

SENATE  
STATE OF MINNESOTA  
SPECIAL SESSION

S.F. No. 9

(SENATE AUTHORS: PRATT, Rarick, Draheim and Housley)		
DATE	D-PG	OFFICIAL STATUS
06/14/2021	7	Introduction and first reading Referred to Finance
06/17/2021	28	Authors added Draheim; Housley
	33a	Comm report: To pass as amended
	111	Second reading
06/18/2021		Special Order: Amended Laid on table

1.1

A bill for an act

1.2

relating to state government; establishing a biennial budget for Department of

1.3

Employment and Economic Development, Department of Labor and Industry,

1.4

Bureau of Mediation Services, and Workers' Compensation Court of Appeals;

1.5

modifying various provisions governing economic development, labor and industry,

1.6

unemployment insurance, higher education, transportation, and agriculture;

1.7

establishing Main Street Economic Revitalization Loan Program; establishing

1.8

Main Street COVID-19 Relief grants; modifying fees; classifying data; requiring

1.9

reports; appropriating money; amending Minnesota Statutes 2020, sections 13.7905,

1.10

by adding a subdivision; 41A.19; 116J.035, subdivision 6; 116J.431, subdivisions

1.11

2, 3, by adding a subdivision; 116L.40, subdivisions 5, 6, 9, 10, by adding a

1.12

subdivision; 116L.41, subdivisions 1, 2, by adding subdivisions; 116L.42,

1.13

subdivisions 1, 2; 178.012, subdivision 1; 181.939; 268.035, subdivision 21c;

1.14

268.085, subdivisions 2, 4a; 268.133; 268.136, subdivision 1; 326B.07, subdivision

1.15

1; 326B.092, subdivision 7; 326B.108, subdivisions 1, 3, by adding a subdivision;

1.16

326B.133, subdivision 8; 326B.42, by adding subdivisions; 326B.46, subdivision

1.17

1; 326B.89, subdivisions 1, 4, 5, 9; Laws 2014, chapter 211, section 13, as amended;

1.18

Laws 2017, chapter 94, article 1, section 2, subdivision 2, as amended; Laws 2019,

1.19

First Special Session chapter 7, article 1, sections 2, subdivision 2, as amended;

1.20

3, subdivision 4; article 2, section 8; proposing coding for new law in Minnesota

1.21

Statutes, chapters 41A; 116J; 181A; 299F; repealing Minnesota Statutes 2020,

1.22

sections 181.9414; 268.085, subdivision 4.

1.23

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.24

ARTICLE 1

1.25

APPROPRIATIONS

1.26

Section 1. APPROPRIATIONS.

1.27

(a) The sums shown in the columns marked "Appropriations" are appropriated to the

1.28

agencies and for the purposes specified in this article. The appropriations are from the

1.29

general fund, or another named fund, and are available for the fiscal years indicated for

1.30

each purpose. The figures "2022" and "2023" used in this article mean that the appropriations

1.31

listed under them are available for the fiscal year ending June 30, 2022, or June 30, 2023,

respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023.

(b) If an appropriation in this article is enacted more than once in the 2021 regular or special legislative session, the appropriation must be given effect only once.

APPROPRIATIONS	
Available for the Year	
Ending June 30	
2022	2023

Sec. 2. DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT

Subdivision 1. Total Appropriation \$ 289,150,000 \$ 130,939,000

Appropriations by Fund		
	2022	2023
General	248,701,000	90,740,000
Remediation	700,000	700,000
Workforce Development	39,749,000	39,499,000

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

Subd. 2. Business and Community Development 203,015,000 44,741,000

Appropriations by Fund		
	2022	2023
General	200,215,000	41,941,000
Remediation	700,000	700,000
Workforce Development	2,100,000	2,100,000

(a) \$1,787,000 each year is for the greater Minnesota business development public infrastructure grant program under Minnesota Statutes, section 116J.431. This appropriation is available until June 30, 2025.

(b) \$8,425,000 in the first year and \$1,425,000 in the second year are for the business development competitive grant program. Of this amount, up to five percent is for

3.1 administration and monitoring of the business  
3.2 development competitive grant program and  
3.3 \$7,000,000 in the first year is for technical  
3.4 assistance to small businesses. Except for  
3.5 awards for technical assistance for small  
3.6 businesses, all grant awards shall be for two  
3.7 consecutive years. Grants shall be awarded in  
3.8 the first year.

3.9 (c) \$1,772,000 each year is for contaminated  
3.10 site cleanup and development grants under  
3.11 Minnesota Statutes, sections 116J.551 to  
3.12 116J.558. This appropriation is available until  
3.13 expended.

3.14 (d) \$700,000 each year is from the remediation  
3.15 fund for contaminated site cleanup and  
3.16 development grants under Minnesota Statutes,  
3.17 sections 116J.551 to 116J.558. This  
3.18 appropriation is available until expended.

3.19 (e) \$139,000 each year is for the Center for  
3.20 Rural Policy and Development.

3.21 (f) \$25,000 each year is for the administration  
3.22 of state aid for the Destination Medical Center  
3.23 under Minnesota Statutes, sections 469.40 to  
3.24 469.47.

3.25 (g) \$875,000 each year is for the host  
3.26 community economic development program  
3.27 established in Minnesota Statutes, section  
3.28 116J.548.

3.29 (h)(1) \$2,500,000 each year is for grants to  
3.30 local communities to increase the number of  
3.31 quality child care providers to support  
3.32 economic development. This appropriation is  
3.33 available through June 30, 2023. Fifty percent  
3.34 of grant funds must go to communities located

4.1 outside the seven-county metropolitan area as  
4.2 defined in Minnesota Statutes, section  
4.3 473.121, subdivision 2. In fiscal year 2024  
4.4 and beyond, the base amount is \$1,500,000.

4.5 (2) Grant recipients must obtain a 50 percent  
4.6 nonstate match to grant funds in either cash  
4.7 or in-kind contribution, unless the  
4.8 commissioner waives the requirement. Grant  
4.9 funds available under this subdivision must  
4.10 be used to implement projects to reduce the  
4.11 child care shortage in the state, including but  
4.12 not limited to funding for child care business  
4.13 start-ups or expansion, training, facility  
4.14 modifications, direct subsidies or incentives  
4.15 to retain employees, or improvements required  
4.16 for licensing, and assistance with licensing  
4.17 and other regulatory requirements. In awarding  
4.18 grants, the commissioner must give priority  
4.19 to communities that have demonstrated a  
4.20 shortage of child care providers.

4.21 (3) Within one year of receiving grant funds,  
4.22 grant recipients must report to the  
4.23 commissioner on the outcomes of the grant  
4.24 program, including but not limited to the  
4.25 number of new providers, the number of  
4.26 additional child care provider jobs created, the  
4.27 number of additional child care slots, and the  
4.28 amount of cash and in-kind local funds  
4.29 invested. Within one month of all grant  
4.30 recipients reporting on program outcomes, the  
4.31 commissioner must report the grant recipients'  
4.32 outcomes to the chairs and ranking members  
4.33 of the legislative committees with jurisdiction  
4.34 over early learning and child care and  
4.35 economic development.

5.1 (i) \$1,500,000 each year is for a grant to the  
5.2 Minnesota Initiative Foundations. This  
5.3 appropriation is available until June 30, 2025.  
5.4 In fiscal year 2024 and beyond, the base  
5.5 amount is \$1,000,000. The Minnesota  
5.6 Initiative Foundations must use grant funds  
5.7 under this section to:

5.8 (1) facilitate planning processes for rural  
5.9 communities resulting in a community solution  
5.10 action plan that guides decision making to  
5.11 sustain and increase the supply of quality child  
5.12 care in the region to support economic  
5.13 development;

5.14 (2) engage the private sector to invest local  
5.15 resources to support the community solution  
5.16 action plan and ensure quality child care is a  
5.17 vital component of additional regional  
5.18 economic development planning processes;

5.19 (3) provide locally based training and technical  
5.20 assistance to rural child care business owners  
5.21 individually or through a learning cohort.  
5.22 Access to financial and business development  
5.23 assistance must prepare child care businesses  
5.24 for quality engagement and improvement by  
5.25 stabilizing operations, leveraging funding from  
5.26 other sources, and fostering business acumen  
5.27 that allows child care businesses to plan for  
5.28 and afford the cost of providing quality child  
5.29 care; and

5.30 (4) recruit child care programs to participate  
5.31 in quality rating and improvement  
5.32 measurement programs. The Minnesota  
5.33 Initiative Foundations must work with local  
5.34 partners to provide low-cost training,  
5.35 professional development opportunities, and

6.1 continuing education curricula. The Minnesota  
6.2 Initiative Foundations must fund, through local  
6.3 partners, an enhanced level of coaching to  
6.4 rural child care providers to obtain a quality  
6.5 rating through measurement programs.

6.6 (j) \$8,000,000 each year is for the Minnesota  
6.7 job creation fund under Minnesota Statutes,  
6.8 section 116J.8748. Of this amount, the  
6.9 commissioner of employment and economic  
6.10 development may use up to three percent for  
6.11 administrative expenses. This appropriation  
6.12 is available until expended.

6.13 (k) \$10,029,000 the first year and \$10,028,000  
6.14 the second year are for the Minnesota  
6.15 investment fund under Minnesota Statutes,  
6.16 section 116J.8731. Of this amount, the  
6.17 commissioner of employment and economic  
6.18 development may use up to three percent for  
6.19 administration and monitoring of the program.  
6.20 In fiscal year 2024 and beyond, the base  
6.21 amount is \$12,370,000. This appropriation is  
6.22 available until expended. Notwithstanding  
6.23 Minnesota Statutes, section 116J.8731, money  
6.24 appropriated to the commissioner for the  
6.25 Minnesota investment fund may be used for  
6.26 the redevelopment program under Minnesota  
6.27 Statutes, sections 116J.575 and 116J.5761, at  
6.28 the discretion of the commissioner. Grants  
6.29 under this paragraph are not subject to the  
6.30 grant amount limitation under Minnesota  
6.31 Statutes, section 116J.8731.

6.32 (l) \$0 each year is for the redevelopment  
6.33 program under Minnesota Statutes, sections  
6.34 116J.575 and 116J.5761. In fiscal year 2024  
6.35 and beyond, the base amount is \$2,246,000.

7.1 (m) \$1,000,000 each year is for the Minnesota  
7.2 emerging entrepreneur loan program under  
7.3 Minnesota Statutes, section 116M.18. Funds  
7.4 available under this paragraph are for transfer  
7.5 into the emerging entrepreneur program  
7.6 special revenue fund account created under  
7.7 Minnesota Statutes, chapter 116M, and are  
7.8 available until expended. Of this amount, up  
7.9 to four percent is for administration and  
7.10 monitoring of the program.

7.11 (n) \$325,000 each year is for the Minnesota  
7.12 Film and TV Board. The appropriation in each  
7.13 year is available only upon receipt by the  
7.14 board of \$1 in matching contributions of  
7.15 money or in-kind contributions from nonstate  
7.16 sources for every \$3 provided by this  
7.17 appropriation, except that each year up to  
7.18 \$50,000 is available on July 1 even if the  
7.19 required matching contribution has not been  
7.20 received by that date.

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

7.23 (p) \$500,000 each year is for a grant to the  
7.24 Minnesota Film and TV Board for the film  
7.25 production jobs program under Minnesota  
7.26 Statutes, section 116U.26. This appropriation  
7.27 is available until June 30, 2025.

7.28 (q) \$4,195,000 each year is for the Minnesota  
7.29 job skills partnership program under  
7.30 Minnesota Statutes, sections 116L.01 to  
7.31 116L.17. If the appropriation for either year  
7.32 is insufficient, the appropriation for the other  
7.33 year is available. This appropriation is  
7.34 available until expended.

8.1 (r) \$1,350,000 each year from the workforce  
8.2 development fund is for jobs training grants  
8.3 under Minnesota Statutes, section 116L.42.

8.4 (s) \$2,500,000 each year is for Launch  
8.5 Minnesota. This appropriation is available  
8.6 until June 30, 2025. The base in fiscal year  
8.7 2026 is \$0. Of this amount:

8.8 (1) \$1,500,000 each year is for innovation  
8.9 grants to eligible Minnesota entrepreneurs or  
8.10 start-up businesses to assist with their  
8.11 operating needs;

8.12 (2) \$500,000 each year is for administration  
8.13 of Launch Minnesota; and

8.14 (3) \$500,000 each year is for grantee activities  
8.15 at Launch Minnesota.

8.16 (t) \$1,148,000 the first year is for a grant to  
8.17 the Northeast Entrepreneur Fund, a small  
8.18 business administration microlender and  
8.19 community development financial institution  
8.20 operating in northern Minnesota. Grant funds  
8.21 must be used as capital for accessing  
8.22 additional federal lending for small businesses  
8.23 impacted by COVID-19 and must be returned  
8.24 to the commissioner for deposit in the general  
8.25 fund if the Northeast Entrepreneur Fund fails  
8.26 to secure such federal funds before January 1,  
8.27 2022.

8.28 (u) \$80,000,000 the first year is for the Main  
8.29 Street Economic Revitalization Loan Program.  
8.30 Of this amount, up to \$300,000 is for the  
8.31 commissioner's administration and monitoring  
8.32 of the program.



9.1 (v) \$70,000,000 the first year is for the Main  
9.2 Street COVID-19 Relief Grant Program. Of  
9.3 this amount, up to:

9.4 (1) \$34,950,000 is for grants to the Minnesota  
9.5 Initiative Foundations to serve businesses  
9.6 outside of the metropolitan area as defined in  
9.7 Minnesota Statutes, section 473.121,  
9.8 subdivision 2;

9.9 (2) \$34,950,000 is for grants to partner  
9.10 organizations to serve businesses inside the  
9.11 metropolitan area as defined in Minnesota  
9.12 Statutes, section 473.121, subdivision 2; and

9.13 (3) \$100,000 is for the commissioner's  
9.14 administration and monitoring of the program.

9.15 (w) \$250,000 each year is for the publication,  
9.16 dissemination, and use of labor market  
9.17 information under Minnesota Statutes, section  
9.18 116J.401.

9.19 (x) \$500,000 each year is for the airport  
9.20 infrastructure renewal (AIR) grant program  
9.21 under Minnesota Statutes, section 116J.439.  
9.22 In awarding grants with this appropriation, the  
9.23 commissioner must prioritize eligible  
9.24 applicants that did not receive a grant pursuant  
9.25 to the appropriation in Laws 2019, First  
9.26 Special Session chapter 7, article 1, section 2,  
9.27 subdivision 2, paragraph (q).

9.28 (y) \$750,000 each year is from the workforce  
9.29 development fund for grants to the  
9.30 Neighborhood Development Center for small  
9.31 business programs, including:

9.32 (1) training, lending, and business services;

10.1

(2) model outreach and training in greater

10.2

Minnesota; and

10.3

(3) development of new business incubators.

10.4

This is a onetime appropriation.

10.5

Subd. 3. **Employment and Training Programs**

37,185,000

36,935,000

10.6

<u>Appropriations by Fund</u>		
10.7	<u>General</u>	<u>7,421,000</u>
10.8	<u>Workforce</u>	<u>7,421,000</u>
10.9	<u>Development</u>	<u>29,764,000</u>
		<u>29,514,000</u>

10.10

(a) \$500,000 each year from the general fund

10.11

and \$500,000 each year from the workforce

10.12

development fund are for rural career

10.13

counseling coordinators in the workforce

10.14

service areas and for the purposes specified

10.15

under Minnesota Statutes, section 116L.667.

10.16

(b) \$750,000 each year is for the women and

10.17

high-wage, high-demand, nontraditional jobs

10.18

grant program under Minnesota Statutes,

10.19

section 116L.99. Of this amount, up to five

10.20

percent is for administration and monitoring

10.21

of the program.

10.22

(c) \$2,546,000 each year from the general fund

10.23

and \$4,604,000 each year from the workforce

10.24

development fund are for the pathways to

10.25

prosperity competitive grant program. Of this

10.26

amount, up to five percent is for administration

10.27

and monitoring of the program.

10.28

(d) \$712,000 each year is from the workforce

10.29

development fund for a grant to the American

10.30

Indian Opportunities and Industrialization

10.31

Center, in collaboration with the Northwest

10.32

Indian Community Development Center, to

10.33

reduce academic disparities for American

10.34

Indian students and adults. This is a onetime

- 11.1 appropriation. The grant funds may be used  
11.2 to provide:
- 11.3 (1) student tutoring and testing support  
11.4 services;
- 11.5 (2) training and employment placement in  
11.6 information technology;
- 11.7 (3) training and employment placement within  
11.8 trades;
- 11.9 (4) assistance in obtaining a GED;
- 11.10 (5) remedial training leading to enrollment  
11.11 and to sustain enrollment in a postsecondary  
11.12 higher education institution;
- 11.13 (6) real-time work experience in information  
11.14 technology fields and in the trades;
- 11.15 (7) contextualized adult basic education;
- 11.16 (8) career and educational counseling for  
11.17 clients with significant and multiple barriers;  
11.18 and
- 11.19 (9) reentry services and counseling for adults  
11.20 and youth.
- 11.21 After notification to the chairs and minority  
11.22 leads of the legislative committees with  
11.23 jurisdiction over jobs and economic  
11.24 development, the commissioner may transfer  
11.25 this appropriation to the commissioner of  
11.26 education.
- 11.27 (e) \$500,000 each year is from the workforce  
11.28 development fund for current Minnesota  
11.29 affiliates of OIC of America, Inc. This  
11.30 appropriation shall be divided equally among  
11.31 the eligible centers.

