and support for microenterprises.

66.10 Subd. 3. **Available relief.** (a) The local programs established by eligible organizations  
66.11 under this section may include grants or loans as provided in this section, as well as subgrants  
66.12 to local nonprofits to further the goals of the program. Prior to awarding a grant to an eligible  
66.13 organization for a local program under this section:

66.14 (1) the eligible organization must develop criteria, procedures, and requirements for:

66.15 (i) determining eligibility for assistance;

66.16 (ii) the duration, terms, underwriting and security requirements, and repayment  
66.17 requirements for loans;

66.18 (iii) evaluating applications for assistance;

66.19 (iv) awarding assistance; and

66.20 (v) administering the grant and loan programs authorized under this section, including  
66.21 any subgrants to local nonprofits;

66.22 (2) the eligible organization must submit its criteria, procedures, and requirements  
66.23 developed pursuant to clause (1) to the commissioner of employment and economic  
66.24 development for review; and

66.25 (3) the commissioner must approve the criteria, procedures, and requirements as  
66.26 developed pursuant to clause (1) to be used by an eligible organization in determining  
66.27 eligibility for assistance, evaluating, awarding, and administering a grant and loan program.

66.28 (b) Relief under this section includes grants to entities. These grants must not exceed  
66.29 \$500,000 per entity, must specify that an entity receiving a grant must remain in the local  
66.30 community a minimum of three years after the date of the grant, and must require submission  
66.31 of a plan for continued operation. Grants may be awarded to applicants only when an eligible  
66.32 organization determines that a loan is not appropriate to address the needs of the applicant.

67.1 (c) Relief under this section includes loans to entities, with or without interest, and  
67.2 deferred or forgivable loans. The maximum loan amount under this subdivision is \$500,000  
67.3 per entity. The lending criteria adopted by an eligible organization for loans under this  
67.4 subdivision must:

67.5 (1) specify that an entity receiving a deferred or forgivable loan must remain in the local  
67.6 community a minimum of three years after the date of the loan. The maximum loan deferral  
67.7 period must not exceed three years from the date the loan is approved; and

67.8 (2) require submission of a plan for continued operation. The plan must document the  
67.9 probable success of the applicant's plan and probable success in repaying the loan according  
67.10 to the terms established for the loan program.

67.11 (d) All loan repayment funds under this subdivision must be paid to the commissioner  
67.12 of employment and economic development for deposit in the general fund.

67.13 Subd. 4. **Monitoring and reporting.** (a) Participating eligible organizations must  
67.14 establish performance measures that include but are not limited to the following components:

67.15 (1) the number of loans approved and the amounts and terms of the loans;

67.16 (2) the number of grants awarded, award amounts, and the reason that a grant award  
67.17 was made in lieu of a loan;

67.18 (3) the loan default rate;

67.19 (4) the number of jobs created or retained as a result of the assistance, including  
67.20 information on the wages and benefit levels, the status of the jobs as full-time or part-time,  
67.21 and the status of the jobs as temporary or permanent; and

67.22 (5) the amount of business activity and changes in gross revenues of the grant or loan  
67.23 recipient as a result of the assistance.

67.24 (b) The commissioner of employment and economic development must monitor the  
67.25 participating eligible organizations' compliance with this section and the performance  
67.26 measures developed under paragraph (a).

67.27 (c) Participating eligible organizations must comply with all requests made by the  
67.28 commissioner under this section and are responsible for the reporting and compliance of  
67.29 any subgrantees.

67.30 (d) By December 15 of each year the program is in existence, participating eligible  
67.31 organizations must report their performance measures to the commissioner. By January 15  
67.32 of each year the program is in existence, after the first, the commissioner must submit a

68.1 report of these performance measures to the chairs and ranking minority members of the  
68.2 committees of the house of representatives and the senate having jurisdiction over economic  
68.3 development that details the use of funds under this section.

68.4 Subd. 5. **Exemptions.** (a) Minnesota Statutes, sections 116J.993 to 116J.995, do not  
68.5 apply to assistance under this section. Entities in receipt of assistance under this section  
68.6 must provide for job creation and retention goals and wage and benefit goals.

68.7 (b) Minnesota Statutes, sections 16A.15, 16B.97, 16B.98, 16B.991, 16C.05, and 16C.053,  
68.8 do not apply to assistance under this section.

68.9 Subd. 6. **Administrative costs.** The commissioner of employment and economic  
68.10 development may use up to seven percent of the appropriation made for this section for  
68.11 administrative expenses of the department or for assisting participating eligible organizations  
68.12 with their administrative expenses.

68.13 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
68.14 expires the day after the last loan is repaid or forgiven as provided under this section.

68.15 Sec. 15. **CANADIAN BORDER COUNTIES ECONOMIC RELIEF PROGRAM.**

68.16 Subdivision 1. **Relief program established.** The Northland Foundation must develop  
68.17 and implement a Canadian border counties economic relief program to assist businesses  
68.18 adversely affected by the 2021 closure of the Boundary Waters Canoe Area Wilderness or  
68.19 the closures of the Canadian border since 2020.

68.20 Subd. 2. **Available relief.** (a) The economic relief program established under this section  
68.21 may include grants provided in this section to the extent that funds are available. Before  
68.22 awarding a grant to the Northland Foundation for the relief program under this section:

68.23 (1) the Northland Foundation must develop criteria, procedures, and requirements for:

68.24 (i) determining eligibility for assistance;

68.25 (ii) evaluating applications for assistance;

68.26 (iii) awarding assistance; and

68.27 (iv) administering the grant program authorized under this section;

68.28 (2) the Northland Foundation must submit its criteria, procedures, and requirements  
68.29 developed under clause (1) to the commissioner of employment and economic development  
68.30 for review; and

69.1 (3) the commissioner must approve the criteria, procedures, and requirements submitted  
69.2 under clause (2).