- 12.1 (f) \$1,000,000 each year is for competitive  
12.2 grants to organizations providing services to  
12.3 relieve economic disparities in the Southeast  
12.4 Asian community through workforce  
12.5 recruitment, development, job creation,  
12.6 assistance of smaller organizations to increase  
12.7 capacity, and outreach. Of this amount, up to  
12.8 five percent is for administration and  
12.9 monitoring of the program.
- 12.10 (g) \$1,000,000 each year is for a competitive  
12.11 grant program to provide grants to  
12.12 organizations that provide support services for  
12.13 individuals, such as job training, employment  
12.14 preparation, internships, job assistance to  
12.15 parents, financial literacy, academic and  
12.16 behavioral interventions for low-performing  
12.17 students, and youth intervention. Grants made  
12.18 under this section must focus on low-income  
12.19 communities, young adults from families with  
12.20 a history of intergenerational poverty, and  
12.21 communities of color. Of this amount, up to  
12.22 five percent is for administration and  
12.23 monitoring of the program.
- 12.24 (h) \$750,000 each year from the general fund  
12.25 and \$3,348,000 each year from the workforce  
12.26 development fund are for the youth-at-work  
12.27 competitive grant program under Minnesota  
12.28 Statutes, section 116L.562. Of this amount,  
12.29 up to five percent is for administration and  
12.30 monitoring of the youth workforce  
12.31 development competitive grant program. All  
12.32 grant awards shall be for two consecutive  
12.33 years. Grants shall be awarded in the first year.
- 12.34 (i) \$875,000 each year is for a grant to the  
12.35 Minnesota Technology Association to support

13.1 the SciTech Internship Program, a program  
13.2 that supports science, technology, engineering,  
13.3 and math (STEM) internship opportunities for  
13.4 two- and four-year college students and  
13.5 graduate students in their fields of study. The  
13.6 internship opportunities must match students  
13.7 with paid internships within STEM disciplines  
13.8 at small, for-profit companies located in  
13.9 Minnesota having fewer than 250 employees  
13.10 worldwide. At least 200 students must be  
13.11 matched each year. No more than 15 percent  
13.12 of the hires may be graduate students. Selected  
13.13 hiring companies shall receive from the grant  
13.14 50 percent of the wages paid to the intern,  
13.15 capped at \$2,500 per intern. The program must  
13.16 work toward increasing the participation  
13.17 among women or other underserved  
13.18 populations. This is a onetime appropriation.  
  
13.19 (j) \$1,000,000 each year is from the workforce  
13.20 development fund for the youthbuild program  
13.21 under Minnesota Statutes, sections 116L.361  
13.22 to 116L.366.  
  
13.23 (k) \$4,050,000 each year is from the  
13.24 workforce development fund for the  
13.25 Minnesota youth program under Minnesota  
13.26 Statutes, sections 116L.56 and 116L.561.  
  
13.27 (l) \$500,000 each year is from the workforce  
13.28 development fund for performance grants  
13.29 under Minnesota Statutes, section 116J.8747,  
13.30 to Goodwill-Easter Seals Minnesota and its  
13.31 partners. The grant shall be used to continue  
13.32 the FATHER Project in Rochester, Park  
13.33 Rapids, St. Cloud, St. Paul, Minneapolis, and  
13.34 the surrounding areas to assist fathers in  
13.35 overcoming barriers that prevent fathers from

14.1 supporting their children economically and  
14.2 emotionally. This is a onetime appropriation.

14.3 (m) \$350,000 each year is from the workforce  
14.4 development fund for performance grants  
14.5 under Minnesota Statutes, section 116J.8747,  
14.6 to the International Institute of Minnesota for  
14.7 workforce training for New Americans in  
14.8 industries in need of a trained workforce. This  
14.9 is a onetime appropriation.

14.10 (n) \$750,000 each year is from the workforce  
14.11 development fund for a grant to the Minnesota  
14.12 Alliance of Boys and Girls Clubs to administer  
14.13 a statewide project of youth job skills and  
14.14 career development. This project, which may  
14.15 have career guidance components including  
14.16 health and life skills, must be designed to  
14.17 encourage, train, and assist youth in: early  
14.18 access to education and job-seeking skills;  
14.19 work-based learning experience including  
14.20 career pathways in STEM learning, career  
14.21 exploration, and matching; and first job  
14.22 placement through local community  
14.23 partnerships and on-site job opportunities. This  
14.24 grant requires a 25 percent match from  
14.25 nonstate sources. This is a onetime  
14.26 appropriation.

14.27 (o) \$250,000 each year is from the workforce  
14.28 development fund for grants to the Minnesota  
14.29 Grocers Association Foundation for Carts to  
14.30 Careers, a statewide initiative to promote  
14.31 careers, conduct outreach, provide job skills  
14.32 training, and grant scholarships for careers in  
14.33 the retail food industry. This is a onetime  
14.34 appropriation.

- 15.1 (p) \$250,000 the first year is from the  
15.2 workforce development fund for a grant to the  
15.3 ProStart and Hospitality Tourism Management  
15.4 Program for a well-established, proven, and  
15.5 successful education program that helps young  
15.6 people advance careers in the hospitality  
15.7 industry and addresses critical long-term  
15.8 workforce shortages in that industry.
- 15.9 (q) \$375,000 each year is from the workforce  
15.10 development fund for a grant to the  
15.11 Construction Careers Foundation for the  
15.12 construction career pathway initiative to  
15.13 provide year-round educational and  
15.14 experiential learning opportunities for teens  
15.15 and young adults under the age of 21 that lead  
15.16 to careers in the construction industry. This is  
15.17 a onetime appropriation. Grant funds must be  
15.18 used to:
- 15.19 (1) increase construction industry exposure  
15.20 activities for middle school and high school  
15.21 youth, parents, and counselors to reach a more  
15.22 diverse demographic and broader statewide  
15.23 audience. This requirement includes, but is  
15.24 not limited to, an expansion of programs to  
15.25 provide experience in different crafts to youth  
15.26 and young adults throughout the state;
- 15.27 (2) increase the number of high schools in  
15.28 Minnesota offering construction classes during  
15.29 the academic year that utilize a multicraft  
15.30 curriculum;
- 15.31 (3) increase the number of summer internship  
15.32 opportunities;

- 16.1 (4) enhance activities to support graduating  
16.2 seniors in their efforts to obtain employment  
16.3 in the construction industry;
- 16.4 (5) increase the number of young adults  
16.5 employed in the construction industry and  
16.6 ensure that they reflect Minnesota's diverse  
16.7 workforce; and
- 16.8 (6) enhance an industrywide marketing  
16.9 campaign targeted to youth and young adults  
16.10 about the depth and breadth of careers within  
16.11 the construction industry.
- 16.12 Programs and services supported by grant  
16.13 funds must give priority to individuals and  
16.14 groups that are economically disadvantaged  
16.15 or historically underrepresented in the  
16.16 construction industry, including but not limited  
16.17 to women, veterans, and members of minority  
16.18 and immigrant groups.
- 16.19 (r) \$700,000 each year is from the workforce  
16.20 development fund for a grant to Comunidades  
16.21 Latinas Unidas En Servicio-Latino  
16.22 Communities United in Service (CLUES) to  
16.23 expand culturally tailored programs that  
16.24 address employment and education skill gaps  
16.25 for working parents and underserved youth by  
16.26 providing new job skills training to stimulate  
16.27 higher wages for low-income people, family  
16.28 support systems designed to reduce  
16.29 intergenerational poverty, and youth  
16.30 programming to promote educational  
16.31 advancement and career pathways. At least  
16.32 50 percent of this amount must be used for  
16.33 programming targeted at greater Minnesota.  
16.34 This is a onetime appropriation.



17.1 (s) \$700,000 each year is from the workforce  
17.2 development fund for performance grants  
17.3 under Minnesota Statutes, section 116J.8747,  
17.4 to Twin Cities R!SE to provide training to  
17.5 hard-to-train individuals. This is a onetime  
17.6 appropriation and funds are available until  
17.7 June 30, 2024.

17.8 (t) \$475,000 each year is from the workforce  
17.9 development fund for a grant to Bridges to  
17.10 Healthcare to provide career education,  
17.11 wraparound support services, and job skills  
17.12 training in high-demand health care fields to  
17.13 low-income parents, nonnative speakers of  
17.14 English, and other hard-to-train individuals,  
17.15 helping families build secure pathways out of  
17.16 poverty while also addressing worker  
17.17 shortages in one of Minnesota's most  
17.18 innovative industries. Funds may be used for  
17.19 program expenses, including but not limited  
17.20 to hiring instructors and navigators; space  
17.21 rental; and supportive services to help  
17.22 participants attend classes, including assistance  
17.23 with course fees, child care, transportation,  
17.24 and safe and stable housing. In addition, up to  
17.25 five percent of grant funds may be used for  
17.26 Bridges to Healthcare's administrative costs.  
17.27 This is a onetime appropriation.

17.28 (u) \$650,000 each year is from the workforce  
17.29 development fund for performance grants  
17.30 under Minnesota Statutes, section 116J.8747,  
17.31 to Avivo to provide low-income individuals  
17.32 with career education and job skills training  
17.33 that is integrated with chemical and mental  
17.34 health services. This is a onetime  
17.35 appropriation.

- 18.1 (v) \$300,000 each year is from the workforce  
18.2 development fund for a grant to the Hmong  
18.3 American Partnership, in collaboration with  
18.4 community partners, for services targeting  
18.5 Minnesota communities with the highest  
18.6 concentrations of Southeast Asian joblessness,  
18.7 based on the most recent census tract data, to  
18.8 provide employment readiness training,  
18.9 credentialed training placement, job placement  
18.10 and retention services, supportive services for  
18.11 hard-to-employ individuals, and a general  
18.12 education development fast track and adult  
18.13 diploma program. This is a onetime  
18.14 appropriation.
- 18.15 (w) \$125,000 each year is from the workforce  
18.16 development fund for a grant to the Hmong  
18.17 Chamber of Commerce to train ethnically  
18.18 Southeast Asian business owners and  
18.19 operators in better business practices. Of this  
18.20 amount, up to \$5,000 may be used for  
18.21 administrative costs. This is a onetime  
18.22 appropriation.
- 18.23 (x) \$225,000 each year is from the workforce  
18.24 development fund for Minnesota Family  
18.25 Resiliency Partnership programs under  
18.26 Minnesota Statutes, section 116L.96. The  
18.27 commissioner, through the adult career  
18.28 pathways program, shall distribute the funds  
18.29 to existing nonprofit and Minnesota Family  
18.30 Resiliency Partnership programs. This is a  
18.31 onetime appropriation.
- 18.32 (y) \$1,175,000 each year is from the  
18.33 workforce development fund for a grant to  
18.34 Summit Academy OIC to expand their  
18.35 contextualized GED and employment

19.1 placement program and STEM program. This  
19.2 is a onetime appropriation.

19.3 (z) \$250,000 each year is from the workforce  
19.4 development fund for a grant to Big Brothers  
19.5 Big Sisters of the Greater Twin Cities for  
19.6 workforce readiness, employment exploration,  
19.7 and skills development for youth ages 12 to  
19.8 21. The grant must serve youth in the Big  
19.9 Brothers Big Sisters chapters in the Twin  
19.10 Cities, central Minnesota, and southern  
19.11 Minnesota. This is a onetime appropriation.

19.12 (aa) \$400,000 each year is from the workforce  
19.13 development fund for a grant to Ujamaa Place  
19.14 for job training, employment preparation,  
19.15 internships, education, training in vocational  
19.16 trades, housing, and organizational capacity  
19.17 building. This is a onetime appropriation.

19.18 (bb) \$150,000 each year is from the workforce  
19.19 development fund for performance grants  
19.20 under Minnesota Statutes, section 116J.8747,  
19.21 to the YWCA of St. Paul to provide job  
19.22 training services and workforce development  
19.23 programs and services, including job skills  
19.24 training and counseling. This is a onetime  
19.25 appropriation.

19.26 (cc) \$700,000 each year is from the workforce  
19.27 development fund for a grant to Youthprise  
19.28 to give grants through a competitive process  
19.29 to community organizations to provide  
19.30 economic development services designed to  
19.31 enhance long-term economic self-sufficiency  
19.32 in communities with concentrated East African  
19.33 populations. Such communities include but  
19.34 are not limited to Faribault, Rochester, St.  
19.35 Cloud, Moorhead, and Willmar. Youthprise

20.1 must make at least 50 percent of these grants  
20.2 to organizations serving communities located  
20.3 outside the seven-county metropolitan area,  
20.4 as defined in Minnesota Statutes, section  
20.5 473.121, subdivision 2. This is a onetime  
20.6 appropriation.

20.7 (dd) \$450,000 each year is from the workforce  
20.8 development fund for grants to Minnesota  
20.9 Diversified Industries, Inc., to provide  
20.10 inclusive employment opportunities and  
20.11 services for people with disabilities. This is a  
20.12 onetime appropriation.

20.13 (ee) \$150,000 each year is from the workforce  
20.14 development fund for a grant to the YWCA  
20.15 of Minneapolis to provide economically  
20.16 challenged individuals the job skills training,  
20.17 career counseling, and job placement  
20.18 assistance necessary to secure a child  
20.19 development associate credential and to have  
20.20 a career path in early childhood education.  
20.21 This is a onetime appropriation.

20.22 (ff) \$250,000 each year is from the workforce  
20.23 development fund for a grant to EMERGE  
20.24 Community Development for the  
20.25 Cedar-Riverside Opportunity Center and its  
20.26 on-site partners to address employment and  
20.27 economic disparities for low-income  
20.28 unemployed or underemployed individuals  
20.29 who are primarily East African. Funds must  
20.30 be used for operations and administrative costs  
20.31 of the site in support of career pathways and  
20.32 certified credentials, workforce readiness,  
20.33 financial readiness, and employment  
20.34 placement and retention services. This is a  
20.35 onetime appropriation.

21.1 (gg) \$1,000,000 each year is from the  
21.2 workforce development fund for a grant to  
21.3 Propel Nonprofits to provide capacity-building  
21.4 grants and related technical assistance to small,  
21.5 culturally specific organizations that primarily  
21.6 serve historically underserved cultural  
21.7 communities. Propel Nonprofits may only  
21.8 award grants to nonprofit organizations that  
21.9 have an annual organizational budget of less  
21.10 than \$500,000. These grants may be used for:  
  
21.11 (1) organizational infrastructure  
21.12 improvements, including developing database  
21.13 management systems and financial systems,  
21.14 or other administrative needs that increase the  
21.15 organization's ability to access new funding  
21.16 sources;  
  
21.17 (2) organizational workforce development,  
21.18 including hiring culturally competent staff,  
21.19 training and skills development, and other  
21.20 methods of increasing staff capacity; or  
  
21.21 (3) creating or expanding partnerships with  
21.22 existing organizations that have specialized  
21.23 expertise in order to increase capacity of the  
21.24 grantee organization to improve services to  
21.25 the community.  
  
21.26 Of this amount, up to five percent may be used  
21.27 by Propel Nonprofits for administrative costs.  
21.28 This is a onetime appropriation.  
  
21.29 (hh) \$300,000 each year is from the workforce  
21.30 development fund for a grant to Better Futures  
21.31 Minnesota to provide job skills training to  
21.32 individuals who have been released from  
21.33 incarceration for a felony-level offense and

22.1 are no more than 12 months from the date of  
22.2 release. This is a onetime appropriation.

22.3 (ii) \$250,000 each year is from the workforce  
22.4 development fund for a grant to the  
22.5 Juxtaposition Arts Center to provide job  
22.6 training and workforce development services  
22.7 for underserved communities. This is a  
22.8 onetime appropriation.

22.9 (jj) \$275,000 each year is from the workforce  
22.10 development fund for a grant to Workforce  
22.11 Development, Inc., to provide career  
22.12 education, wraparound support services, and  
22.13 job skills training in high-demand  
22.14 manufacturing fields to low-income parents,  
22.15 nonnative speakers of English, and other  
22.16 hard-to-train individuals, helping families  
22.17 build secure pathways out of poverty while  
22.18 also addressing worker shortages in the  
22.19 Owatonna and Steele County area. Funds may  
22.20 be used for program expenses, including but  
22.21 not limited to hiring instructors and navigators;  
22.22 space rental; and supportive services to help  
22.23 participants attend classes, including assistance  
22.24 with course fees, child care, transportation,  
22.25 and safe and stable housing. In addition, up to  
22.26 five percent of grant funds may be used for  
22.27 Workforce Development, Inc.'s administrative  
22.28 costs. This is a onetime appropriation and is  
22.29 available until June 30, 2023.

22.30 (kk) \$500,000 each year is from the workforce  
22.31 development fund for a grant to Pillsbury  
22.32 United Communities to provide job training  
22.33 and workforce development services for  
22.34 underserved communities. This is a onetime  
22.35 appropriation.

- 23.1 (ll) \$250,000 each year is from the workforce  
23.2 development fund for a grant to 30,000 Feet,  
23.3 a nonprofit organization, to fund youth  
23.4 apprenticeship jobs, after-school  
23.5 programming, and summer learning loss  
23.6 prevention for African American youth. This  
23.7 is a onetime appropriation.
- 23.8 (mm) \$250,000 each year is from the  
23.9 workforce development fund for the getting  
23.10 to work grant program. This is a onetime  
23.11 appropriation.
- 23.12 (nn) \$500,000 each year is from the workforce  
23.13 development fund for a grant to Project for  
23.14 Pride in Living to provide job training and  
23.15 workforce development services for  
23.16 underserved communities. This is a onetime  
23.17 appropriation.
- 23.18 (oo) \$1,000,000 each year is from the  
23.19 workforce development fund for competitive  
23.20 grants to organizations providing services to  
23.21 relieve economic disparities in the African  
23.22 immigrant community through workforce  
23.23 recruitment, development, job creation,  
23.24 assistance of smaller organizations to increase  
23.25 capacity, and outreach. Of this amount, up to  
23.26 five percent is for administration and  
23.27 monitoring of the program. This is a onetime  
23.28 appropriation.
- 23.29 (pp) \$250,000 each year is from the workforce  
23.30 development fund for a grant to the Center for  
23.31 Economic Inclusion for a strategic intervention  
23.32 program designed to target and connect  
23.33 program participants to meaningful,  
23.34 sustainable living-wage employment. This is  
23.35 a onetime appropriation.

24.1 (qq) \$300,000 each year is from the workforce  
24.2 development fund for a grant to YMCA of the  
24.3 North to provide job training and workforce  
24.4 development services for underserved  
24.5 communities. This is a onetime appropriation.

24.6 (rr)(1) \$1,000,000 each year is from the  
24.7 workforce development fund for grants to  
24.8 assist internationally trained professionals in  
24.9 earning the professional licenses required to  
24.10 do similar work in Minnesota. The  
24.11 commissioner shall work with local workforce  
24.12 development boards to award these grants and  
24.13 shall give preference to efforts to assist  
24.14 professionals in occupations where there is  
24.15 unmet local need for that profession's skills.  
24.16 This is a onetime appropriation.

24.17 (2) Eligible uses of grant funds may include  
24.18 but are not limited to:

24.19 (i) subsidizing the cost of training for or taking  
24.20 required licensing examinations;

24.21 (ii) providing instruction in English as a  
24.22 second language;

24.23 (iii) supportive services that increase the  
24.24 success rate of individuals seeking licensing;  
24.25 and

24.26 (iv) connecting newly licensed individuals  
24.27 with appropriate employment.

24.28 (3) By February 15, 2024, and each February  
24.29 15 in an even-numbered year thereafter, the  
24.30 commissioner shall submit a report to the  
24.31 chairs and ranking minority members of the  
24.32 legislative committees with jurisdiction over  
24.33 workforce development on the use of grant



25.1 funds and program outcomes. At a minimum,  
 25.2 the report must include:  
 25.3 (i) the number of new professional licenses  
 25.4 facilitated by the program;  
 25.5 (ii) information on the employment outcomes  
 25.6 of individuals supported by the program; and  
 25.7 (iii) any other quantifiable measures of  
 25.8 success.

25.9 **Subd. 4. General Support Services** 3,692,000 4,005,000

25.10 Appropriations by Fund

25.11 General Fund 3,637,000 3,950,000

25.12 Workforce

25.13 Development 55,000 55,000

25.14 \$1,269,000 each year is for transfer to the  
 25.15 Minnesota Housing Finance Agency for  
 25.16 operating the Olmstead Compliance Office.

25.17 **Subd. 5. Minnesota Trade Office** 2,142,000 2,142,000

25.18 (a) \$200,000 each year is for the STEP grants  
 25.19 in Minnesota Statutes, section 116J.979. The  
 25.20 base for this purpose in fiscal year 2024 and  
 25.21 beyond is \$300,000.

25.22 (b) \$180,000 each year is for the Invest  
 25.23 Minnesota marketing initiative in Minnesota  
 25.24 Statutes, section 116J.9781.

25.25 (c) \$270,000 each year is for the Minnesota  
 25.26 Trade Offices under Minnesota Statutes,  
 25.27 section 116J.978.

25.28 **Subd. 6. Vocational Rehabilitation** 36,691,000 36,691,000

25.29 Appropriations by Fund

25.30 General 28,861,000 28,861,000

25.31 Workforce

25.32 Development 7,830,000 7,830,000

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

26.4 (b) \$8,995,000 each year from the general fund  
 26.5 and \$6,830,000 each year from the workforce  
 26.6 development fund are for extended  
 26.7 employment services for persons with severe  
 26.8 disabilities under Minnesota Statutes, section  
 26.9 268A.15. Of the amounts appropriated from  
 26.10 the general fund, \$2,000,000 each year is for  
 26.11 maintaining prior rate increases to providers  
 26.12 of extended employment services for persons  
 26.13 with severe disabilities under Minnesota  
 26.14 Statutes, section 268A.15.

26.15 (c) \$2,555,000 each year is for grants to  
 26.16 programs that provide employment support  
 26.17 services to persons with mental illness under  
 26.18 Minnesota Statutes, sections 268A.13 and  
 26.19 268A.14.

26.20 (d) \$3,011,000 each year is for grants to  
 26.21 centers for independent living under  
 26.22 Minnesota Statutes, section 268A.11.

26.23 (e) \$1,000,000 each year is from the workforce  
 26.24 development fund for grants under Minnesota  
 26.25 Statutes, section 268A.16, for employment  
 26.26 services for persons, including transition-age  
 26.27 youth, who are deaf, deafblind, or  
 26.28 hard-of-hearing. If the amount in the first year  
 26.29 is insufficient, the amount in the second year  
 26.30 is available in the first year.

26.31 Subd. 7. **Services for the Blind**

6,425,000

6,425,000

26.32 Of this amount, \$500,000 each year is for  
 26.33 senior citizens who are becoming blind. At  
 26.34 least one-half of the funds for this purpose

27.1 must be used to provide training services for  
27.2 seniors who are becoming blind. Training  
27.3 services must provide independent living skills  
27.4 to seniors who are becoming blind to allow  
27.5 them to continue to live independently in their  
27.6 homes.

27.7 **Sec. 3. DEPARTMENT OF LABOR AND**  
27.8 **INDUSTRY**

27.9 **Subdivision 1. Total Appropriation** **\$** **31,817,000** **\$** **30,717,000**

27.10	<u>Appropriations by Fund</u>		
27.11		<u>2022</u>	<u>2023</u>
27.12	<u>General</u>	<u>5,379,000</u>	<u>4,379,000</u>
27.13	<u>Workers'</u>		
27.14	<u>Compensation</u>	<u>22,991,000</u>	<u>22,991,000</u>
27.15	<u>Workforce</u>		
27.16	<u>Development</u>	<u>3,447,000</u>	<u>3,347,000</u>

27.17 The amounts that may be spent for each  
27.18 purpose are specified in the following  
27.19 subdivisions.

27.20 **Subd. 2. General Support** **6,939,000** **6,939,000**

27.21	<u>Appropriations by Fund</u>		
27.22	<u>General</u>	<u>900,000</u>	<u>900,000</u>
27.23	<u>Workers'</u>		
27.24	<u>Compensation</u>	<u>6,039,000</u>	<u>6,039,000</u>

27.25 \$900,000 each year is for system upgrades.  
27.26 This appropriation is available until June 30,  
27.27 2023, and is a onetime appropriation. This  
27.28 appropriation includes funds for information  
27.29 technology project services and support  
27.30 subject to Minnesota Statutes, section  
27.31 16E.0466. Any ongoing information  
27.32 technology costs must be incorporated into  
27.33 the service level agreement and must be paid  
27.34 to the Office of MN.IT Services by the  
27.35 commissioner of labor and industry under the

28.1

rates and mechanism specified in that

28.2

agreement.

28.3

**Subd. 3. Labor Standards and Apprenticeship**

6,226,000

5,226,000

28.4

Appropriations by Fund

28.5

General

4,479,000

3,479,000

28.6

Workforce

28.7

Development

1,747,000

1,747,000

28.8

(a) \$2,046,000 each year is for wage theft

28.9

prevention.

28.10

(b) \$1,271,000 each year is from the

28.11

workforce development fund for the

28.12

apprenticeship program under Minnesota

28.13

Statutes, chapter 178.

28.14

(c) \$151,000 each year is from the workforce

28.15

development fund for prevailing wage

28.16

enforcement.

28.17

(d) \$100,000 each year is from the workforce

28.18

development fund for labor education and

28.19

advancement program grants under Minnesota

28.20

Statutes, section 178.11, to expand and

28.21

promote registered apprenticeship training for

28.22

minorities and women.

28.23

(e) \$225,000 each year is from the workforce

28.24

development fund for grants to the

28.25

Construction Careers Foundation for the

28.26

Helmets to Hard Hats Minnesota initiative.

28.27

Grant funds must be used to recruit, retain,

28.28

assist, and support National Guard, reserve,

28.29

and active duty military members' and

28.30

veterans' participation into apprenticeship

28.31

programs registered with the Department of

28.32

Labor and Industry and connect them with

28.33

career training and employment in the building

28.34

and construction industry. The recruitment,

29.1 selection, employment, and training must be  
 29.2 without discrimination due to race, color,  
 29.3 creed, religion, national origin, sex, sexual  
 29.4 orientation, marital status, physical or mental  
 29.5 disability, receipt of public assistance, or age.

29.6 This is a onetime appropriation.

29.7 (f) \$84,000 the first year and \$34,000 the  
 29.8 second year are for outreach and enforcement  
 29.9 efforts related to changes to the nursing  
 29.10 mothers, lactating employees, and pregnancy  
 29.11 accommodations law.

29.12 (g) \$1,000,000 the first year is for the loggers  
 29.13 safety grant program.

29.14 <u>Subd. 4. <b>Workers' Compensation</b></u>	<u>11,882,000</u>	<u>11,882,000</u>
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29.15 This appropriation is from the workers'  
 29.16 compensation fund.

29.17 <u>Subd. 5. <b>Workplace Safety</b></u>	<u>5,070,000</u>	<u>5,070,000</u>
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29.18 This appropriation is from the workers'  
 29.19 compensation fund.

29.20 <u>Subd. 6. <b>Workforce Development Initiatives</b></u>	<u>1,700,000</u>	<u>1,600,000</u>
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29.21 (a) This appropriation is from the workforce  
 29.22 development fund.

29.23 (b) \$300,000 each year is from the workforce  
 29.24 development fund for the pipeline program.

29.25 (c) \$200,000 each year is from the workforce  
 29.26 development fund for identification of  
 29.27 competency standards under Minnesota  
 29.28 Statutes, section 175.45.

29.29 (d) \$1,100,000 each year is from the  
 29.30 workforce development fund for youth skills  
 29.31 training grants under Minnesota Statutes,  
 29.32 section 175.46. Of this amount, \$100,000 each  
 29.33 year is for administration of the program.

30.1 (e)(1) \$100,000 the first year is from the  
30.2 workforce development fund for a grant to  
30.3 Independent School District No. 294, Houston,  
30.4 for the Minnesota Virtual Academy's career  
30.5 pathway program with Operating Engineers  
30.6 Local 49. The program may include up to five  
30.7 semesters of courses, and must lead to  
30.8 eligibility into the Operating Engineers Local  
30.9 49 apprenticeship program. The grant may be  
30.10 used to encourage and support student  
30.11 participation in the career pathway program  
30.12 through additional academic, counseling, and  
30.13 other support services provided by the  
30.14 student's enrolling school district to provide  
30.15 these services. This appropriation is available  
30.16 until June 30, 2023; and  
  
30.17 (2) by January 15, 2024, Independent School  
30.18 District No. 294, Houston, must submit a  
30.19 written report to the chairs and ranking  
30.20 minority members of the house of  
30.21 representatives and senate committees of the  
30.22 legislature having jurisdiction over education  
30.23 and workforce development describing  
30.24 students' experiences with the program. The  
30.25 report must document the program's spending,  
30.26 list the number of students participating in the  
30.27 program and entering the apprenticeship  
30.28 program, and make recommendations for  
30.29 improving support of career pathway programs  
30.30 statewide.

30.31 **Sec. 4. WORKERS' COMPENSATION COURT**  
30.32 **OF APPEALS**

**\$ 2,283,000 \$ 2,283,000**

30.33 This appropriation is from the workers'  
30.34 compensation fund.

30.35 **Sec. 5. BUREAU OF MEDIATION SERVICES**

**\$ 2,370,000 \$ 2,415,000**

31.1 (a) \$125,000 each year is for purposes of the  
31.2 Public Employment Relations Board under  
31.3 Minnesota Statutes, section 179A.041. This  
31.4 is a onetime appropriation.

31.5 (b) \$68,000 each year is for grants to area  
31.6 labor management committees. Grants may  
31.7 be awarded for a 12-month period beginning  
31.8 July 1 each year. Any unencumbered balance  
31.9 remaining at the end of the first year does not  
31.10 cancel but is available for the second year.

31.11 (c) \$47,000 each year is for rulemaking,  
31.12 staffing, and other costs associated with peace  
31.13 officer grievance procedures.

31.14 Sec. 6. **DEPARTMENT OF TRANSPORTATION.**

31.15 \$6,200,000 in fiscal year 2022 is appropriated from the general fund to the commissioner  
31.16 of transportation for project development of a land bridge freeway lid over marked Interstate  
31.17 Highway 94 in a portion of the segment from Lexington Avenue to Rice Street in St. Paul.  
31.18 This amount is available to match federal funds and for project planning and development,  
31.19 including area planning, community and land use planning, economic development planning,  
31.20 design, and project management and analysis. From this amount, the commissioner may  
31.21 make grants to Reconnect Rondo to perform any eligible project development activities.  
31.22 This is a onetime appropriation and is available until June 30, 2025.

31.23 Sec. 7. **MINNESOTA STATE COLLEGES AND UNIVERSITIES.**

31.24 \$400,000 in fiscal year 2022 and \$0 in fiscal year 2023 are appropriated from the general  
31.25 fund to the Board of Trustees of the Minnesota State Colleges and Universities for the career  
31.26 and technical educator pilot project under article 2, section 25. Of this amount, \$250,000  
31.27 is for transfer to Winona State University and \$150,000 is for transfer to Minnesota State  
31.28 College Southeast for the purposes listed in article 2, section 25. Notwithstanding Minnesota  
31.29 Statutes, section 16A.28, unencumbered balances under this section do not cancel until July  
31.30 1, 2025.

32.1 Sec. 8. **CANCELLATIONS; FISCAL YEAR 2021.**

32.2 (a) \$18,265,000 of the fiscal year 2021 general fund appropriation in Laws 2020, Seventh  
 32.3 Special Session chapter 2, article 1, section 1, subdivision 7, is canceled.

32.4 (b) \$72,000 of the fiscal year 2021 general fund appropriation in Laws 2020, Seventh  
 32.5 Special Session chapter 2, article 5, section 1, is canceled.

32.6 (c) \$901,000 of the fiscal year 2021 general fund appropriation in Laws 2020, Seventh  
 32.7 Special Session chapter 2, article 4, section 1, subdivision 1, is canceled.

32.8 (d) \$25,000,000 of the fiscal year 2021 general fund appropriation in Laws 2020, Seventh  
 32.9 Special Session chapter 2, article 3, section 2, is canceled.

32.10 (e) \$205,000 of the fiscal year 2021 general fund appropriation in Laws 2019, First  
 32.11 Special Session chapter 7, article 1, section 2, subdivision 5, paragraph (a), estimated to be  
 32.12 \$205,000, is canceled.

32.13 (f) \$50,000 of the fiscal year 2021 general fund appropriation in Laws 2019, First Special  
 32.14 Session chapter 7, article 1, section 2, subdivision 5, paragraph (d), is canceled.

32.15 (g) \$125,000 of the fiscal year 2021 general fund appropriation in Laws 2019, First  
 32.16 Special Session chapter 7, article 1, section 2, subdivision 2, paragraph (aa), is canceled.

32.17 (h) \$1,022,000 of the fiscal year 2021 general fund appropriation in Laws 2019, First  
 32.18 Special Session chapter 7, article 1, section 2, subdivision 4, is canceled.

32.19 (i) \$203,000 of the fiscal year 2021 general fund appropriation in Laws 2019, First  
 32.20 Special Session chapter 7, article 1, section 3, subdivision 2, is canceled.

32.21 (j) \$102,000 of the fiscal year 2021 general fund appropriation in Laws 2019, First  
 32.22 Special Session chapter 7, article 1, section 5, is canceled.

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

32.24 **ARTICLE 2**

32.25 **ECONOMIC DEVELOPMENT**

32.26 Section 1. Minnesota Statutes 2020, section 41A.19, is amended to read:

32.27 **41A.19 REPORT; INCENTIVE PROGRAMS.**

32.28 By January 15 each year, the commissioner shall report on the incentive programs under  
 32.29 sections 41A.16, 41A.17, ~~and~~ 41A.18, 41A.20, and 41A.21 to the legislative committees  
 32.30 with jurisdiction over environment and agriculture policy and finance. The report shall  
 32.31 include information on production and incentive expenditures under the programs.



33.1       Sec. 2. **[41A.21] ORIENTED STRAND BOARD PRODUCTION INCENTIVE.**

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

33.4           (b) "Commissioner" means the commissioner of agriculture.

33.5           (c) "Forest resources" means raw wood logs and material primarily made up of cellulose,  
33.6 hemicellulose, or lignin, or a combination of those ingredients.

33.7           (d) "Oriented strand board" or "OSB" means a material manufactured into panels using  
33.8 forest resources.

33.9           Subd. 2. **Eligibility.** (a) A facility eligible for payment under this section must source  
33.10 at least 80 percent of its forest resources raw materials from Minnesota. The facility must  
33.11 be located in Minnesota, must begin construction activities by December 31, 2022, for a  
33.12 specific location, must begin production at a specific location by June 30, 2025, and must  
33.13 not begin operating before January 1, 2022. Eligible facilities must be new OSB construction  
33.14 sites with total capital investment in excess of \$250,000,000. Eligible OSB production  
33.15 facilities must produce at least 200,000,000 OSB square feet on a 3/8 inch nominal basis  
33.16 of OSB each year. At least one product produced at the facility should be a wood-based  
33.17 wall or roof structural sheathing panel that has an integrated, cellulose-based paper overlay  
33.18 that serves as a water resistive barrier.

33.19           (b) No payments shall be made for OSB production that occurs after June 30, 2036, for  
33.20 those eligible producers under paragraph (a).

33.21           (c) An eligible producer of OSB shall not transfer the producer's eligibility for payments  
33.22 under this section to a facility at a different location.

33.23           (d) A producer that ceases production for any reason is ineligible to receive payments  
33.24 under this section until the producer resumes production.