69.3 (b) The maximum grant to a business under this section is \$50,000 per business.

69.4 Subd. 3. **Qualification requirements.** To qualify for assistance under this section, a  
69.5 business must:

69.6 (1) be located within a county that shares a border with Canada;

69.7 (2) document a reduction of at least ten percent in gross receipts in 2021 compared to  
69.8 2019; and

69.9 (3) provide a written explanation for how the 2021 closure of the Boundary Waters  
69.10 Canoe Area Wilderness or the closures of the Canadian border since 2020 resulted in the  
69.11 reduction in gross receipts documented under clause (2).

69.12 Subd. 4. **Monitoring.** (a) The Northland Foundation must establish performance  
69.13 measures, including but not limited to the following components:

69.14 (1) the number of grants awarded and award amounts for each grant;

69.15 (2) the number of jobs created or retained as a result of the assistance, including  
69.16 information on the wages and benefit levels, the status of the jobs as full time or part time,  
69.17 and the status of the jobs as temporary or permanent;

69.18 (3) the amount of business activity and changes in gross revenues of the grant recipient  
69.19 as a result of the assistance; and

69.20 (4) the new tax revenue generated as a result of the assistance.

69.21 (b) The commissioner of employment and economic development must monitor the  
69.22 Northland Foundation's compliance with this section and the performance measures  
69.23 developed under paragraph (a).

69.24 (c) The Northland Foundation must comply with all requests made by the commissioner  
69.25 under this section.

69.26 Subd. 5. **Business subsidy requirements.** Minnesota Statutes, sections 116J.993 to  
69.27 116J.995, do not apply to assistance under this section. Businesses in receipt of assistance  
69.28 under this section must provide for job creation and retention goals, and wage and benefit  
69.29 goals.

70.1 Subd. 6. **Administrative costs.** The commissioner of employment and economic  
70.2 development may use up to one percent of the appropriation made for this section for  
70.3 administrative expenses of the department.

70.4 **EFFECTIVE DATE.** This section is effective July 1, 2023, and expires June 30, 2024.

70.5 Sec. 16. **REPEALER.**

70.6 Minnesota Statutes 2022, section 116J.9924, subdivision 6, and Laws 2019, First Special  
70.7 Session chapter 7, article 2, section 8, as amended by Laws 2021, First Special Session  
70.8 chapter 10, article 2, section 19, is repealed.

### 70.9 **ARTICLE 3**

### 70.10 **WORKFORCE DEVELOPMENT POLICY**

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

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

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

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

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

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

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

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

70.24 (3) motor vehicle loans.

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

70.27 (1) financial literacy education;

70.28 (2) education on budgeting for vehicle ownership;

70.29 (3) car maintenance and repair instruction;

71.1 (4) credit counseling; or

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

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

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

71.7 (2) the area to be served;

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

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

71.10 to:

71.11 (i) automobile dealers;

71.12 (ii) automobile parts dealers;

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

71.14 (iv) banks and credit unions;

71.15 (v) employers;

71.16 (vi) employment and training agencies;

71.17 (vii) insurance companies and agents;

71.18 (viii) local workforce centers; and

71.19 (ix) educational institutions, including vocational institutions and jobs or skills training  
71.20 programs.

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

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

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

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

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

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

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

72.3 Subd. 6. **Report to legislature.** By January 15, 2026, and each January 15 in an  
 72.4 even-numbered year thereafter, the commissioner shall submit a report to the chairs of the  
 72.5 house of representatives and senate committees with jurisdiction over workforce and  
 72.6 economic development on program outcomes. At a minimum, the report must include:

72.7 (1) the total number of program participants;

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

72.9 (i) provision of a motor vehicle;

72.10 (ii) motor vehicle repair services; and

72.11 (iii) motor vehicle loans;

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

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

72.18 Sec. 2. Minnesota Statutes 2022, section 116J.5492, subdivision 8, is amended to read:

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

72.23 Sec. 3. Minnesota Statutes 2022, section 116J.5492, subdivision 10, is amended to read:

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

72.27 Sec. 4. Minnesota Statutes 2022, section 116J.55, subdivision 1, is amended to read:

72.28 Subdivision 1. **Definitions.** For the purposes of this section, "eligible community" means  
 72.29 a county, municipality, or tribal government located in Minnesota in which an electric



73.1 generating plant owned by a public utility, as defined in section 216B.02, that is powered  
73.2 by coal, nuclear energy, or natural gas:

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

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

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

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

73.12 ~~(b)~~ (a) A grant awarded to an eligible community under this section must not exceed  
73.13 \$500,000 \$1,000,000 in any calendar year. The commissioner may accept grant applications  
73.14 on an ongoing or rolling basis.

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

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

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

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

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

73.29 (b) An eligible community awarded a grant under this section may use the grant to plan  
73.30 for or address the economic and social impacts on the eligible community of the electric  
73.31 generating plant's cessation of operations, including but not limited to land use studies,

74.1 economic planning, researching, planning, and implementing activities, capital costs of  
 74.2 public infrastructure necessary for economic development, and impact studies and other  
 74.3 planning activities enabling communities to become shovel-ready and support the transition  
 74.4 from power plants to other economic activities to minimize the negative impacts of power  
 74.5 plant closures on tax revenues and jobs designed to:

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

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

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

74.11 **Sec. 7. [116J.659] OFFICE OF NEW AMERICANS.**

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

74.17 (b) The purpose of the office is to serve immigrants and refugees in Minnesota by:

74.18 (1) addressing challenges that face immigrants and refugees in Minnesota, and creating  
 74.19 access in economic development and workforce programs and services; and

74.20 (2) providing interstate agency coordination, policy reviews, and guidance that assist in  
 74.21 creating access to immigrants and refugees.