33.25           Subd. 3. **Payment amounts; limits.** (a) The commissioner shall make payments to  
33.26 eligible producers of OSB. The amount of the payment for each eligible producer's annual  
33.27 production is \$7.50 per 1,000 OSB square feet on a 3/8 inch nominal basis of OSB produced  
33.28 at a specific location for ten years starting after the first calendar year in which production  
33.29 begins.

33.30           (b) Total payments under this section to an eligible OSB producer in a fiscal year may  
33.31 not exceed the amount necessary for 400,000,000 OSB square feet on a 3/8 inch nominal  
33.32 basis of OSB produced. Total payments under this section to all eligible OSB producers in  
33.33 a fiscal year may not exceed the amount necessary for 400,000,000 OSB square feet on a

34.1 3/8 inch nominal basis of OSB produced. If the total amount for which all producers are  
34.2 eligible in a quarter exceeds the amount available for payments, the commissioner shall  
34.3 make the payments on a pro rata basis.

34.4 (c) For purposes of this section, an entity that holds a controlling interest in more than  
34.5 one OSB facility is considered a single eligible producer.

34.6 Subd. 4. **Forest resources requirements.** Forest resources that are purchased to be used  
34.7 at the facility must be in compliance with one or more of the following: the Sustainable  
34.8 Forestry Initiative Fiber Sourcing Standard, the Forest Stewardship Council Chain of Custody  
34.9 Standard, or the Forest Stewardship Controlled Wood Standard. For forest resources that  
34.10 come from land parcels greater than 160 acres, all efforts must be made to procure from  
34.11 land that is certified by one or more of the following: the Forest Stewardship Council Forest  
34.12 Management Standard, the Sustainable Forestry Initiative Forest Management Standard, or  
34.13 the American Tree Farm System.

34.14 Subd. 5. **Claims.** (a) By the last day of October, January, April, and July, each eligible  
34.15 OSB producer shall file a claim for payment for OSB production during the preceding three  
34.16 calendar months. An eligible OSB producer that files a claim under this subdivision shall  
34.17 include a statement of the eligible producer's total board feet of OSB produced during the  
34.18 quarter covered by the claim. For each claim and statement of total board feet of OSB filed  
34.19 under this subdivision, the board feet of OSB produced must be examined by a certified  
34.20 public accounting firm with a valid permit to practice under chapter 326A, in accordance  
34.21 with Statements on Standards for Attestation Engagements established by the American  
34.22 Institute of Certified Public Accountants.

34.23 (b) The commissioner must issue payments by November 15, February 15, May 15, and  
34.24 August 15. A separate payment must be made for each claim filed.

34.25 Subd. 6. **Appropriation.** (a) In fiscal year 2025, a sum sufficient to make the payments  
34.26 required by this section, not to exceed \$1,500,000, is appropriated from the general fund to  
34.27 the commissioner. This is a onetime appropriation.

34.28 (b) From fiscal year 2026 through fiscal year 2034, a sum sufficient to make the payments  
34.29 required by this section, not to exceed \$3,000,000 in a fiscal year, is annually appropriated  
34.30 from the general fund to the commissioner.

34.31 Section 3. Minnesota Statutes 2020, section 116J.035, subdivision 6, is amended to read:

34.32 Subd. 6. **Receipt of gifts, money; appropriation.** (a) The commissioner may:

(1) apply for, accept, and disburse gifts, bequests, grants, payments for services, loans, or other property from the United States, the state, private foundations, or any other source;

(2) enter into an agreement required for the gifts, grants, or loans; and

(3) hold, use, and dispose of its assets according to the terms of the gift, grant, loan, or agreement.

(b) Money received by the commissioner under this subdivision must be deposited in a separate account in the state treasury and invested by the State Board of Investment. The amount deposited, including investment earnings, is appropriated to the commissioner to carry out duties under this section.

(c) Money received by the commissioner under this subdivision for State Services for the Blind is exempt from depositing gifts, bequests, charitable contributions, and similar contributions made solely into the state treasury.

Sec. 4. Minnesota Statutes 2020, section 116J.431, subdivision 2, is amended to read:

Subd. 2. **Eligible projects.** (a) An economic development project for which a county or city may be eligible to receive a grant under this section includes:

(1) manufacturing;

(2) technology;

(3) warehousing and distribution;

(4) research and development;

(5) agricultural processing, defined as transforming, packaging, sorting, or grading livestock or livestock products into goods that are used for intermediate or final consumption, including goods for nonfood use; or

(6) industrial park development that would be used by any other business listed in this subdivision even if no business has committed to locate in the industrial park at the time the grant application is made.

(b) Up to 15 percent of the development of a project may be for a purpose that is not included under this subdivision as an eligible project. A city or county must provide notice to the commissioner for the commissioner's approval of the proposed project.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to projects that have been funded previously under Minnesota Statutes, section 116J.431.

Sec. 5. Minnesota Statutes 2020, section 116J.431, subdivision 3, is amended to read:

Subd. 3. **Ineligible projects.** ~~The following~~ Projects, including but not limited to the following types, are not eligible ineligible for a grant under this section:

(1) retail development; or

(2) office space development, except as incidental to an eligible purpose.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to projects that have been funded previously under Minnesota Statutes, section 116J.431.

Sec. 6. Minnesota Statutes 2020, section 116J.431, is amended by adding a subdivision to read:

Subd. 3a. **Development restrictions expiration.** After ten years from the date of the grant award under this section, if an eligible project for which the public infrastructure was intended has not been developed, any other lawful project may be developed and supported by the public infrastructure. The city or county must notify the commissioner of the project.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to projects that have been funded previously under Minnesota Statutes, section 116J.431.

Sec. 7. **[116J.8749] MAIN STREET ECONOMIC REVITALIZATION PROGRAM.**

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

(b) "Borrower" means an eligible recipient receiving a loan guaranteed under this section.

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

(d) "Eligible project" means the development, redevelopment, demolition, site preparation, predesign, design, engineering, repair, or renovation of real property or capital improvements. Eligible projects must be designed to address the greatest economic development and redevelopment needs that have arisen in the community surrounding that real property since March 15, 2020. Eligible project includes but is not limited to the construction of buildings, infrastructure, and related site amenities, landscaping, or street-scaping. Eligible project does not include the purchase of real estate or business operations or business operating expenses, such as inventory, wages, or working capital.

(e) "Eligible recipient" means a:

37.1 (1) business;

37.2 (2) nonprofit organization; or

37.3 (3) developer

37.4 that is seeking funding to complete an eligible project. Eligible recipient does not include

37.5 a partner organization or a local unit of government.

37.6 (f) "Guaranteed loan" means a loan guaranteed by the state for 80 percent of the loan

37.7 amount for a maximum period of 15 years from the origination of the loan.

37.8 (g) "Leveraged grant" means a grant that is matched by the eligible recipient's

37.9 commitment to the eligible project of nonstate funds at a level of 200 percent of the grant

37.10 amount. The nonstate match may include but is not limited to funds contributed by a partner

37.11 organization and insurance proceeds.

37.12 (h) "Loan guarantee trust fund" means a dedicated account established under this section

37.13 for the purpose of compensation for defaulted loan guarantees.

37.14 (i) "Partner organizations" or "partners" means:

37.15 (1) foundations engaged in economic development;

37.16 (2) community development financial institutions; and

37.17 (3) community development corporations.

37.18 (j) "Program" means the Main Street Economic Revitalization Program under this section.

37.19 (k) "Subordinated loan" means a loan secured by a lien that is lower in priority than one

37.20 or more specified other liens.

37.21 Subd. 2. **Establishment.** The commissioner shall establish the Main Street Economic

37.22 Revitalization Program to make grants to partner organizations to fund leveraged grants

37.23 and guaranteed loans to specific named eligible recipients for eligible projects that are

37.24 designed to address the greatest economic development and redevelopment needs that have

37.25 arisen in the surrounding community since March 15, 2020.

37.26 Subd. 3. **Grants to partner organizations.** (a) The commissioner shall make grants to

37.27 partner organizations to provide leveraged grants and guaranteed loans to eligible recipients

37.28 using criteria, forms, applications, and reporting requirements developed by the

37.29 commissioner.

37.30 (b) To be eligible for a grant, a partner organization must:

(1) outline a plan to provide leveraged grants and guaranteed loans to eligible recipients for specific eligible projects that represent the greatest economic development and redevelopment needs in the surrounding community. This plan must include an analysis of the economic impact of the eligible projects the partner organization proposes to make these investments in;

(2) establish a process of ensuring there are no conflicts of interest in determining awards under the program; and

(3) demonstrate that the partner organization has raised funds for the specific purposes of this program to commit to the proposed eligible projects or will do so within the 15-month period following the encumbrance of funds. Existing assets and state or federal funds may not be used to meet this requirement.

(c) Grants shall be made in up to three rounds:

(1) a first round with an application date before September 1, 2021, during which no more than 50 percent of available funds will be granted;

(2) a second round with an application date after September 1, 2021, but before March 1, 2022; and

(3) a third round with an application date after June 30, 2023, if any funds remain after the first two rounds.

A partner may apply in multiple rounds for projects that were not funded in earlier rounds or for new projects.

(d) Up to four percent of a grant under this subdivision may be used by the partner organization for administration and monitoring of the program.

Subd. 4. **Award criteria.** In awarding grants under this section, the commissioner shall give funding preference to applications that:

(1) have the greatest regional economic impact under subdivision 3, paragraph (b), clause (1), particularly with regard to increasing the local tax base; and

(2) have the greatest portion of the estimated cost of the eligible projects met through nonstate funds.

Subd. 5. **Leveraged grants to eligible recipients.** (a) A leveraged grant to an eligible recipient shall be for no more than \$750,000.

(b) A leveraged grant may be used to finance no more than 30 percent of an eligible project.

39.1 (c) An eligible project must have secured commitments for all required matching funds  
39.2 and all required development approvals before a leveraged grant may be distributed.

39.3 Subd. 6. **Guaranteed loans to eligible recipients.** (a) A guaranteed loan to an eligible  
39.4 recipient must:

39.5 (1) be for no more than \$2,000,000;

39.6 (2) be for a term of no more than 15 years; and

39.7 (3) comply with the terms under subdivision 7.

39.8 (b) An eligible project must have all required development approvals before a guaranteed  
39.9 loan may be distributed.

39.10 (c) Upon origination of a guaranteed loan, the commissioner must reserve ten percent  
39.11 of the loan amount into the loan guarantee trust fund created under subdivision 8.

39.12 (d) No guaranteed loan may be made to an eligible recipient after December 31, 2024.

39.13 Subd. 7. **Required terms for guaranteed loans.** For a guaranteed loan under the  
39.14 program:

39.15 (1) principal and interest payments made by the borrower under the terms of the loan  
39.16 are to reduce the guaranteed and nonguaranteed portion of the loan on a proportionate basis.  
39.17 The nonguaranteed portion shall not receive preferential treatment over the guaranteed  
39.18 portion;

39.19 (2) the partner organization shall not accelerate repayment of the loan or exercise other  
39.20 remedies if the borrower defaults, unless:

39.21 (i) the borrower fails to make a required payment of principal or interest within 60 days  
39.22 of the due date; or

39.23 (ii) the commissioner consents in writing;

39.24 (3) in the event of a default, the partner organization may not make a demand for payment  
39.25 pursuant to the guarantee unless the commissioner agrees in writing that the default has  
39.26 materially affected the rights or security of the parties;

39.27 (4) the partner organization must timely prepare and deliver to the commissioner, annually  
39.28 by the date specified in the loan guarantee, an audited or reviewed financial statement for  
39.29 the loan, prepared by a certified public accountant according to generally accepted accounting  
39.30 principles, if available, and documentation that the borrower used the loan proceeds solely  
39.31 for an eligible project;

40.1 (5) the commissioner shall have access to loan documents at any time subsequent to the  
40.2 loan documents being submitted to the partner organization;

40.3 (6) the partner organization must maintain adequate records and documents concerning  
40.4 the loan so that the commissioner may determine the borrower's financial condition and  
40.5 compliance with program requirements;

40.6 (7) orderly liquidation of collateral securing the loan must be provided for in the event  
40.7 of default, pursuant to the loan guarantee; and

40.8 (8) the guaranteed portion of the loan may be subordinate to other loans made by lenders  
40.9 in the overall financing package.

40.10 Subd. 8. **Loan guarantee trust fund established.** A loan guarantee trust fund account  
40.11 in the special revenue fund is created in the state treasury to pay for defaulted loan guarantees.  
40.12 The commissioner shall administer this account. The day that this section expires, all  
40.13 remaining funds in the account are canceled to the general fund.

40.14 Subd. 9. **Statewide program.** In proportion to eligible demand, leveraged grants and  
40.15 guaranteed loans under this section shall be made so that an approximately equal dollar  
40.16 amount of leveraged grants and guaranteed loans are made to businesses in the metropolitan  
40.17 area as in the nonmetropolitan area, not to exceed 65 percent in any one area. After June  
40.18 30, 2023, the department may allow leveraged grants and guaranteed loans to be made  
40.19 anywhere in the state without regard to geographic area.

40.20 Subd. 10. **Exemptions.** All grants and grant-making processes under this section are  
40.21 exempt from Minnesota Statutes, sections 16A.15, subdivision 3; 16B.97; and 16B.98,  
40.22 subdivisions 5, 7, and 8. The commissioner must audit the use of funds under this section  
40.23 in accordance with standard accounting practices. The exemptions under this subdivision  
40.24 expire on December 31, 2023.

40.25 Subd. 11. **Reports.** (a) By January 31, 2022, and annually until December 31, 2026,  
40.26 after which biennial reporting will be permitted after the commissioner consults with the  
40.27 legislature, partner organizations participating in the program must provide a report to the  
40.28 commissioner that includes descriptions of the eligible projects supported by the program,  
40.29 the type and amount of support provided, any economic development gains attributable to  
40.30 the support, and an explanation of administrative expenses.

40.31 (b) By February 15, 2022, and annually until December 31, 2026, after which biennial  
40.32 reporting will be permitted after the commissioner consults with the legislature, the  
40.33 commissioner must report to the legislative committees in the house of representatives and



41.1 senate with jurisdiction over economic development about funding provided under this  
41.2 program based on the information received under paragraph (a) and about the performance  
41.3 of the loan guarantee trust fund.

41.4 Subd. 12. **Expiration.** This section expires December 31, 2036.

41.5 Sec. 8. Minnesota Statutes 2020, section 116L.40, is amended by adding a subdivision to  
41.6 read:

41.7 Subd. 2a. **Automation technology.** "Automation technology" means a process or  
41.8 procedure performed with minimal human assistance. Automation or automatic control is  
41.9 the use of various control systems for operating equipment such as machinery, processes  
41.10 in factories, or other applications with minimal or reduced human intervention. Adoption,  
41.11 implementation, and utilization of any one of three types of automation in production are  
41.12 acceptable for consideration of this program, including fixed automation, programmable  
41.13 automation, and flexible automation.

41.14 Sec. 9. Minnesota Statutes 2020, section 116L.40, subdivision 5, is amended to read:

41.15 Subd. 5. **Employee.** "Employee" means the individual employed in a new or existing  
41.16 job.

41.17 Sec. 10. Minnesota Statutes 2020, section 116L.40, subdivision 6, is amended to read:

41.18 Subd. 6. **Employer.** "Employer" means the individual, corporation, partnership, limited  
41.19 liability company, or association providing new jobs or investing in new automation  
41.20 technology and entering into an agreement.

41.21 Sec. 11. Minnesota Statutes 2020, section 116L.40, subdivision 9, is amended to read:

41.22 Subd. 9. **Program costs.** "Program costs" means all necessary and incidental costs of  
41.23 providing program services, ~~except that program costs are increased by \$1,000 per employee~~  
41.24 ~~for an individual with a disability.~~ The term does not include the cost of purchasing equipment  
41.25 to be owned or used by the training or educational institution or service.

41.26 Sec. 12. Minnesota Statutes 2020, section 116L.40, subdivision 10, is amended to read:

41.27 Subd. 10. **Program services.** "Program services" means training and education  
41.28 specifically directed to new or existing jobs that are determined to be appropriate by the  
41.29 commissioner, including in-house training; services provided by institutions of higher

42.1 education and federal, state, or local agencies; or private training or educational services.

42.2 Administrative services and assessment and testing costs are included.

42.3 Sec. 13. Minnesota Statutes 2020, section 116L.41, subdivision 1, is amended to read:

42.4 Subdivision 1. **Service provision.** Upon request, the commissioner shall provide or  
42.5 coordinate the provision of program services under sections 116L.40 to 116L.42 to a business  
42.6 eligible for grants under this section ~~116L.42~~. The commissioner shall specify the form of  
42.7 and required information to be provided with applications for projects to be funded with  
42.8 grants under this section ~~116L.42~~.

42.9 Sec. 14. Minnesota Statutes 2020, section 116L.41, is amended by adding a subdivision  
42.10 to read:

42.11 Subd. 1a. **Job training incentive program.** (a) The commissioner may provide grants  
42.12 in aid of up to \$200,000 to new or expanding employers at a location in Minnesota and  
42.13 outside of the metropolitan area, as defined in section 473.121, subdivision 2, for the  
42.14 provision of program services using the guidelines in this subdivision.

42.15 (b) The program must involve training and education specifically directed to new jobs  
42.16 that are determined to be appropriate by the commissioner.

42.17 (c) The program must give preference to projects that provide training for economically  
42.18 disadvantaged people, people of color, or people with disabilities and to employers located  
42.19 in economically distressed areas.

42.20 (d) Employers are eligible for reimbursement of program costs of up to \$10,000 per new  
42.21 job for which training is provided, with an additional \$1,000 available per new job for an  
42.22 individual with a disability.

42.23 Sec. 15. Minnesota Statutes 2020, section 116L.41, is amended by adding a subdivision  
42.24 to read:

42.25 Subd. 1b. **Automation incentive program.** (a) The commissioner may provide grants  
42.26 in aid of up to \$35,000 to employers at a location in Minnesota outside of the metropolitan  
42.27 area, as defined in section 473.121, subdivision 2, for the provision of program services  
42.28 using the guidelines in this subdivision.

42.29 (b) The employer must be an existing business located in Minnesota that is in the  
42.30 manufacturing or skilled assembly production industry and has 150 or fewer full-time  
42.31 employees companywide.

(c) The employer must be invested in new automation technology within the past year or plan to invest in new automation technology within the project time frame specified in the agreement under subdivision 3.

(d) The program must involve training and education for full-time, permanent employees that is directly related to the new automation technology.

(e) The program must give preference to projects that provide training for economically disadvantaged people, people of color, or people with disabilities and to employers located in economically distressed areas.

(f) Employers are eligible for program cost reimbursement of up to \$5,000 per employee trained on new automation technology and retained.

Sec. 16. Minnesota Statutes 2020, section 116L.41, subdivision 2, is amended to read:

Subd. 2. **Agreements; required terms.** (a) The commissioner may enter into an agreement to establish a project with an employer that:

(1) identifies program costs to be paid from sources under the program;

(2) identifies program costs to be paid by the employer;

(3) provides that on-the-job training costs for employees may not exceed 50 percent of the annual gross wages and salaries of the new jobs in the first full year after execution of the agreement up to a maximum of \$10,000 per eligible employee;

~~(4) provides that each employee must be paid wages at least equal to the median hourly wage for the county in which the job is located, as reported in the most recently available data from the United States Bureau of the Census, plus benefits, by the earlier of the end of the training period or 18 months of employment under the project~~ receiving training through the project must be paid wages of at least 120 percent of the federal poverty guidelines for a family of four, plus benefits; and

(5) provides that job training will be provided and the length of time of training.

(b) Before entering into a final agreement, the commissioner shall:

(1) determine that sufficient funds for the project are available ~~under section 116L.42;~~  
and

(2) investigate the applicability of other training programs and determine whether the job skills partnership grant program is a more suitable source of funding for the training

44.1

and whether the training can be completed in a timely manner that meets the needs of the

44.2

business.

44.3

The investigation under clause (2) must be completed within 15 days or as soon as

44.4

reasonably possible after the employer has provided the commissioner with all the requested

44.5

information.

44.6

Sec. 17. Minnesota Statutes 2020, section 116L.42, subdivision 1, is amended to read:

44.7

Subdivision 1. **Recovery of program costs.** Amounts paid by employers for program

44.8

costs are repaid by a job training grant equal to the lesser of the following:

44.9

(1) the amount of program costs specified in the agreement for the project; or

44.10

(2) the amount of program costs paid by the employer for ~~new~~ training employees under

44.11

a project.

44.12

Sec. 18. Minnesota Statutes 2020, section 116L.42, subdivision 2, is amended to read:

44.13

Subd. 2. **Reports.** (a) By February 1, ~~2018~~ 2024, the commissioner shall report to the

44.14

governor and the legislature on the program. The report must include at least:

44.15

(1) the amount of grants issued under the program;

44.16

(2) the number of individuals receiving training under the program, including the number

44.17

of new hires who are individuals with disabilities;

44.18

(3) the number of new hires attributable to the program, including the number of new

44.19

hires who are individuals with disabilities;

44.20

(4) an analysis of the effectiveness of the grant in encouraging employment or investments

44.21

in automation technology; and

44.22

(5) any other information the commissioner determines appropriate.

44.23

(b) The report to the legislature must be distributed as provided in section 3.195.

44.24

Sec. 19. Laws 2017, chapter 94, article 1, section 2, subdivision 2, as amended by Laws

44.25

2017, First Special Session chapter 7, section 2, is amended to read:

44.26

Subd. 2. **Business and Community Development**

44.27

Appropriations by Fund

44.28

General

44.29

Remediation

\$

46,074,000

\$

40,935,000

\$43,363,000

\$38,424,000

\$700,000

\$700,000

45.1	Workforce		
45.2	Development	\$1,861,000	\$1,811,000
45.3	Special Revenue	\$150,000	-0-

45.4 (a) \$4,195,000 each year is for the Minnesota  
 45.5 job skills partnership program under  
 45.6 Minnesota Statutes, sections 116L.01 to  
 45.7 116L.17. If the appropriation for either year  
 45.8 is insufficient, the appropriation for the other  
 45.9 year is available. This appropriation is  
 45.10 available until spent.

45.11 (b) \$750,000 each year is for grants to the  
 45.12 Neighborhood Development Center for small  
 45.13 business programs:

- 45.14 (1) training, lending, and business services;
- 45.15 (2) model outreach and training in greater
- 45.16 Minnesota; and
- 45.17 (3) development of new business incubators.

45.18 This is a onetime appropriation.

45.19 (c) \$1,175,000 each year is for a grant to the  
 45.20 Metropolitan Economic Development  
 45.21 Association (MEDA) for statewide business  
 45.22 development and assistance services, including  
 45.23 services to entrepreneurs with businesses that  
 45.24 have the potential to create job opportunities  
 45.25 for unemployed and underemployed people,  
 45.26 with an emphasis on minority-owned  
 45.27 businesses. This is a onetime appropriation.

45.28 (d) \$125,000 each year is for a grant to the  
 45.29 White Earth Nation for the White Earth Nation  
 45.30 Integrated Business Development System to  
 45.31 provide business assistance with workforce  
 45.32 development, outreach, technical assistance,  
 45.33 infrastructure and operational support,

46.1 financing, and other business development  
46.2 activities. This is a onetime appropriation.

46.3 (e)(1) \$12,500,000 each year is for the  
46.4 Minnesota investment fund under Minnesota  
46.5 Statutes, section 116J.8731. Of this amount,  
46.6 the commissioner of employment and  
46.7 economic development may use up to three  
46.8 percent for administration and monitoring of  
46.9 the program. This appropriation is available  
46.10 until spent.

46.11 (2) Of the amount appropriated in fiscal year  
46.12 2018, \$4,000,000 is for a loan to construct and  
46.13 equip a wholesale electronic component  
46.14 distribution center investing a minimum of  
46.15 \$200,000,000 and constructing a facility at  
46.16 least 700,000 square feet in size. Loan funds  
46.17 may be used for purchases of materials,  
46.18 supplies, and equipment for the construction  
46.19 of the facility and are available from July 1,  
46.20 2017, to June 30, 2021. The commissioner of  
46.21 employment and economic development shall  
46.22 forgive the loan after verification that the  
46.23 project has satisfied performance goals and  
46.24 contractual obligations as required under  
46.25 Minnesota Statutes, section 116J.8731.

46.26 (3) Of the amount appropriated in fiscal year  
46.27 2018, \$700,000 is for a ~~loan to extend an~~  
46.28 ~~effluent pipe that will deliver reclaimed water~~  
46.29 ~~to an innovative waste-to-biofuel project~~  
46.30 ~~investing a minimum of \$150,000,000 and~~  
46.31 ~~constructing a facility that is designed to~~  
46.32 ~~process approximately 400,000 tons of waste~~  
46.33 ~~annually. Loan grant to the Metropolitan~~  
46.34 Council under Minnesota Statutes, section  
46.35 116.195, for wastewater infrastructure to

47.1 support industrial users in Rosemount that  
47.2 require significant water use. Grant funds are  
47.3 available until June 30, 2021 2025.

47.4 (f) \$8,500,000 each year is for the Minnesota  
47.5 job creation fund under Minnesota Statutes,  
47.6 section 116J.8748. Of this amount, the  
47.7 commissioner of employment and economic  
47.8 development may use up to three percent for  
47.9 administrative expenses. This appropriation  
47.10 is available until expended. In fiscal year 2020  
47.11 and beyond, the base amount is \$8,000,000.

47.12 (g) \$1,647,000 each year is for contaminated  
47.13 site cleanup and development grants under  
47.14 Minnesota Statutes, sections 116J.551 to  
47.15 116J.558. This appropriation is available until  
47.16 spent. In fiscal year 2020 and beyond, the base  
47.17 amount is \$1,772,000.

47.18 (h) \$12,000 each year is for a grant to the  
47.19 Upper Minnesota Film Office.

47.20 (i) \$163,000 each year is for the Minnesota  
47.21 Film and TV Board. The appropriation in each  
47.22 year is available only upon receipt by the  
47.23 board of \$1 in matching contributions of  
47.24 money or in-kind contributions from nonstate  
47.25 sources for every \$3 provided by this  
47.26 appropriation, except that each year up to  
47.27 \$50,000 is available on July 1 even if the  
47.28 required matching contribution has not been  
47.29 received by that date.

47.30 (j) \$500,000 each year is from the general fund  
47.31 for a grant to the Minnesota Film and TV  
47.32 Board for the film production jobs program  
47.33 under Minnesota Statutes, section 116U.26.

48.1 This appropriation is available until June 30,  
48.2 2021.

48.3 (k) \$139,000 each year is for a grant to the  
48.4 Rural Policy and Development Center under  
48.5 Minnesota Statutes, section 116J.421.

48.6 (l)(1) \$1,300,000 each year is for the greater  
48.7 Minnesota business development public  
48.8 infrastructure grant program under Minnesota  
48.9 Statutes, section 116J.431. This appropriation  
48.10 is available until spent. If the appropriation  
48.11 for either year is insufficient, the appropriation  
48.12 for the other year is available. In fiscal year  
48.13 2020 and beyond, the base amount is  
48.14 \$1,787,000. Funds available under this  
48.15 paragraph may be used for site preparation of  
48.16 property owned and to be used by private  
48.17 entities.

48.18 (2) Of the amounts appropriated, \$1,600,000  
48.19 in fiscal year 2018 is for a grant to the city of  
48.20 Thief River Falls to support utility extensions,  
48.21 roads, and other public improvements related  
48.22 to the construction of a wholesale electronic  
48.23 component distribution center at least 700,000  
48.24 square feet in size and investing a minimum  
48.25 of \$200,000,000. Notwithstanding Minnesota  
48.26 Statutes, section 116J.431, a local match is  
48.27 not required. Grant funds are available from  
48.28 July 1, 2017, to June 30, 2021.

48.29 (m) \$876,000 the first year and \$500,000 the  
48.30 second year are for the Minnesota emerging  
48.31 entrepreneur loan program under Minnesota  
48.32 Statutes, section 116M.18. Funds available  
48.33 under this paragraph are for transfer into the  
48.34 emerging entrepreneur program special  
48.35 revenue fund account created under Minnesota



49.1 Statutes, chapter 116M, and are available until  
49.2 spent. Of this amount, up to four percent is for  
49.3 administration and monitoring of the program.

49.4 In fiscal year 2020 and beyond, the base  
49.5 amount is \$1,000,000.

49.6 (n) \$875,000 each year is for a grant to  
49.7 Enterprise Minnesota, Inc. for the small  
49.8 business growth acceleration program under  
49.9 Minnesota Statutes, section 116O.115. This  
49.10 is a onetime appropriation.

49.11 (o) \$250,000 in fiscal year 2018 is for a grant  
49.12 to the Minnesota Design Center at the  
49.13 University of Minnesota for the greater  
49.14 Minnesota community design pilot project.

49.15 (p) \$275,000 in fiscal year 2018 is from the  
49.16 general fund to the commissioner of  
49.17 employment and economic development for  
49.18 a grant to Community and Economic  
49.19 Development Associates (CEDA) for an  
49.20 economic development study and analysis of  
49.21 the effects of current and projected economic  
49.22 growth in southeast Minnesota. CEDA shall  
49.23 report on the findings and recommendations  
49.24 of the study to the committees of the house of  
49.25 representatives and senate with jurisdiction  
49.26 over economic development and workforce  
49.27 issues by February 15, 2019. All results and  
49.28 information gathered from the study shall be  
49.29 made available for use by cities in southeast  
49.30 Minnesota by March 15, 2019. This  
49.31 appropriation is available until June 30, 2020.

49.32 (q) \$2,000,000 in fiscal year 2018 is for a  
49.33 grant to Pillsbury United Communities for  
49.34 construction and renovation of a building in  
49.35 north Minneapolis for use as the "North

50.1 Market" grocery store and wellness center,  
50.2 focused on offering healthy food, increasing  
50.3 health care access, and providing job creation  
50.4 and economic opportunities in one place for  
50.5 children and families living in the area. To the  
50.6 extent possible, Pillsbury United Communities  
50.7 shall employ individuals who reside within a  
50.8 five mile radius of the grocery store and  
50.9 wellness center. This appropriation is not  
50.10 available until at least an equal amount of  
50.11 money is committed from nonstate sources.  
50.12 This appropriation is available until the project  
50.13 is completed or abandoned, subject to  
50.14 Minnesota Statutes, section 16A.642.

50.15 (r) \$1,425,000 each year is for the business  
50.16 development competitive grant program. Of  
50.17 this amount, up to five percent is for  
50.18 administration and monitoring of the business  
50.19 development competitive grant program. All  
50.20 grant awards shall be for two consecutive  
50.21 years. Grants shall be awarded in the first year.

50.22 (s) \$875,000 each year is for the host  
50.23 community economic development grant  
50.24 program established in Minnesota Statutes,  
50.25 section 116J.548.

50.26 (t) \$700,000 each year is from the remediation  
50.27 fund for contaminated site cleanup and  
50.28 development grants under Minnesota Statutes,  
50.29 sections 116J.551 to 116J.558. This  
50.30 appropriation is available until spent.

50.31 (u) \$161,000 each year is from the workforce  
50.32 development fund for a grant to the Rural  
50.33 Policy and Development Center. This is a  
50.34 onetime appropriation.

51.1 (v) \$300,000 each year is from the workforce  
51.2 development fund for a grant to Enterprise  
51.3 Minnesota, Inc. This is a onetime  
51.4 appropriation.

51.5 (w) \$50,000 in fiscal year 2018 is from the  
51.6 workforce development fund for a grant to  
51.7 Fighting Chance for behavioral intervention  
51.8 programs for at-risk youth.

51.9 (x) \$1,350,000 each year is from the  
51.10 workforce development fund for job training  
51.11 grants under Minnesota Statutes, section  
51.12 116L.42.

51.13 (y)(1) \$519,000 in fiscal year 2018 is for  
51.14 grants to local communities to increase the  
51.15 supply of quality child care providers in order  
51.16 to support economic development. At least 60  
51.17 percent of grant funds must go to communities  
51.18 located outside of the seven-county  
51.19 metropolitan area, as defined under Minnesota  
51.20 Statutes, section 473.121, subdivision 2. Grant  
51.21 recipients must obtain a 50 percent nonstate  
51.22 match to grant funds in either cash or in-kind  
51.23 contributions. Grant funds available under this  
51.24 paragraph must be used to implement solutions  
51.25 to reduce the child care shortage in the state  
51.26 including but not limited to funding for child  
51.27 care business start-ups or expansions, training,  
51.28 facility modifications or improvements  
51.29 required for licensing, and assistance with  
51.30 licensing and other regulatory requirements.  
51.31 In awarding grants, the commissioner must  
51.32 give priority to communities that have  
51.33 documented a shortage of child care providers  
51.34 in the area.

52.1 (2) Within one year of receiving grant funds,  
52.2 grant recipients must report to the  
52.3 commissioner on the outcomes of the grant  
52.4 program including but not limited to the  
52.5 number of new providers, the number of  
52.6 additional child care provider jobs created, the  
52.7 number of additional child care slots, and the  
52.8 amount of local funds invested.

52.9 (3) By January 1 of each year, starting in 2019,  
52.10 the commissioner must report to the standing  
52.11 committees of the legislature having  
52.12 jurisdiction over child care and economic  
52.13 development on the outcomes of the program  
52.14 to date.

52.15 (z) \$319,000 in fiscal year 2018 is from the  
52.16 general fund for a grant to the East Phillips  
52.17 Improvement Coalition to create the East  
52.18 Phillips Neighborhood Institute (EPNI) to  
52.19 expand culturally tailored resources that  
52.20 address small business growth and create  
52.21 green jobs. The grant shall fund the  
52.22 collaborative work of Tamales y Bicicletas,  
52.23 Little Earth of the United Tribes, a nonprofit  
52.24 serving East Africans, and other coalition  
52.25 members ~~towards~~ toward developing EPNI as  
52.26 a community space to host activities including,  
52.27 but not limited to, creation and expansion of  
52.28 small businesses, culturally specific  
52.29 entrepreneurial activities, indoor urban  
52.30 farming, job training, education, and skills  
52.31 development for residents of this low-income,  
52.32 environmental justice designated  
52.33 neighborhood. Eligible uses for grant funds  
52.34 include, but are not limited to, planning and  
52.35 start-up costs, staff and consultant costs,

53.1 building improvements, rent, supplies, utilities,  
53.2 vehicles, marketing, and program activities.  
53.3 The commissioner shall submit a report on  
53.4 grant activities and quantifiable outcomes to  
53.5 the committees of the house of representatives  
53.6 and the senate with jurisdiction over economic  
53.7 development by December 15, 2020. This  
53.8 appropriation is available until June 30, 2020.

53.9 (aa) \$150,000 the first year is from the  
53.10 renewable development account in the special  
53.11 revenue fund established in Minnesota  
53.12 Statutes, section 116C.779, subdivision 1, to  
53.13 conduct the biomass facility closure economic  
53.14 impact study.

53.15 (bb)(1)\$300,000 in fiscal year 2018 is for a  
53.16 grant to East Side Enterprise Center (ESEC)  
53.17 to expand culturally tailored resources that  
53.18 address small business growth and job  
53.19 creation. This appropriation is available until  
53.20 June 30, 2020. The appropriation shall fund  
53.21 the work of African Economic Development  
53.22 Solutions, the Asian Economic Development  
53.23 Association, the Dayton's Bluff Community  
53.24 Council, and the Latino Economic  
53.25 Development Center in a collaborative  
53.26 approach to economic development that is  
53.27 effective with smaller, culturally diverse  
53.28 communities that seek to increase the  
53.29 productivity and success of new immigrant  
53.30 and minority populations living and working  
53.31 in the community. Programs shall provide  
53.32 minority business growth and capacity  
53.33 building that generate wealth and jobs creation  
53.34 for local residents and business owners on the  
53.35 East Side of St. Paul.