74.22 **Subd. 2. Duties.** (a) The office has the duty to:

74.23 (1) create and implement a statewide strategy to support immigrant and refugee integration  
 74.24 into Minnesota communities;

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

74.27 (3) identify strategies to reduce employment barriers, including the creation of alternative  
 74.28 pathways for immigrants and refugees;

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

75.1 (5) support equitable opportunities for immigrants and refugees to access state government  
75.2 services and grants;

75.3 (6) work with state agencies and community and foundation partners to undertake studies  
75.4 and research and analyze economic and demographic trends to better understand and serve  
75.5 the state's immigrant and refugee communities;

75.6 (7) coordinate and establish best practices for language access initiatives to all state  
75.7 agencies;

75.8 (8) convene stakeholders and provide assistance and recommendations to the governor  
75.9 on issues impacting immigrants and refugees;

75.10 (9) make policy recommendations to the governor on issues impacting immigrants and  
75.11 refugees;

75.12 (10) develop systems of communication and collaboration with local offices and service  
75.13 providers to ensure that immigrants and refugees can access support available to them to  
75.14 address multisectoral barriers to success, including in the areas of employment, housing,  
75.15 legal services, health care, and education;

75.16 (11) collaborate with existing immigrant and refugee inclusion positions and offices at  
75.17 the city and county level statewide;

75.18 (12) encourage and support the creation of new immigrant and refugee inclusion positions  
75.19 and offices at the city and county level statewide;

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

75.22 (14) promulgate rules necessary to implement and effectuate this section;

75.23 (15) provide an annual report, as required by subdivision 3; and

75.24 (16) perform any other activities consistent with the office's purpose.

75.25 Subd. 3. **Reporting.** (a) Beginning January 15, 2024, and each year thereafter, the Office  
75.26 of New Americans shall report to the legislative committees with jurisdiction over the  
75.27 office's activities during the previous year.

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

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

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

- 76.1 (3) any proposed legislative and policy initiatives;
- 76.2 (4) the amount and types of grants awarded under subdivision 6; and
- 76.3 (5) any other information deemed necessary and requested by the legislative committees
- 76.4 with jurisdiction over the office.
- 76.5 (c) The report may be submitted electronically and is subject to section 3.195, subdivision
- 76.6 1.
- 76.7 **Subd. 4. Interdepartmental Coordinating Council on Immigrant and Refugee**
- 76.8 **Affairs.** (a) An interdepartmental Coordinating Council on Immigrant and Refugee Affairs
- 76.9 is established to advise the Office of New Americans.
- 76.10 (b) The purpose of the council is to identify and establish ways in which state departments
- 76.11 and agencies can work together to deliver state programs and services effectively and
- 76.12 efficiently to Minnesota's immigrant and refugee populations. The council shall implement
- 76.13 policies, procedures, and programs requested by the governor through the state departments
- 76.14 and offices.
- 76.15 (c) The council shall be chaired by the assistant commissioner of the Office of New
- 76.16 Americans and shall be comprised of the commissioners, department directors, or senior
- 76.17 leadership designees, from the following state departments and offices:
- 76.18 (1) the governor's office;
- 76.19 (2) the Department of Administration;
- 76.20 (3) the Department of Employment and Economic Development;
- 76.21 (4) the Department of Human Services;
- 76.22 (5) the Department of Human Services Resettlement Program Office;
- 76.23 (6) the Department of Labor and Industry;
- 76.24 (7) the Department of Health;
- 76.25 (8) the Department of Education;
- 76.26 (9) the Office of Higher Education;
- 76.27 (10) the Department of Public Safety;
- 76.28 (11) the Department of Corrections;
- 76.29 (12) the Council for Minnesotans of African Heritage;
- 76.30 (13) the Minnesota Council on Latino Affairs; and

77.1 (14) the Council on Asian Pacific Minnesotans.

77.2 (d) Each department or office serving as a member of the council shall designate one  
 77.3 staff member as an immigrant and refugee services liaison. The liaisons' responsibilities  
 77.4 shall include:

77.5 (1) preparation and dissemination of information and services available to immigrants  
 77.6 and refugees; and

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

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

77.13 Subd. 6. **Grants.** The office may apply for grants for interested state agencies, community  
 77.14 partners, and stakeholders under this section to carry out the duties under subdivision 2. In  
 77.15 awarding grants, the commissioner must allocate grants as evenly as practicable among  
 77.16 interested parties.

77.17 Sec. 8. Minnesota Statutes 2022, section 116L.361, subdivision 7, is amended to read:

77.18 Subd. 7. **Very Low income.** "~~Very~~ Low income" means incomes that are at or less than  
 77.19 ~~50~~ 80 percent of the area median income, adjusted for family size, as estimated by the  
 77.20 Department of Housing and Urban Development.

77.21 Sec. 9. Minnesota Statutes 2022, section 116L.362, subdivision 1, is amended to read:

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

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

78.3 (1) Head Start or day care centers, including playhouses or similar incidental structures;

78.4 (2) homeless, battered women, or other shelters;

78.5 (3) transitional housing and tiny houses;

78.6 (4) youth or senior citizen centers;

78.7 (5) community health centers; and

78.8 (6) community garden facilities.