54.1 (2) In fiscal year 2019 ESEC shall use funds  
54.2 to share its integrated service model and  
54.3 evolving collaboration principles with civic  
54.4 and economic development leaders in greater  
54.5 Minnesota communities which have diverse  
54.6 populations similar to the East Side of St. Paul.  
54.7 ESEC shall submit a report of activities and  
54.8 program outcomes, including quantifiable  
54.9 measures of success annually to the house of  
54.10 representatives and senate committees with  
54.11 jurisdiction over economic development.

54.12 (cc) \$150,000 in fiscal year 2018 is for a grant  
54.13 to Mille Lacs County for the purpose of  
54.14 reimbursement grants to small resort  
54.15 businesses located in the city of Isle with less  
54.16 than \$350,000 in annual revenue, at least four  
54.17 rental units, which are open during both  
54.18 summer and winter months, and whose  
54.19 business was adversely impacted by a decline  
54.20 in walleye fishing on Lake Mille Lacs.

54.21 (dd)(1) \$250,000 in fiscal year 2018 is for a  
54.22 grant to the Small Business Development  
54.23 Center hosted at Minnesota State University,  
54.24 Mankato, for a collaborative initiative with  
54.25 the Regional Center for Entrepreneurial  
54.26 Facilitation. Funds available under this section  
54.27 must be used to provide entrepreneur and  
54.28 small business development direct professional  
54.29 business assistance services in the following  
54.30 counties in Minnesota: Blue Earth, Brown,  
54.31 Faribault, Le Sueur, Martin, Nicollet, Sibley,  
54.32 Watonwan, and Waseca. For the purposes of  
54.33 this section, "direct professional business  
54.34 assistance services" must include, but is not  
54.35 limited to, pre-venture assistance for

55.1 individuals considering starting a business.  
 55.2 This appropriation is not available until the  
 55.3 commissioner determines that an equal amount  
 55.4 is committed from nonstate sources. Any  
 55.5 balance in the first year does not cancel and  
 55.6 is available for expenditure in the second year.

55.7 (2) Grant recipients shall report to the  
 55.8 commissioner by February 1 of each year and  
 55.9 include information on the number of  
 55.10 customers served in each county; the number  
 55.11 of businesses started, stabilized, or expanded;  
 55.12 the number of jobs created and retained; and  
 55.13 business success rates in each county. By April  
 55.14 1 of each year, the commissioner shall report  
 55.15 the information submitted by grant recipients  
 55.16 to the chairs of the standing committees of the  
 55.17 house of representatives and the senate having  
 55.18 jurisdiction over economic development  
 55.19 issues.

55.20 (ee) \$500,000 in fiscal year 2018 is for the  
 55.21 central Minnesota opportunity grant program  
 55.22 established under Minnesota Statutes, section  
 55.23 116J.9922. This appropriation is available until  
 55.24 June 30, 2022.

55.25 (ff) \$25,000 each year is for the administration  
 55.26 of state aid for the Destination Medical Center  
 55.27 under Minnesota Statutes, sections 469.40 to  
 55.28 469.47.

55.29 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2017.

55.30 Sec. 20. Laws 2019, First Special Session chapter 7, article 1, section 2, subdivision 2, as  
 55.31 amended by Laws 2019, First Special Session chapter 12, section 4, and Laws 2020, chapter  
 55.32 112, section 1, is amended to read:

55.33	Subd. 2. <b>Business and Community Development</b>	44,931,000	42,381,000
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56.1	Appropriations by Fund		
56.2	General	40,756,000	38,206,000
56.3	Remediation	700,000	700,000
56.4	Workforce		
56.5	Development	3,475,000	3,475,000

56.6 (a) \$1,787,000 each year is for the greater

56.7 Minnesota business development public

56.8 infrastructure grant program under Minnesota

56.9 Statutes, section 116J.431. This appropriation

56.10 is available until June 30, 2023.

56.11 (b) \$1,425,000 each year is for the business

56.12 development competitive grant program. Of

56.13 this amount, up to five percent is for

56.14 administration and monitoring of the business

56.15 development competitive grant program. All

56.16 grant awards shall be for two consecutive

56.17 years. Grants shall be awarded in the first year.

56.18 (c) \$1,772,000 each year is for contaminated

56.19 site cleanup and development grants under

56.20 Minnesota Statutes, sections 116J.551 to

56.21 116J.558. This appropriation is available until

56.22 June 30, 2023.

56.23 (d) \$700,000 each year is from the remediation

56.24 fund for contaminated site cleanup and

56.25 development grants under Minnesota Statutes,

56.26 sections 116J.551 to 116J.558. This

56.27 appropriation is available until June 30, 2023.

56.28 (e) \$139,000 each year is for the Center for

56.29 Rural Policy and Development.

56.30 (f) \$25,000 each year is for the administration

56.31 of state aid for the Destination Medical Center

56.32 under Minnesota Statutes, sections 469.40 to

56.33 469.47.



57.1 (g) \$875,000 each year is for the host  
57.2 community economic development program  
57.3 established in Minnesota Statutes, section  
57.4 116J.548.

57.5 (h) \$125,000 each year is from the workforce  
57.6 development fund for a grant to the White  
57.7 Earth Nation for the White Earth Nation  
57.8 Integrated Business Development System to  
57.9 provide business assistance with workforce  
57.10 development, outreach, technical assistance,  
57.11 infrastructure and operational support,  
57.12 financing, and other business development  
57.13 activities. This is a onetime appropriation.

57.14 (i) \$450,000 each year is from the workforce  
57.15 development fund for a grant to Enterprise  
57.16 Minnesota, Inc. for the small business growth  
57.17 acceleration program under Minnesota  
57.18 Statutes, section 116O.115. This is a onetime  
57.19 appropriation.

57.20 (j) \$250,000 the first year is for a grant to the  
57.21 Rondo Community Land Trust for  
57.22 improvements to leased commercial space in  
57.23 the Selby Milton Victoria Project that will  
57.24 create long-term affordable space for small  
57.25 businesses and for build-out and development  
57.26 of new businesses.

57.27 (k) \$400,000 each year is from the workforce  
57.28 development fund for a grant to the  
57.29 Metropolitan Economic Development  
57.30 Association (MEDA) for statewide business  
57.31 development and assistance services, including  
57.32 services to entrepreneurs with businesses that  
57.33 have the potential to create job opportunities  
57.34 for unemployed and underemployed people,

58.1 with an emphasis on minority-owned  
58.2 businesses. This is a onetime appropriation.

58.3 (l) \$750,000 in fiscal year 2020 is for grants  
58.4 to local communities to increase the supply of  
58.5 quality child care providers to support  
58.6 economic development. At least 60 percent of  
58.7 grant funds must go to communities located  
58.8 outside of the seven-county metropolitan area  
58.9 as defined under Minnesota Statutes, section  
58.10 473.121, subdivision 2. Grant recipients must  
58.11 obtain a 50 percent nonstate match to grant  
58.12 funds in either cash or in-kind contributions.  
58.13 Grant funds available under this section must  
58.14 be used to implement projects to reduce the  
58.15 child care shortage in the state, including but  
58.16 not limited to funding for child care business  
58.17 start-ups or expansion, training, facility  
58.18 modifications or improvements required for  
58.19 licensing, and assistance with licensing and  
58.20 other regulatory requirements. In awarding  
58.21 grants, the commissioner must give priority  
58.22 to communities that have demonstrated a  
58.23 shortage of child care providers in the area.  
58.24 This is a onetime appropriation. Within one  
58.25 year of receiving grant funds, grant recipients  
58.26 must report to the commissioner on the  
58.27 outcomes of the grant program, including but  
58.28 not limited to the number of new providers,  
58.29 the number of additional child care provider  
58.30 jobs created, the number of additional child  
58.31 care slots, and the amount of cash and in-kind  
58.32 local funds invested.

58.33 (m) \$750,000 in fiscal year 2020 is for a grant  
58.34 to the Minnesota Initiative Foundations. This  
58.35 is a onetime appropriation and is available

59.1 until June 30, 2023. The Minnesota Initiative  
59.2 Foundations must use grant funds under this  
59.3 section to:

59.4 (1) facilitate planning processes for rural  
59.5 communities resulting in a community solution  
59.6 action plan that guides decision making to  
59.7 sustain and increase the supply of quality child  
59.8 care in the region to support economic  
59.9 development;

59.10 (2) engage the private sector to invest local  
59.11 resources to support the community solution  
59.12 action plan and ensure quality child care is a  
59.13 vital component of additional regional  
59.14 economic development planning processes;

59.15 (3) provide locally based training and technical  
59.16 assistance to rural child care business owners  
59.17 individually or through a learning cohort.  
59.18 Access to financial and business development  
59.19 assistance must prepare child care businesses  
59.20 for quality engagement and improvement by  
59.21 stabilizing operations, leveraging funding from  
59.22 other sources, and fostering business acumen  
59.23 that allows child care businesses to plan for  
59.24 and afford the cost of providing quality child  
59.25 care; or

59.26 (4) recruit child care programs to participate  
59.27 in Parent Aware, Minnesota's quality and  
59.28 improvement rating system, and other high  
59.29 quality measurement programs. The Minnesota  
59.30 Initiative Foundations must work with local  
59.31 partners to provide low-cost training,  
59.32 professional development opportunities, and  
59.33 continuing education curricula. The Minnesota  
59.34 Initiative Foundations must fund, through local  
59.35 partners, an enhanced level of coaching to

60.1 rural child care providers to obtain a quality  
60.2 rating through Parent Aware or other high  
60.3 quality measurement programs.

60.4 (n)(1) \$650,000 each year from the workforce  
60.5 development fund is for grants to the  
60.6 Neighborhood Development Center for small  
60.7 business programs. This is a onetime  
60.8 appropriation.

60.9 (2) Of the amount appropriated in the first  
60.10 year, \$150,000 is for outreach and training  
60.11 activities outside the seven-county  
60.12 metropolitan area, as defined in Minnesota  
60.13 Statutes, section 473.121, subdivision 2.

60.14 (o) \$8,000,000 each year is for the Minnesota  
60.15 job creation fund under Minnesota Statutes,  
60.16 section 116J.8748. Of this amount, the  
60.17 commissioner of employment and economic  
60.18 development may use up to three percent for  
60.19 administrative expenses. This appropriation  
60.20 is available until expended.

60.21 (p)(1) \$11,970,000 each year is for the  
60.22 Minnesota investment fund under Minnesota  
60.23 Statutes, section 116J.8731. Of this amount,  
60.24 the commissioner of employment and  
60.25 economic development may use up to three  
60.26 percent for administration and monitoring of  
60.27 the program. In fiscal year 2022 and beyond,  
60.28 the base amount is \$12,370,000. This  
60.29 appropriation is available until expended.

60.30 Notwithstanding Minnesota Statutes, section  
60.31 116J.8731, funds appropriated to the  
60.32 commissioner for the Minnesota investment  
60.33 fund may be used for the redevelopment  
60.34 program under Minnesota Statutes, sections  
60.35 116J.575 and 116J.5761, at the discretion of

61.1 the commissioner. Grants under this paragraph  
61.2 are not subject to the grant amount limitation  
61.3 under Minnesota Statutes, section 116J.8731.

61.4 (2) Of the amount appropriated in the first  
61.5 year, ~~\$2,000,000~~ \$3,000,000 is for a loan to a  
61.6 paper mill in Duluth for a retrofit project that  
61.7 will support the ~~operation and manufacture of~~  
61.8 packaging conversion of the existing Duluth  
61.9 paper mill for the manufacture of new paper  
61.10 grades. The company that owns the paper mill  
61.11 must ~~spend \$20,000,000 on~~ invest  
61.12 \$25,000,000 in project activities by ~~December~~  
61.13 ~~31, 2020~~ May 1, 2023, in order to be eligible  
61.14 to receive this loan. Loan funds may be used  
61.15 for purchases of materials, supplies, and  
61.16 equipment for the project and are available  
61.17 from ~~July 1, 2019~~ April 1, 2021, to ~~July 30,~~  
61.18 ~~2021~~ May 1, 2023. The commissioner of  
61.19 employment and economic development shall  
61.20 forgive 25 percent of the loan each year after  
61.21 the second year during a five-year period if  
61.22 the mill has retained at least ~~150~~ 80 full-time  
61.23 equivalent employees and has satisfied other  
61.24 performance goals and contractual obligations  
61.25 as required under Minnesota Statutes, section  
61.26 116J.8731.

61.27 (q) \$700,000 in fiscal year 2020 is for the  
61.28 airport infrastructure renewal (AIR) grant  
61.29 program under Minnesota Statutes, section  
61.30 116J.439.

61.31 (r) \$100,000 in fiscal year 2020 is for a grant  
61.32 to FIRST in Upper Midwest to support  
61.33 competitive robotics teams. Funds must be  
61.34 used to make up to five awards of no more  
61.35 than \$20,000 each to Minnesota-based public

62.1 entities or private nonprofit organizations for  
62.2 the creation of competitive robotics hubs.  
62.3 Awards may be used for tools, equipment, and  
62.4 physical space to be utilized by robotics teams.  
62.5 At least 50 percent of grant funds must be used  
62.6 outside of the seven-county metropolitan area,  
62.7 as defined under Minnesota Statutes, section  
62.8 473.121, subdivision 2. The grant recipient  
62.9 shall report to the chairs and ranking minority  
62.10 members of the legislative committees with  
62.11 jurisdiction over jobs and economic growth  
62.12 by February 1, 2021, on the status of awards  
62.13 and include information on the number and  
62.14 amount of awards made, the number of  
62.15 customers served, and any outcomes resulting  
62.16 from the grant. The grant requires a 50 percent  
62.17 match from nonstate sources.

62.18 (s) \$1,000,000 each year is for the Minnesota  
62.19 emerging entrepreneur loan program under  
62.20 Minnesota Statutes, section 116M.18. Funds  
62.21 available under this paragraph are for transfer  
62.22 into the emerging entrepreneur program  
62.23 special revenue fund account created under  
62.24 Minnesota Statutes, chapter 116M, and are  
62.25 available until expended. Of this amount, up  
62.26 to four percent is for administration and  
62.27 monitoring of the program.

62.28 (t) \$163,000 each year is for the Minnesota  
62.29 Film and TV Board. The appropriation in each  
62.30 year is available only upon receipt by the  
62.31 board of \$1 in matching contributions of  
62.32 money or in-kind contributions from nonstate  
62.33 sources for every \$3 provided by this  
62.34 appropriation, except that each year up to  
62.35 \$50,000 is available on July 1 even if the

63.1 required matching contribution has not been  
63.2 received by that date.

63.3 (u) \$12,000 each year is for a grant to the  
63.4 Upper Minnesota Film Office.

63.5 (v) \$500,000 each year is from the general  
63.6 fund for a grant to the Minnesota Film and TV  
63.7 Board for the film production jobs program  
63.8 under Minnesota Statutes, section 116U.26.  
63.9 This appropriation is available until June 30,  
63.10 2023.

63.11 (w) \$4,195,000 each year is for the Minnesota  
63.12 job skills partnership program under  
63.13 Minnesota Statutes, sections 116L.01 to  
63.14 116L.17. If the appropriation for either year  
63.15 is insufficient, the appropriation for the other  
63.16 year is available. This appropriation is  
63.17 available until expended.

63.18 (x) \$1,350,000 each year is from the  
63.19 workforce development fund for jobs training  
63.20 grants under Minnesota Statutes, section  
63.21 116L.42.

63.22 (y) \$2,500,000 each year is for Launch  
63.23 Minnesota. This is a onetime appropriation  
63.24 and funds are available until June 30, 2023.  
63.25 Of this amount:

63.26 (1) \$1,600,000 each year is for innovation  
63.27 grants to eligible Minnesota entrepreneurs or  
63.28 start-up businesses to assist with their  
63.29 operating needs;

63.30 (2) \$450,000 each year is for administration  
63.31 of Launch Minnesota; and

63.32 (3) \$450,000 each year is for grantee activities  
63.33 at Launch Minnesota.

64.1 (z) \$500,000 each year is from the workforce  
 64.2 development fund for a grant to Youthprise  
 64.3 to give grants through a competitive process  
 64.4 to community organizations to provide  
 64.5 economic development services designed to  
 64.6 enhance long-term economic self-sufficiency  
 64.7 in communities with concentrated East African  
 64.8 populations. Such communities include but  
 64.9 are not limited to Faribault, Rochester, St.  
 64.10 Cloud, Moorhead, and Willmar. To the extent  
 64.11 possible, Youthprise must make at least 50  
 64.12 percent of these grants to organizations serving  
 64.13 communities located outside the seven-county  
 64.14 metropolitan area, as defined in Minnesota  
 64.15 Statutes, section 473.121, subdivision 2. This  
 64.16 is a onetime appropriation and is available  
 64.17 until June 30, 2022.

64.18 (aa) \$125,000 each year is for a grant to the  
 64.19 Hmong Chamber of Commerce to train  
 64.20 ethnically Southeast Asian business owners  
 64.21 and operators in better business practices. This  
 64.22 is a onetime appropriation and is available  
 64.23 until June 30, 2023.

64.24 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2019.

64.25 Sec. 21. Laws 2019, First Special Session chapter 7, article 2, section 8, is amended to  
 64.26 read:

64.27 Sec. 8. **LAUNCH MINNESOTA.**

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



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

(b) "Advisory board" means the board established under subdivision 9.

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

(d) "Department" means the Department of Employment and Economic Development.

(e) "Entrepreneur" means a Minnesota resident who is involved in establishing a business entity and secures resources directed to its growth while bearing the risk of loss.

(f) "Greater Minnesota" means the area of Minnesota located outside of the metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2.

~~(g) "High technology" includes aerospace, agricultural processing, renewable energy, energy efficiency and conservation, environmental engineering, food technology, cellulosic ethanol, information technology, materials science technology, nanotechnology, telecommunications, biotechnology, medical device products, pharmaceuticals, diagnostics, biologics, chemistry, veterinary science, and similar fields.~~ "Innovative technology and business" means a new novel business model or product; a derivative product incorporating new elements into an existing product; a new use for a product; or a new process or method for the manufacture, use, or assessment of any product or activity, patentability, or scalability. Innovative technology or business model does not include locally based retail, lifestyle, or business services. The business must not be primarily engaged in real estate development, insurance, banking, lending, lobbying, political consulting, information technology consulting, wholesale or retail trade, leisure, hospitality, transportation, construction, ethanol production from corn, or professional services provided by attorneys, accountants, business consultants, physicians, or health care consultants.

(h) "Institution of higher education" has the meaning given in Minnesota Statutes, section 136A.28, subdivision 6.

(i) "Minority group member" means a United States citizen or lawful permanent resident who is Asian, Pacific Islander, Black, Hispanic, or Native American.

~~(j) "Minority-owned business" means a business for which one or more minority group members:~~

~~(1) own at least 50 percent of the business or, in the case of a publicly owned business, own at least 51 percent of the stock; and~~

~~(2) manage the business and control the daily business operations.~~

66.1 ~~(k)~~ (j) "Research and development" means any activity that is:

66.2 (1) a systematic, intensive study directed toward greater knowledge or understanding  
66.3 of the subject studies;

66.4 (2) a systematic study directed specifically toward applying new knowledge to meet a  
66.5 recognized need; or

66.6 (3) a systematic application of knowledge toward the production of useful materials,  
66.7 devices, systems and methods, including design, development and improvement of prototypes  
66.8 and new processes to meet specific requirements.

66.9 ~~(h)~~ (k) "Start-up" means a business entity that has been in operation for less than ten  
66.10 years, has operations in Minnesota, and is in the development stage defined as devoting  
66.11 substantially all of its efforts to establishing a new business and either of the following  
66.12 conditions exists:

66.13 (1) planned principal operations have not commenced; or

66.14 (2) planned principal operations have commenced, but have generated less than  
66.15 \$1,000,000 in revenue.

66.16 ~~(m)~~ (l) "Technology-related assistance" means the application and utilization of  
66.17 technological-information and technologies to assist in the development and production of  
66.18 new technology-related products or services or to increase the productivity or otherwise  
66.19 enhance the production or delivery of existing products or services.

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

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

66.24 ~~(p)~~ "Women" means persons of the female gender.

66.25 ~~(q)~~ "Women-owned business" means a business for which one or more women:

66.26 (1) own at least 50 percent of the business or, in the case of a publicly owned business,  
66.27 own at least 51 percent of the stock; and

66.28 (2) manage the business and control the daily business operations.

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

66.30 (1) support innovation and initiatives designed to accelerate the growth of ~~high-technology~~  
66.31 innovative technology and business start-ups in Minnesota;

67.1 (2) in partnership with other organizations, offer classes and instructional sessions on  
67.2 how to start ~~a high-tech and innovative~~ an innovative technology and business start-up;

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

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

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

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

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

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

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

67.17 Subd. 4. **Administration.** (a) The ~~department~~ commissioner shall employ an executive  
67.18 director in the unclassified service, one staff member to support Launch Minnesota, and  
67.19 one staff member in the business and community development division to manage grants.  
67.20 The executive director shall:

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

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

67.25 (b) ~~To the extent possible, the space that Launch Minnesota shall~~ may occupy and lease  
67.26 ~~must be physical space in a private coworking facility that includes office space for staff~~  
67.27 and space for community engagement for training entrepreneurs. The physical space leased  
67.28 under this paragraph is exempt from the requirements in Minnesota Statutes, section 16B.24,  
67.29 subdivision 6.

67.30 (c) At least three times per month, Launch Minnesota staff shall ~~visit~~ communicate with  
67.31 organizations in greater Minnesota that have received a grant under subdivision 7. To the

68.1 extent possible, Launch Minnesota shall form partnerships with organizations located  
68.2 throughout the state.

68.3 (d) Launch Minnesota must accept grant applications under this section and provide  
68.4 funding recommendations to the commissioner, ~~who~~ and the commissioner shall distribute  
68.5 grants based in part on the recommendations.

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

68.8 (b) Upon receiving recommendations from Launch Minnesota, the ~~department~~  
68.9 commissioner is responsible for evaluating all applications using evaluation criteria which  
68.10 shall be developed by Launch Minnesota in consultation with the advisory board ~~and the~~  
68.11 ~~commissioner~~.

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

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

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

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

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

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

68.21 (e) The department staff, and not Launch Minnesota staff, ~~is~~ are responsible for awarding  
68.22 funding, disbursing funds, and monitoring grantee performance for all grants awarded under  
68.23 this section.

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

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

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

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

~~(e) The commissioner shall provide a grant of up to \$7,500 to reimburse an entrepreneur for housing or child care expenses for the entrepreneur or their spouse or children. Each entrepreneur may receive only one grant per biennium under this paragraph.~~

~~(d)~~ (c) The commissioner shall provide a grant of up to \$35,000 in Phase 1 or \$50,000 in Phase 2 to an eligible business or entrepreneur that, as a registered client of the Small Business Innovation Research (SBIR) program, has been awarded a first time Phase 1 or Phase 2 award pursuant to the SBIR or Small Business Technology Transfer (STTR) programs after July 1, 2019. Each business or entrepreneur may receive only one grant per biennium under this paragraph. Grants under this paragraph are not subject to the requirements of subdivision 2, paragraph ~~(j)~~ (k), but do require a recommendation from the Launch Minnesota advisory board.

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

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

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

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

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

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

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

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

Subd. 8. **Report.** (a) Launch Minnesota shall report by December 31, 2022, and again by December 31, 2023, to the chairs and ranking minority members of the committees of the house of representatives and senate having jurisdiction over economic development policy and finance. Each report shall include information on the work completed, including awards made by the department under this section and progress toward transferring ~~some~~ the activities of Launch Minnesota to an entity outside of state government.

(b) By December 31, 2024, Launch Minnesota shall provide a comprehensive transition plan to the chairs and ranking minority members of the committees of the house of representatives and senate having jurisdiction over economic development policy and finance. The transition plan shall include: (1) a detailed strategy for the transfer of Launch Minnesota activities to an entity outside of state government; (2) the projected date of the transfer; and (3) the role of the state, if any, in ongoing activities of Launch Minnesota or its successor entity.

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

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

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

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

Subd. 10. **Expiration.** This section expires January 1, ~~2024~~ 2026.

**Sec. 22. ONETIME EXCEPTION TO RESTRICTIONS ON USE OF MINNESOTA INVESTMENT FUND LOCAL GOVERNMENT LOAN REPAYMENT FUNDS.**

(a) Notwithstanding Minnesota Statutes, section 116J.8731, a home rule charter or statutory city, county, or town that has uncommitted money received from repayment of funds awarded under Minnesota Statutes, section 116J.8731, may choose to transfer 20 percent of the balance of that money to the state general fund before June 30, 2022. Any local entity that does so may then use the remaining 80 percent of the uncommitted money as a general purpose aid for any lawful expenditure.

(b) By February 15, 2023, a home rule charter or statutory city, county, or town that exercises the option under paragraph (a) shall submit to the chairs of the legislative committees with jurisdiction over economic development policy and finance an accounting and explanation of the use and distribution of the funds.

72.1      Sec. 23. **MINNESOTA INVESTMENT FUND AND MINNESOTA JOB CREATION**  
72.2      **FUND REQUIREMENTS EXTENSIONS.**

72.3      Notwithstanding any other law to the contrary, a recipient of a Minnesota Investment  
72.4      Fund grant under Minnesota Statutes, section 116J.8731, or a recipient of a Minnesota Job  
72.5      Creation Fund grant under Minnesota Statutes, section 116J.8748, who is unable to meet  
72.6      the minimum capital investment requirements, wage, or minimum job creation goals or  
72.7      requirements provided in a business subsidy agreement, as applicable, during or within the  
72.8      12-month period following a peacetime emergency related to the COVID-19 pandemic shall  
72.9      be granted an extension until December 31, 2022, to meet those capital investment, wage,  
72.10     or job creation goals or requirements before the grant must be repaid.

72.11     **EFFECTIVE DATE.** This section is effective retroactively from March 15, 2020.

72.12     Sec. 24. **MAIN STREET COVID-19 RELIEF GRANT PROGRAM.**

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

72.15     (b) "Business" means both for-profit businesses and nonprofit organizations that earn  
72.16     revenue in ways similar to businesses, including but not limited to ticket sales and  
72.17     membership fees.

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

72.19     (d) "Partner organization" or "Partner" means the Minnesota Initiative Foundations and  
72.20     nonprofit corporations on the certified lenders list that the commissioner determines to be  
72.21     qualified to provide grants to businesses under this section.

72.22     (e) "Program" means the Main Street COVID-19 relief grant program under this section.

72.23     Subd. 2. **Establishment.** The commissioner shall establish the Main Street COVID-19  
72.24     relief grant program to make grants to partner organizations to make grants to businesses  
72.25     that have been directly or indirectly impacted by executive orders related to the COVID-19  
72.26     pandemic.

72.27     Subd. 3. **Grants to partner organizations.** (a) The commissioner shall make grants to  
72.28     partner organizations to provide grants to businesses under subdivision 4 or 5 using criteria,  
72.29     forms, applications, and reporting requirements developed by the commissioner.

72.30     (b) Up to four percent of a grant under this subdivision may be used by the partner  
72.31     organization for administration and monitoring of the program.



73.1 (c) Any funds not spent by partner organizations by June 30, 2022, must be returned to  
73.2 the commissioner and canceled back to the general fund.

73.3 Subd. 4. **Grants to businesses.** (a) Partners shall make grants to businesses using criteria,  
73.4 forms, applications, and reporting requirements developed by the commissioner.

73.5 (b) To be eligible for a grant under this subdivision, a business must:

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

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

73.8 (3) employ the equivalent of 200 full-time workers or less;

73.9 (4) be able to demonstrate financial hardship as a result of the COVID-19 outbreak; and

73.10 (5) include as part of their application a business plan for continued operation.

73.11 (c) Preference shall be given to businesses that did not receive previous assistance from  
73.12 the state under:

73.13 (1) the governor's Executive Order No. 20-15;

73.14 (2) Laws 2020, First Special Session chapter 1, section 4; or

73.15 (3) Laws 2020, Seventh Special Session chapter 2, article 4 or 5.

73.16 (d) Grants under this subdivision shall be awarded by randomized selection process after  
73.17 applications are collected over a period of no more than ten calendar days.

73.18 (e) Grants under this subdivision shall be for the following amounts:

73.19 (1) for businesses employing the equivalent of six full-time employees or less, \$10,000;

73.20 (2) for businesses employing the equivalent of more than six full-time employees, but  
73.21 less than 50, \$15,000;

73.22 (3) for businesses employing the equivalent of 50 or more full-time employees, but less  
73.23 than 100, \$20,000; and

73.24 (4) for businesses employing the equivalent of 100 or more full-time employees, \$25,000.

73.25 (f) No business may receive more than one grant under this section.

73.26 (g) Grant funds must be used for working capital to support payroll expenses, rent or  
73.27 mortgage payments, utility bills, and other similar expenses that occur or have occurred  
73.28 since March 13, 2020, in the regular course of business, but not to refinance debt that existed  
73.29 at the time of the governor's COVID-19 peacetime emergency declaration.

74.1 Subd. 5. Grants to businesses renting space to other businesses. (a) Partners shall  
74.2 make grants to businesses using criteria, forms, applications, and reporting requirements  
74.3 developed by the commissioner.

74.4 (b) To be eligible for a grant under this subdivision, a business must:

74.5 (1) be an operator of privately owned permanent indoor retail space that has an ethnic  
74.6 cultural emphasis and at least 12 tenants that are primarily businesses with fewer than 20  
74.7 employees;

74.8 (2) have primary business operations located in the state of Minnesota;

74.9 (3) be owned by a resident of the state of Minnesota;

74.10 (4) employ the equivalent of 200 full-time workers or less;

74.11 (5) be able to demonstrate financial hardship as a result of the COVID-19 outbreak; and

74.12 (6) include as part of their application a business plan for continued operation.

74.13 (c) Grants under this subdivision shall be for no more than \$300,000 and in an amount  
74.14 proportional to the number of tenants.

74.15 (d) Up to \$25,000 of grant funds a business receives may be used for working capital  
74.16 to support payroll expenses, rent or mortgage payments, utility bills, and other similar  
74.17 expenses that occur or have occurred since March 13, 2020, in the regular course of business,  
74.18 but not to refinance debt that existed at the time of the governor's COVID-19 peacetime  
74.19 emergency declaration.

74.20 (e) The remainder of grant funds must be used to maintain existing tenants of the operator  
74.21 through the issuing of credits or forgiveness of rent. Any tenant receiving such a benefit  
74.22 from the grant must meet the requirements under subdivision 4, paragraph (b), and shall  
74.23 receive preference according to subdivision 4, paragraph (c).

74.24 Subd. 6. Distribution of awards. (a) Of grant funds awarded under subdivision 4, a  
74.25 minimum of:

74.26 (1) \$18,000,000 must be awarded to businesses that employ the equivalent of six full-time  
74.27 workers or less;

74.28 (2) \$10,000,000 must be awarded to minority business enterprises, as defined in  
74.29 Minnesota Statutes, section 116M.14, subdivision 5;

74.30 (3) \$2,500,000 must be awarded to businesses that are majority owned and operated by  
74.31 veterans as defined in Minnesota Statutes, section 197.447; and

(4) \$2,500,000 must be awarded to businesses that are majority owned and operated by women.

(b) \$3,000,000 of available program funds must be awarded as grants under subdivision 5.

Subd. 7. **Exemptions.** All grants and grant making processes under this section are exempt from Minnesota Statutes, sections 16A.15, subdivision 3; 16B.97; and 16B.98, subdivisions 5, 7, and 8. The commissioner must audit the use of grant funds under this section in accordance with standard accounting practices. The exemptions under this subdivision expire on December 31, 2021.

Subd. 8. **Reports.** (a) By January 31, 2022, partner organizations participating in the program must provide a report to the commissioner that includes descriptions of the businesses supported by the program, the amounts granted, and an explanation of administrative expenses.

(b) By February 15, 2022, the commissioner must report to the legislative committees in the house of representatives and senate with jurisdiction over economic development about grants made under this section based on the information received under paragraph (a).

**Sec. 25. CAREER AND TECHNICAL EDUCATOR PILOT PROJECT.**

By the 2024-2025 academic year, Winona State University must develop a teacher preparation program that leads to initial licensure in at least one license area under Minnesota Rules, parts 8710.8000 to 8710.8080. Winona State University must partner with Minnesota State College Southeast to provide the subject matter training necessary for license areas chosen. If practical, the partnership must result in a candidate earning an associate's degree from Minnesota State College Southeast and a bachelor's degree from Winona State University. Money appropriated for this project may be used for any of the following purposes:

(1) analyzing existing course offerings at both institutions to determine compliance with the requirements of Minnesota Rules, chapter 8705 and parts 8710.8000 to 8710.8080;

(2) determining any courses that need to be adjusted or created by each institution;

(3) designing and implementing any needed course; and

(4) providing administrative support for gaining approval of the program from the Professional Educator Licensing and Standards Board.

ARTICLE 3

LABOR AND INDUSTRY

Section 1. Minnesota Statutes 2020, section 13.7905, is amended by adding a subdivision to read:

Subd. 8. Data on individuals who are minors. Disclosure of data on minors is governed by section 181A.112.

Sec. 2. Minnesota Statutes 2020, section 178.012, subdivision 1, is amended to read:

Subdivision 1. **Apprenticeship rules.** Federal regulations governing apprenticeship in effect on ~~July 1, 2013~~ January 18, 2017, as provided by Code of Federal Regulations, title 29, ~~part~~ parts 29, sections 29.1 to 29.6 and 29.11, and 30, are the apprenticeship rules in this state, subject to amendment by this chapter or by rule under section 178.041.

Sec. 3. Minnesota Statutes 2020, section 181.939, is amended to read:

**181.939 NURSING MOTHERS, LACTATING EMPLOYEES, AND PREGNANCY ACCOMMODATIONS.**

Subdivision 1. Nursing mothers. (a) An employer must provide reasonable ~~unpaid~~ break ~~time~~ times each day to an employee who needs to express breast milk for her infant child during the twelve months following the birth of the child. The break ~~time~~ times must, if possible, run concurrently with any break ~~time~~ times already provided to the employee. An employer is not required to provide break ~~time~~ times under this section if to do so would unduly disrupt the operations of the employer. An employer shall not reduce an employee's compensation for time used for the purpose of expressing milk.

(b) The employer must make reasonable efforts to provide a room or other location, in close proximity to the work area, other than a bathroom or a toilet stall, that is shielded from view and free from intrusion from coworkers and the public and that includes access to an electrical outlet, where the employee can express ~~her~~ milk in privacy. The employer would be held harmless if reasonable effort has been made.

(c) For the purposes of this ~~section~~ subdivision, "employer" means a person or entity that employs one or more employees and includes the state and its political subdivisions.

(d) An employer ~~may~~ shall not retaliate against an employee for asserting rights or remedies under this ~~section~~ subdivision.