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

78.11 Sec. 10. Minnesota Statutes 2022, section 116L.364, subdivision 3, is amended to read:

78.12 Subd. 3. **Work experience component.** A work experience component must be included  
78.13 in each program. The work experience component must provide vocational skills training  
78.14 in an industry where there is a viable expectation of job opportunities. A training subsidy,  
78.15 living allowance, or stipend, not to exceed an amount equal to 100 percent of the poverty  
78.16 line for a family of two as defined in ~~United States Code, title 42, section 673, paragraph~~  
78.17 ~~(2) the final rules and regulations of the Workforce Innovation and Opportunity Act,~~ may  
78.18 be provided to program participants. The wage or stipend must be provided to participants  
78.19 who are recipients of public assistance in a manner or amount which will not reduce public  
78.20 assistance benefits. The work experience component must be designed so that work projects  
78.21 result in (1) the expansion or improvement of residential units for homeless persons and  
78.22 ~~very~~ low income families; (2) improvements to the energy efficiency and environmental  
78.23 health of residential units; (3) facilities to support community garden projects; or (4)  
78.24 rehabilitation, improvement, or construction of eligible education, social service, or health  
78.25 facilities that principally serve homeless or ~~very~~ low income individuals and families. Any  
78.26 work project must include direct supervision by individuals skilled in each specific vocation.  
78.27 Program participants may earn credits toward the completion of their secondary education  
78.28 from their participation in the work experience component.

79.1 Sec. 11. Minnesota Statutes 2022, section 116L.365, subdivision 1, is amended to read:

79.2 Subdivision 1. **Priority for housing.** Any residential or transitional housing units that  
79.3 become available through a work project that is part of the program described in section  
79.4 116L.364 must be allocated in the following order:

79.5 (1) homeless targeted youth who have participated in constructing, rehabilitating, or  
79.6 improving the unit;

79.7 (2) homeless families with at least one dependent;

79.8 (3) other homeless individuals;

79.9 (4) other ~~very~~ low income families and individuals; and

79.10 (5) families or individuals that receive public assistance and that do not qualify in any  
79.11 other priority group.

79.12 Sec. 12. **[116L.43] TARGETED POPULATIONS WORKFORCE GRANTS.**

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

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

79.16 (1) provides workforce development programming or services;

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

79.18 (3) has its primary office located in a historically underserved community of color or  
79.19 low-income community; and

79.20 (4) serves a population that generally reflects the demographics of that local community.

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

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

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

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

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

80.1 Subd. 2. **Job and entrepreneurial skills training grants.** (a) The commissioner shall  
80.2 establish a job and entrepreneurial skills training grant program that must provide competitive  
80.3 funding to community-based organizations to provide skills training that leads to employment  
80.4 or business development in high-growth industries.

80.5 (b) Eligible forms of skills training include:

80.6 (1) student tutoring and testing support services;

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

80.8 (3) assistance in obtaining industry specific certifications;

80.9 (4) remedial training leading to enrollment in further training or education;

80.10 (5) real-time work experience or on-the-job training;

80.11 (6) career and educational counseling;

80.12 (7) work experience and internships;

80.13 (8) supportive services;

80.14 (9) tuition reimbursement for new entrants into public sector careers;

80.15 (10) career mentorship;

80.16 (11) postprogram case management services;

80.17 (12) job placement services; and

80.18 (13) the cost of corporate board of director training for people of color.

80.19 (c) Grant awards must not exceed \$750,000 per year per organization and all funding  
80.20 awards must be made for the duration of a biennium. An organization may partner with  
80.21 another organization to utilize grant awards, provided that the organizations must not be  
80.22 funded to deliver the same services. Grants awarded under this subdivision are not subject  
80.23 to section 116L.98.

80.24 Subd. 3. **Diversity and inclusion training for small employers.** (a) The commissioner  
80.25 shall establish a diversity and inclusion training grant program which shall provide  
80.26 competitive grants to small businesses for diversity and inclusion training, including the  
80.27 creation and implementation of a plan to actively engage, hire, and retain people of color  
80.28 for both entry level and high-wage opportunities, including management and board of  
80.29 director positions.



81.1 (b) Grant awards must not exceed \$300,000 per year per business. A business may only  
81.2 receive one grant for diversity and inclusion training per biennium.

81.3 (c) Applicants are required to submit a plan for use of the funds. Grant recipients are  
81.4 required to submit a diversity and inclusion implementation plan after training is completed.

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

81.6 (e) Sections 116J.993 to 116J.995 do not apply to assistance under this subdivision.

81.7 Subd. 4. **Capacity building.** (a) The commissioner shall establish a capacity building  
81.8 grant program to provide training services and funding for capacity building to  
81.9 community-based organizations.

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

81.12 (c) Grant awards must not exceed \$50,000 per organization and are limited to one grant  
81.13 per community-based organization.

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

81.15 (e) Grant recipients must submit a report to the commissioner outlining the use of grant  
81.16 funds and the impact of that funding on the community-based organization's future ability  
81.17 to provide workforce development services.

81.18 Sec. 13. Minnesota Statutes 2022, section 116L.56, subdivision 2, is amended to read:

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

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

81.24 (1) a pregnant or parenting youth;

81.25 (2) a youth with limited English proficiency;

81.26 (3) a potential or actual school dropout;

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

81.28 (5) a public assistance recipient or a recipient of group home services;

81.29 (6) a youth with disabilities including learning disabilities;

81.30 (7) a child of drug or alcohol abusers or a youth with substance use disorder;

82.1 (8) a homeless or runaway youth;

82.2 (9) a youth with basic skills deficiency;

82.3 (10) a youth with an educational attainment of one or more levels below grade level

82.4 appropriate to age; or

82.5 (11) a foster child.

82.6 Sec. 14. Minnesota Statutes 2022, section 116L.561, subdivision 5, is amended to read:

82.7 Subd. 5. **Allocation formula.** Seventy percent of Minnesota youth program funds must  
82.8 be allocated based on the county's share of economically disadvantaged youth. The remaining  
82.9 30 percent must be allocated based on the county's share of population ages 14 to ~~21~~ 24.

82.10 Sec. 15. Minnesota Statutes 2022, section 116L.562, subdivision 2, is amended to read:

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

82.12 (1) "eligible organization" or "eligible applicant" means a local government unit, nonprofit  
82.13 organization, community action agency, or a public school district;

82.14 (2) "at-risk youth" means youth classified as at-risk under section 116L.56, subdivision  
82.15 2; and

82.16 (3) "economically disadvantaged" means youth who are economically disadvantaged as  
82.17 defined in ~~United States Code, title 29, section 1503~~ the rules and regulations of the  
82.18 Workforce Innovation and Opportunity Act.

82.19 Sec. 16. Minnesota Statutes 2022, section 268.035, subdivision 20, is amended to read:

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

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

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

82.25 (3) employment for a foreign government;

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

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

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

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

83.8 (8) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
83.9 an individual receiving rehabilitation of "sheltered" work in a facility conducted for the  
83.10 purpose of carrying out a program of rehabilitation for individuals whose earning capacity  
83.11 is impaired by age or physical or mental deficiency or injury or a program providing  
83.12 "sheltered" work for individuals who because of an impaired physical or mental capacity  
83.13 cannot be readily absorbed in the competitive labor market. This clause applies only to  
83.14 services performed in a facility certified by the Rehabilitation Services Branch of the  
83.15 department or in a day training or habilitation program licensed by the Department of Human  
83.16 Services;

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

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

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

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

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

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

84.1 (15) employment for Minnesota in an unclassified position established under section  
84.2 43A.08, subdivision 1a;

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

84.5 (17) domestic employment in a private household, local college club, or local chapter  
84.6 of a college fraternity or sorority, if the wages paid in any calendar quarter in either the  
84.7 current or prior calendar year to all individuals in domestic employment totaled less than  
84.8 \$1,000.

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

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

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

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

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

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

84.29 (23) employment of university, college, or professional school students in an internship  
84.30 or other training program with the city of St. Paul or the city of Minneapolis under Laws  
84.31 1990, chapter 570, article 6, section 3;

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

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

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

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

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

85.11 (29) employment of a corporate officer, if the officer directly or indirectly, including  
85.12 through a subsidiary or holding company, owns 25 percent or more of the employer  
85.13 corporation, and employment of a member of a limited liability company, if the member  
85.14 directly or indirectly, including through a subsidiary or holding company, owns 25 percent  
85.15 or more of the employer limited liability company;

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

85.18 (31) employment as a direct seller as defined in United States Code, title 26, section  
85.19 3508;

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

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

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

85.27 (35) if employment during one-half or more of any pay period was covered employment,  
85.28 all the employment for the pay period is covered employment; but if during more than  
85.29 one-half of any pay period the employment was noncovered employment, then all of the  
85.30 employment for the pay period is noncovered employment. "Pay period" means a period  
85.31 of not more than a calendar month for which a payment or compensation is ordinarily made  
85.32 to the employee by the employer; or

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

86.4 Sec. 17. Minnesota Statutes 2022, section 268A.15, is amended by adding a subdivision  
86.5 to read:

86.6 Subd. 8a. **Provider rate increases.** (a) Effective July 1, 2023, subject to the availability  
86.7 of additional funding, an annual growth factor adjustment of no less than a three percent  
86.8 increase for providers of extended employment services for persons with severe disabilities  
86.9 shall be authorized. If there is sufficient funding appropriated, the commissioner shall  
86.10 increase reimbursement rates by the percentage of this adjustment.

86.11 (b) The commissioner of management and budget must include an annual inflationary  
86.12 adjustment in reimbursement rates for providers of extended employment services for  
86.13 persons with severe disabilities as a budget change request in each biennial detailed  
86.14 expenditure budget submitted to the legislature under section 16A.11.

86.15 Sec. 18. Minnesota Statutes 2022, section 469.40, subdivision 11, is amended to read:

86.16 **Subd. 11. Public infrastructure project.** (a) "Public infrastructure project" means a  
86.17 project financed in part or in whole with public money in order to support the medical  
86.18 business entity's development plans, as identified in the DMCC development plan. A public  
86.19 infrastructure project may:

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

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

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

86.24 (4) install, construct, or reconstruct elements of public infrastructure required to support  
86.25 the overall development of the destination medical center development district including;  
86.26 but not limited to; streets, roadways, utilities systems and related facilities; utility relocations  
86.27 and replacements; network and communication systems; streetscape improvements;  
86.28 drainage systems; sewer and water systems; subgrade structures and associated  
86.29 improvements; landscaping; facade construction and restoration; design and predesign,  
86.30 including architectural, engineering, and similar services; legal, regulatory, and other  
86.31 compliance services; construction costs, including all materials and supplies; wayfinding

87.1 and signage; community engagement; transit costs incurred on or after March 16, 2020;

87.2 and other components of community infrastructure;

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

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

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

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

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

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

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

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

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

87.22 Sec. 19. Minnesota Statutes 2022, section 469.47, subdivision 1, is amended to read:

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

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

87.26 (c) "Construction projects" means:

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

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

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

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

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

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

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

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

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

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

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

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

88.21 Sec. 20. Minnesota Statutes 2022, section 469.47, subdivision 5, is amended to read:

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

88.26 (b) If the city qualifies for aid under paragraph (a), the commissioner must pay the city  
 88.27 the state transit aid in the amount calculated under this paragraph. The amount of the state  
 88.28 transit aid for a year equals the qualified expenditures for the year, as certified by the  
 88.29 commissioner, multiplied by 0.75 percent, ~~reduced by~~ subject to the amount of the required  
 88.30 local contribution under subdivision 6. City or county contributions that are in excess of  
 88.31 this ratio carry forward and are credited toward subsequent years. The maximum amount  
 88.32 of state transit aid payable in any year is limited to no more than \$7,500,000. If the



89.1 commissioner determines that the city or county has not made the full required matching  
 89.2 local contribution for the year, the commissioner must pay state transit aid only ~~in proportion~~  
 89.3 ~~to the amount of~~ for the matching contribution made ~~for the year~~ and any unpaid amount  
 89.4 is a carryover aid. The carryover aid must be paid in the first year after the required matching  
 89.5 contribution ~~for that prior year~~ is made and in which the aid entitlement for the current year  
 89.6 is less than the maximum annual limit, but only to the extent the carryover, when added to  
 89.7 the current year aid, is less than the maximum annual limit.

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

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

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

89.16 Sec. 21. **MINNESOTA EMPLOYER REASONABLE ACCOMMODATION FUND.**

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

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

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

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

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

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

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

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

90.1 (g) "Reasonable accommodation" has the meaning given in Minnesota Statutes, section  
90.2 363A.08, subdivision 6.

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

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

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

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

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

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

90.18 (1) submissions for onetime reasonable accommodation expenses must be no less than  
90.19 \$250 and no more than \$15,000 per individual with a disability; and

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

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

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

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

90.30 Subd. 8. **Notification.** By September 1, 2023, or within 60 days following final enactment,  
90.31 whichever is later, and each year thereafter by June 30, the commissioner shall make publicly

91.1 available information regarding the availability of funds for reasonable accommodation  
 91.2 reimbursement and the procedure for requesting reimbursement under this section.

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

91.8 The report must include:

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

91.10 (2) the cost of accommodations requested;

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

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

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

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

91.16 Subd. 10. **Expiration.** This section expires June 30, 2025, or when money appropriated  
 91.17 for its purpose expires, whichever is later.

91.18 **Sec. 22. ENGAGEMENT TO ADDRESS BARRIERS TO EMPLOYMENT.**

91.19 The commissioner of employment and economic development shall engage stakeholders  
 91.20 to identify barriers that adults with mental illness face in obtaining and retaining employment  
 91.21 and recommend strategies to address those barriers. The commissioner shall solicit feedback  
 91.22 from advocacy organizations for people with mental illness, mental health providers, people  
 91.23 with mental illness, organizations that support people with mental illness in obtaining  
 91.24 employment, and employers. The commissioner shall submit a plan to the legislative  
 91.25 committees with jurisdiction over employment and human services before February 1, 2024,  
 91.26 identifying the barriers to employment and making recommendations on how to best improve  
 91.27 the employment rate among people with mental illness.

91.28 **Sec. 23. SOUTHWESTERN MINNESOTA WORKFORCE DEVELOPMENT**  
 91.29 **SCHOLARSHIP PILOT PROGRAM.**

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

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

92.2 (c) "Southwest Initiative Foundation" or "foundation" means a nonprofit organization  
 92.3 that provides services to the following counties in southwest Minnesota: Big Stone,  
 92.4 Chippewa, Cottonwood, Jackson, Kandiyohi, Lac qui Parle, Lincoln, Lyon, McLeod, Meeker,  
 92.5 Murray, Nobles, Pipestone, Redwood, Renville, Rock, Swift, and Yellow Medicine, and  
 92.6 the Lower Sioux Indian Community and Upper Sioux Community.

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

92.9 (e) "Eligible student" means a student applicant who:

92.10 (1) is eligible for resident or nonresident tuition;

92.11 (2) is enrolling in an eligible program as determined by the regional workforce  
 92.12 development board; and

92.13 (3) is enrolling at least half-time at a Minnesota West college listed in subdivision 4.

92.14 (f) "Local employer" means an employer with a physical location in a county within the  
 92.15 service area of the foundation listed in paragraph (c).

92.16 Subd. 2. **Program established.** The commissioner shall establish a southwestern  
 92.17 Minnesota workforce development scholarship pilot program administered by the foundation  
 92.18 to assist in meeting the workforce challenges in southwest Minnesota and enhance long-term  
 92.19 economic self-sufficiency by connecting students, higher education facilities, employers,  
 92.20 and communities.

92.21 Subd. 3. **Grant to the Southwest Initiative Foundation.** The commissioner shall award  
 92.22 all grant funds to the foundation, which shall administer the southwestern Minnesota  
 92.23 workforce development scholarship pilot program. The foundation may use up to seven  
 92.24 percent of grant funds for administrative costs.

92.25 Subd. 4. **Scholarship awards.** (a) The foundation shall coordinate available funds and  
 92.26 award scholarships to the following Minnesota West colleges:

92.27 (1) Canby;

92.28 (2) Granite Falls;

92.29 (3) Pipestone;

92.30 (4) Worthington;

92.31 (5) Jackson;

93.1 (6) Luverne; and

93.2 (7) Marshall.

93.3 (b) Scholarships shall be coordinated by the individual colleges listed in paragraph (a)  
93.4 and applied only after all other available grant funding through a last-dollar-in model.

93.5 (c) In awarding grants, priority shall first be given to applicants that are  
93.6 program-continuing applicants. Priority shall then be given to employer-sponsored applicants.

93.7 (d) Scholarships are intended to supplement all other grant opportunities and to cover  
93.8 the full cost of attendance to the eligible students.

93.9 Subd. 5. **Program eligibility.** Scholarships shall be awarded to eligible students who  
93.10 are enrolled in or enrolling in a high-demand occupation associate degree, diploma, or  
93.11 certificate or industry-recognized credential program as defined annually by the applicable  
93.12 regional workforce development board. Students must complete the Free Application for  
93.13 Federal Student Aid if applicable to the program to which they are applying.

93.14 Subd. 6. **Renewal; cap.** A student who has been awarded a scholarship may apply in  
93.15 subsequent academic years, but total lifetime awards are not to exceed two full scholarships  
93.16 per student. Students may only be awarded a second scholarship upon successful completion  
93.17 of the program and subsequent work period requirement.

93.18 Subd. 7. **Administration.** (a) The foundation and Minnesota West colleges shall establish  
93.19 an application process and other guidelines for implementing the pilot program.

93.20 (b) Each college shall receive from their respective workforce development board by  
93.21 December 1 of each year, commencing in 2023, a list of eligible programs administered by  
93.22 the college that are eligible for subsequent year scholarships. The applicable workforce  
93.23 development board must consider data based on a workforce shortage for full-time  
93.24 employment requiring postsecondary education that is unique to the specific region, as  
93.25 reported in the most recent Department of Employment and Economic Development job  
93.26 vacancy survey data for the economic development region in which the college is located.  
93.27 A workforce shortage area is one in which the job vacancy rate for full-time employment  
93.28 in a specific occupation in a region is higher than the state average vacancy rate for that  
93.29 same occupation.

93.30 Subd. 8. **Scholarship recipient requirements.** (a) A recipient of a scholarship awarded  
93.31 under the program established in this section shall:

94.1 (1) be enrolled in a high-demand occupation associate degree, diploma, or certificate or  
94.2 industry-recognized credential program as defined by the regional workforce development  
94.3 board and offered by a Minnesota West college;

94.4 (2) adhere to any applicable participating local employer program requirements;

94.5 (3) commit to three years of full-time employment with:

94.6 (i) a sponsoring local employer; or

94.7 (ii) any qualified local employer within the high-demand occupations as defined by the  
94.8 regional workforce development board; and

94.9 (4) fulfill the three-year full-time employment commitment in a county within the service  
94.10 area of the foundation as listed in subdivision 1, paragraph (c).

94.11 (b) If a recipient of a scholarship fails to fulfill the requirements of paragraph (a), the  
94.12 foundation may convert the scholarship to a loan. Amounts repaid from a loan shall be used  
94.13 to fund scholarship awards under this section.

94.14 Subd. 9. **Employer partnerships.** The foundation and Minnesota West colleges shall  
94.15 establish partnerships with qualified local employers and work to ensure that a percentage  
94.16 of the state funds appropriated to each college for the southwestern Minnesota workforce  
94.17 development scholarship program are equally matched with employer funds.

94.18 Subd. 10. **Report required.** The foundation must submit an annual report by December  
94.19 31 of each year regarding the scholarship program to the chairs and ranking minority  
94.20 members of the legislative committees with jurisdiction over employment and economic  
94.21 development policy. The first report is due no later than December 31, 2023. The annual  
94.22 report shall include:

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

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

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

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

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

- 95.1 (6) a list of occupations scholarship recipients are entering;  
 95.2 (7) the number of students who were denied a scholarship;  
 95.3 (8) a list of participating local employers and amounts of any applicable employer  
 95.4 contributions; and  
 95.5 (9) a list of recommendations to the legislature regarding potential program improvements.

95.6 Sec. 24. **UNEMPLOYMENT INSURANCE FINE REDUCTION AND INTEREST**  
 95.7 **ELIMINATION.**

95.8 By January 1, 2024, the commissioner of employment and economic development must  
 95.9 make recommendations to the legislative committees with jurisdiction over workforce  
 95.10 development for how the unemployment insurance system will reduce the fines and interest  
 95.11 applied to misrepresentation overpayments. The commissioner must provide a timeline for  
 95.12 implementing a reduction of the 40 percent fine to 15 percent and an elimination of the 12  
 95.13 percent interest rate.

95.14 **ARTICLE 4**

95.15 **CAPITOL AREA**

95.16 Section 1. **CAPITOL AREA COMMUNITY VITALITY TASK FORCE;**  
 95.17 **APPROPRIATION.**

95.18 Subdivision 1. **Task force established; membership.** (a) A Capitol Area Community  
 95.19 Vitality Task Force is established. The task force consists of the following members:

95.20 (1) the executive secretary of the Capitol Area Architectural and Planning Board;

95.21 (2) one member of the Capitol Area Architectural and Planning Board, appointed by the  
 95.22 board;

95.23 (3) two members of the house of representatives appointed by the speaker of the house,  
 95.24 of whom one must be a member of the majority caucus of the house, and one must be a  
 95.25 member of the minority caucus of the house;

95.26 (4) two members of the senate appointed by the majority leader of the senate, of whom  
 95.27 one must be a member of the majority caucus of the senate, and one must be a member of  
 95.28 the minority caucus of the senate;

95.29 (5) four members who are residents, businesspeople, or members of local organizations  
 95.30 in the Capitol Area, appointed by the mayor of St. Paul; and

96.1 (6) one member of the public appointed by the governor.

96.2 (b) The task force must elect a chair and other officers from among its members.

96.3 Appointments to the task force must be made no later than July 15, 2023. The executive

96.4 secretary of the Capitol Area Architectural and Planning Board must convene the first

96.5 meeting of the task force no later than August 15, 2023.

96.6 (c) As used in this section, "Capitol Area" includes that part of the city of St. Paul within

96.7 the boundaries described in Minnesota Statutes, section 15B.02.

96.8 Subd. 2. **Terms; compensation.** The terms and compensation of members of the task

96.9 force are governed by Minnesota Statutes, section 15.059, subdivision 6.

96.10 Subd. 3. **Administrative support.** The Capitol Area Architectural and Planning Board

96.11 must provide administrative support to assist the task force in its work.

96.12 Subd. 4. **Duties; report.** The task force must consider and develop recommendations

96.13 for the administration, program plan, and oversight of the Capitol Area community vitality

96.14 account established by this act. The task force must submit its recommendations to the

96.15 Capitol Area Architectural and Planning Board for approval. A report including the approved

96.16 recommendations must be submitted by the Capitol Area Architectural and Planning Board

96.17 to the chairs and ranking minority members of the committees of the legislature with

96.18 jurisdiction over the board no later than February 1, 2024.

96.19 Subd. 5. **Expiration.** Notwithstanding Minnesota Statutes, section 15.059, subdivision

96.20 6, the task force expires upon submission of the report required by subdivision 4.

96.21 Subd. 6. **Appropriation.** \$150,000 in fiscal year 2024 is appropriated from the general

96.22 fund to the Capitol Area Architectural and Planning Board to support the work of the task

96.23 force, including but not limited to payment of fees and other expenses necessary to retain

96.24 appropriate professional consultants, conduct public meetings, and facilitate other activities

96.25 as requested by the task force.

96.26 Sec. 2. **CAPITOL AREA COMMUNITY VITALITY ACCOUNT.**

96.27 Subdivision 1. **Account established; appropriation.** (a) A Capitol Area community

96.28 vitality account is established in the special revenue fund. Money in the account is

96.29 appropriated to the commissioner of administration to improve the livability, economic

96.30 health, and safety of communities within the Capitol Area, provided that no funds may be

96.31 expended until a detailed program and oversight plan to govern their use, in accordance

96.32 with the spending recommendations of the Capitol Area Community Vitality Task Force



97.1 as approved by the Capitol Area Architectural and Planning Board, has been further approved  
 97.2 by law.

97.3 (b) As used in this section, "Capitol Area" includes that part of the city of St. Paul within  
 97.4 the boundaries described in Minnesota Statutes, section 15B.02.

97.5 Subd. 2. **Appropriation.** \$5,000,000 in fiscal year 2024 is transferred from the general  
 97.6 fund to the Capitol Area community vitality account.

97.7 Sec. 3. **APPROPRIATION; CAPITOL AREA TRANSPORTATION CORRIDORS.**

97.8 (a) \$5,000,000 in fiscal year 2024 is appropriated from the general fund to the  
 97.9 commissioner of administration for one or more grants to the city of St. Paul, Ramsey  
 97.10 County, or both, for road projects that improve the livability, economic health, and safety  
 97.11 of communities within the Capitol Area. Funded projects must be consistent with the  
 97.12 recommendations of the Capitol Area Community Vitality Task Force, as approved by the  
 97.13 Capitol Area Architectural and Planning Board. This is a onetime appropriation and is  
 97.14 available until June 30, 2027.

97.15 (b) Funds under this section are available:

97.16 (1) for planning, predesign, design, engineering, environmental analysis and mitigation,  
 97.17 land acquisition, and reconstruction of streets and highways; and

97.18 (2) only upon approval of the expenditure by the Capitol Area Architectural and Planning  
 97.19 Board.

97.20 (c) For purposes of this section, "Capitol Area" means that part of the city of St. Paul  
 97.21 within the boundaries described in Minnesota Statutes, section 15B.02."

97.22 Delete the title and insert:

97.23 "A bill for an act  
 97.24 relating to economic development; establishing a biennial budget for the Department  
 97.25 of Employment and Economic Development and Explore Minnesota; making  
 97.26 economic development and workforce development policy changes; making Capitol  
 97.27 Area community vitality improvements; requiring reports; authorizing rulemaking;  
 97.28 appropriating money; amending Minnesota Statutes 2022, sections 116J.5492,  
 97.29 subdivisions 8, 10; 116J.55, subdivisions 1, 5, 6; 116J.871, subdivisions 1, 2;  
 97.30 116J.8748, subdivisions 3, 4, 6, by adding a subdivision; 116J.9924, subdivision  
 97.31 4; 116L.361, subdivision 7; 116L.362, subdivision 1; 116L.364, subdivision 3;  
 97.32 116L.365, subdivision 1; 116L.56, subdivision 2; 116L.561, subdivision 5;  
 97.33 116L.562, subdivision 2; 268.035, subdivision 20; 268A.15, by adding a  
 97.34 subdivision; 469.40, subdivision 11; 469.47, subdivisions 1, 5; proposing coding  
 97.35 for new law in Minnesota Statutes, chapters 116J; 116L; repealing Minnesota  
 97.36 Statutes 2022, section 116J.9924, subdivision 6; Laws 2019, First Special Session  
 97.37 chapter 7, article 2, section 8, as amended."