77.1 Subd. 2. **Pregnancy accommodations.** (a) An employer must provide reasonable  
77.2 accommodations to an employee for health conditions related to pregnancy or childbirth  
77.3 upon request, with the advice of a licensed health care provider or certified doula, unless  
77.4 the employer demonstrates that the accommodation would impose an undue hardship on  
77.5 the operation of the employer's business. A pregnant employee shall not be required to  
77.6 obtain the advice of a licensed health care provider or certified doula, nor may an employer  
77.7 claim undue hardship for the following accommodations: (1) more frequent restroom, food,  
77.8 and water breaks; (2) seating; and (3) limits on lifting over 20 pounds. The employee and  
77.9 employer shall engage in an interactive process with respect to an employee's request for a  
77.10 reasonable accommodation. "Reasonable accommodation" may include but is not limited  
77.11 to temporary transfer to a less strenuous or hazardous position, seating, frequent restroom  
77.12 breaks, and limits to heavy lifting. Notwithstanding any other provision of this subdivision,  
77.13 an employer shall not be required to create a new or additional position in order to  
77.14 accommodate an employee pursuant to this subdivision and shall not be required to discharge  
77.15 an employee, transfer another employee with greater seniority, or promote an employee.

77.16 (b) Nothing in this subdivision shall be construed to affect any other provision of law  
77.17 relating to sex discrimination or pregnancy or in any way diminish the coverage of pregnancy,  
77.18 childbirth, or health conditions related to pregnancy or childbirth under any other provisions  
77.19 of any other law.

77.20 (c) An employer shall not require an employee to take a leave or accept an  
77.21 accommodation.

77.22 (d) An employer shall not retaliate against an employee for asserting rights or remedies  
77.23 under this subdivision.

77.24 (e) For the purposes of this subdivision, "employer" means a person or entity that employs  
77.25 fifteen or more employees and includes the state and its political subdivisions.

77.26 **EFFECTIVE DATE.** This section is effective January 1, 2022.

77.27 Sec. 4. **[181A.112] DATA ON INDIVIDUALS WHO ARE MINORS.**

77.28 (a) When the commissioner collects, creates, receives, maintains, or disseminates the  
77.29 following data on individuals who the commissioner knows are minors, the data are  
77.30 considered private data on individuals, as defined in section 13.02, subdivision 12, except  
77.31 for data classified as public data according to section 13.43:

77.32 (1) name;

77.33 (2) date of birth;

- 78.1 (3) Social Security number;  
78.2 (4) telephone number;  
78.3 (5) e-mail address;  
78.4 (6) physical or mailing address;  
78.5 (7) location data;  
78.6 (8) online account access information; and  
78.7 (9) other data that would identify participants who have registered for events, programs,  
78.8 or classes sponsored by the Department of Labor and Industry.  
78.9 (b) Data about minors classified under this section maintain their classification as private  
78.10 data on individuals after the individual is no longer a minor.

78.11 **Sec. 5. [299F.48] AUTOMATIC SPRINKLER SYSTEMS IN EXISTING PUBLIC**  
78.12 **HOUSING BUILDINGS.**

78.13 Subdivision 1. **Requirements.** (a) An automatic sprinkler system must be installed in  
78.14 those portions of an entire existing public housing building in which an automatic sprinkler  
78.15 system would be required if the building were constructed on the effective date of this  
78.16 section. The automatic sprinkler system must comply with standards in the State Fire Code  
78.17 and the State Building Code and must be fully operational by August 1, 2033.

78.18 (b) For the purposes of this section, "public housing building" means housing for  
78.19 low-income persons and households financed by the federal government and owned and  
78.20 operated by the public housing authorities and agencies formed by cities and counties in  
78.21 which at least one story used for human occupancy is 75 feet or more above the lowest level  
78.22 of fire department vehicle access.

78.23 Subd. 2. **Reporting.** By August 1, 2023, the owner of a building subject to subdivision  
78.24 1 shall submit to the state fire marshal a letter stating the owner's intent to comply with this  
78.25 section and a plan for achieving compliance by the deadline in subdivision 1.

78.26 Subd. 3. **Extensions.** The commissioner of public safety, or the state fire marshal as the  
78.27 commissioner's designee, may grant extensions to the deadline for reporting under subdivision  
78.28 2 or the deadline for compliance under subdivision 1. Any extension must observe the spirit  
78.29 and intent of this section and be tailored to ensure public welfare and safety. To be eligible  
78.30 for an extension, the building owner must apply to the commissioner of public safety and  
78.31 demonstrate a genuine inability to comply within the time prescribed despite appropriate  
78.32 effort to do so.

79.1        Subd. 4. **Effect on other laws.** This section does not supersede the State Building Code  
79.2        or State Fire Code.

79.3        Sec. 6. Minnesota Statutes 2020, section 326B.07, subdivision 1, is amended to read:

79.4        Subdivision 1. **Membership.** (a) The Construction Codes Advisory Council consists of  
79.5        the following members:

79.6        (1) the commissioner or the commissioner's designee representing the department's  
79.7        Construction Codes and Licensing Division;

79.8        (2) the commissioner of public safety or the commissioner of public safety's designee  
79.9        representing the Department of Public Safety's State Fire Marshal Division;

79.10       (3) one member, appointed by the commissioner, with expertise in and engaged in each  
79.11       of the following occupations or industries:

79.12       (i) certified building officials;

79.13       (ii) fire chiefs or fire marshals;

79.14       (iii) licensed architects;

79.15       (iv) licensed professional engineers;

79.16       (v) commercial building owners and managers;

79.17       (vi) the licensed residential building industry;

79.18       (vii) the commercial building industry;

79.19       (viii) the heating and ventilation industry;

79.20       (ix) a member of the Plumbing Board;

79.21       (x) a member of the Board of Electricity;

79.22       (xi) a member of the Board of High Pressure Piping Systems;

79.23       (xii) the boiler industry;

79.24       (xiii) the manufactured housing industry;

79.25       (xiv) public utility suppliers;

79.26       (xv) the Minnesota Building and Construction Trades Council; ~~and~~

79.27       (xvi) local units of government;

79.28       (xvii) the energy conservation industry; and

80.1 (xviii) building accessibility.

80.2 (b) The commissioner or the commissioner's designee representing the department's  
80.3 Construction Codes and Licensing Division shall serve as chair of the advisory council. For  
80.4 members who are not state officials or employees, compensation and removal of members  
80.5 of the advisory council are governed by section 15.059. The terms of the members of the  
80.6 advisory council shall be four years. The terms of eight of the appointed members shall be  
80.7 coterminous with the governor and the terms of the remaining nine appointed members  
80.8 shall end on the first Monday in January one year after the terms of the other appointed  
80.9 members expire. An appointed member may be reappointed. Each council member shall  
80.10 appoint an alternate to serve in their absence.

80.11 Sec. 7. Minnesota Statutes 2020, section 326B.092, subdivision 7, is amended to read:

80.12 Subd. 7. **License fees and license renewal fees.** (a) The license fee for each license is  
80.13 the base license fee plus any applicable board fee, continuing education fee, and contractor  
80.14 recovery fund fee and additional assessment, as set forth in this subdivision.

80.15 (b) For purposes of this section, "license duration" means the number of years for which  
80.16 the license is issued except that if the initial license is not issued for a whole number of  
80.17 years, the license duration shall be rounded up to the next whole number.

80.18 (c) If there is a continuing education requirement for renewal of the license, then a  
80.19 continuing education fee must be included in the renewal license fee. The continuing  
80.20 education fee for all license classifications is \$5.

80.21 ~~(c)~~ (d) The base license fee shall depend on whether the license is classified as an entry  
80.22 level, master, journeyworker, or business license, and on the license duration. The base  
80.23 license fee shall be:

	License Classification	License Duration
		1 year                      2 years
	Entry level	\$10                      \$20
	Journeyworker	\$20                      \$40
	Master	\$40                      \$80
	Business	\$180

80.30 ~~(d) If there is a continuing education requirement for renewal of the license, then a~~  
80.31 ~~continuing education fee must be included in the renewal license fee. The continuing~~  
80.32 ~~education fee for all license classifications shall be: \$10 if the renewal license duration is~~  
80.33 ~~one year; and \$20 if the renewal license duration is two years.~~



(e) If the license is issued under sections 326B.31 to 326B.59 or 326B.90 to 326B.925, then a board fee must be included in the license fee and the renewal license fee. The board fee for all license classifications shall be: \$4 if the license duration is one year; and \$8 if the license duration is two years.

(f) If the application is for the renewal of a license issued under sections 326B.802 to 326B.885, then the contractor recovery fund fee required under section 326B.89, subdivision 3, and any additional assessment required under section 326B.89, subdivision 16, must be included in the license renewal fee.

(g) Notwithstanding the fee amounts described in paragraphs ~~(e)~~ (d) to (f), for the period ~~July 1, 2017~~ October 1, 2021, through September 30, ~~2021~~ 2023, the following fees apply:

License Classification	License Duration	
	1 year	2 years
Entry level	\$10	\$20
Journeyworker	\$15	\$30
Master	\$30	\$60
Business		\$120

~~If there is a continuing education requirement for renewal of the license, then a continuing education fee must be included in the renewal license fee. The continuing education fee for all license classifications shall be \$5.~~

Sec. 8. Minnesota Statutes 2020, section 326B.108, subdivision 1, is amended to read:

Subdivision 1. **Definition.** For purposes of this section, "place of public accommodation" means a publicly or privately owned facility that is designed for occupancy by ~~200~~ 100 or more people and is a sports or entertainment arena, stadium, theater, community or convention hall, special event center, indoor amusement facility or water park, or indoor swimming pool.

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

Sec. 9. Minnesota Statutes 2020, section 326B.108, subdivision 3, is amended to read:

Subd. 3. **Enforcement.** Effective July 1, 2017, in a municipality that has not adopted the code by ordinance under section 326B.121, subdivision 2, the commissioner shall enforce this section in accordance with section 326B.107, subdivision 1.

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

Sec. 10. Minnesota Statutes 2020, section 326B.108, is amended by adding a subdivision to read:

**Subd. 5. Fire sprinklers required.** Automatic sprinkler systems for fire protection purposes are required in a place of public accommodation if, on or after August 1, 2008:

(1) the facility was constructed, added to, or altered; and

(2) the facility has an occupant load of 300 or more.

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

Sec. 11. Minnesota Statutes 2020, section 326B.133, subdivision 8, is amended to read:

**Subd. 8. Continuing education requirements; extension of time.** (a) This subdivision establishes the number of continuing education hours required within each two-year certification period.

A certified building official shall accumulate ~~38~~ 35 hours of continuing education in any education program that is approved under Minnesota Rules, part 1301.1000.

A certified building official-limited shall accumulate ~~38~~ 35 hours of continuing education in any education program that is approved under Minnesota Rules, part 1301.1000.

An accessibility specialist must accumulate nine hours of approved continuing education hours in any of the education programs that are provided under Minnesota Rules, part 1301.1000, subpart 1 or 2. The nine hours must be in courses relating to building accessibility, plan review, field inspection, or building code administration.

Continuing education programs may be approved as established in rule.

(b) Subject to sections 326B.101 to 326B.194, the commissioner may by rule establish or approve continuing education programs for certified building officials dealing with matters of building code administration, inspection, and enforcement.

Each person certified as a building official for the state must satisfactorily complete applicable educational programs established or approved by the commissioner to renew certification.

(c) The state building official may grant an extension of time to comply with continuing education requirements if the certificate holder requesting the extension of time shows cause for the extension. The request for the extension must be in writing. For purposes of this section, the certificate holder's current certification effective dates shall remain the same.

83.1 The extension does not relieve the certificate holder from complying with the continuing  
83.2 education requirements for the next two-year period.

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

83.4 Sec. 12. Minnesota Statutes 2020, section 326B.42, is amended by adding a subdivision  
83.5 to read:

83.6 Subd. 1d. **Commercial chemical dispensing system.** "Commercial chemical dispensing  
83.7 system" means a method of dispensing and diluting concentrated chemical solution in a  
83.8 commercial setting.

83.9 Sec. 13. Minnesota Statutes 2020, section 326B.42, is amended by adding a subdivision  
83.10 to read:

83.11 Subd. 1e. **Commercial dishwashing machine.** "Commercial dishwashing machine"  
83.12 means a machine designed for commercial use to clean and sanitize plates, glasses, cups,  
83.13 bowls, utensils, and trays by applying sprays of detergent solution, with or without blasting  
83.14 media granules, and a sanitizing final rinse and the backflow prevention installed complies  
83.15 with ANSI/ASSE 1004 or is certified to National Sanitization Foundation (NSF) 3.

83.16 Sec. 14. Minnesota Statutes 2020, section 326B.46, subdivision 1, is amended to read:

83.17 Subdivision 1. **License required.** (a) No individual shall engage in or work at the business  
83.18 of a master plumber, restricted master plumber, journeyworker plumber, and restricted  
83.19 journeyworker plumber unless licensed to do so by the commissioner. A license is not  
83.20 required for individuals performing building sewer or water service installation who have  
83.21 completed pipe laying training as prescribed by the commissioner. A license is not required  
83.22 for individuals servicing or installing a commercial chemical dispensing system or servicing  
83.23 or replacing a commercial dishwashing machine, including connecting a commercial chemical  
83.24 dispensing system or commercial dishwashing machine to a water line or drain line, provided  
83.25 that:

83.26 (1) the individual servicing or installing the commercial chemical dispensing system or  
83.27 servicing or replacing the commercial dishwashing machine is an employee of the  
83.28 manufacturer or distributor of the commercial chemical dispensing system or commercial  
83.29 dishwashing machine;

83.30 (2) the individual servicing or installing the commercial chemical dispensing system or  
83.31 servicing or replacing the commercial dishwashing machine has a minimum of 25 hours of  
83.32 classroom or laboratory training, a minimum of 20 hours of in-field training with a qualified

technician on the types of systems being installed, followed by a minimum of 100 hours of supervised field experience. The training and experience curriculum required under this clause must be approved by the commissioner, in consultation with the manufacturer or distributor, but the commissioner shall not require training or experience hours in excess of the amounts specified in this clause;

(3) the manufacturer or distributor of the commercial chemical dispensing system or commercial dishwashing machine must meet the insurance requirements of section 326B.46, subdivision 2, paragraph (c);

(4) the connection is a push fit fitting, compression fitting, or threaded pipe fitting to an existing water line or drain, which has been initially installed by a licensed plumber; and

(5) the commercial chemical dispensing system complies with ASSE 1055 or contains code-approved integral backflow protection.

A master plumber may also work as a journeyworker plumber, a restricted journeyworker plumber, and a restricted master plumber. A journeyworker plumber may also work as a restricted journeyworker plumber. Anyone not so licensed may do plumbing work which complies with the provisions of the minimum standards prescribed by the Plumbing Board on premises or that part of premises owned and actually occupied by the worker as a residence, unless otherwise forbidden to do so by a local ordinance.

(b) No person shall engage in the business of planning, superintending, or installing plumbing or shall install plumbing in connection with the dealing in and selling of plumbing material and supplies unless at all times a licensed master plumber, or in cities and towns with a population of fewer than 5,000 according to the last federal census, a restricted master plumber, who shall be responsible for proper installation, is in charge of the plumbing work of the person.

(c) Except as provided in subdivision 1a, no person shall perform or offer to perform plumbing work with or without compensation unless the person obtains a contractor's license. A contractor's license does not of itself qualify its holder to perform the plumbing work authorized by holding a master, journeyworker, restricted master, or restricted journeyworker license.

Sec. 15. Minnesota Statutes 2020, section 326B.89, subdivision 1, is amended to read:

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

85.1 (b) "Gross annual receipts" means the total amount derived from residential contracting  
85.2 or residential remodeling activities, regardless of where the activities are performed, and  
85.3 must not be reduced by costs of goods sold, expenses, losses, or any other amount.

85.4 (c) "Licensee" means a person licensed as a residential contractor or residential remodeler.

85.5 (d) "Residential real estate" means a new or existing building constructed for habitation  
85.6 by one to four families, and includes detached garages intended for storage of vehicles  
85.7 associated with the residential real estate.

85.8 (e) "Fund" means the contractor recovery fund.

85.9 (f) "Owner" when used in connection with real property, means a person who has any  
85.10 legal or equitable interest in real property and includes a condominium or townhome  
85.11 association that owns common property located in a condominium building or townhome  
85.12 building or an associated detached garage. Owner does not include any real estate developer  
85.13 or any owner using, or intending to use, the property for a business purpose and not as  
85.14 owner-occupied residential real estate.

85.15 (g) "Cycle One" means the time period between July 1 and December 31.

85.16 (h) "Cycle Two" means the time period between January 1 and June 30.

85.17 Sec. 16. Minnesota Statutes 2020, section 326B.89, subdivision 4, is amended to read:

85.18 Subd. 4. **Purpose of fund.** (a) The purpose of this fund is to:

85.19 (1) compensate owners or lessees of residential real estate who meet the requirements  
85.20 of this section;

85.21 (2) reimburse the department for all legal and administrative expenses, disbursements,  
85.22 and costs, including staffing costs, incurred in administering and defending the fund;

85.23 (3) pay for educational or research projects in the field of residential contracting to  
85.24 further the purposes of sections 326B.801 to 326B.825; and

85.25 (4) provide information to the public on residential contracting issues.

85.26 (b) No money from this fund may be transferred or spent unless the commissioner  
85.27 determines that the money is being transferred or spent for one of the purposes in paragraph  
85.28 (a).

86.1 Sec. 17. Minnesota Statutes 2020, section 326B.89, subdivision 5, is amended to read:

86.2 Subd. 5. **Payment limitations.** The commissioner shall not pay compensation from the  
86.3 fund to an owner or a lessee in an amount greater than \$75,000 per licensee. The  
86.4 commissioner shall not pay compensation from the fund to owners and lessees in an amount  
86.5 that totals more than ~~\$300,000~~ \$550,000 per licensee. The commissioner shall only pay  
86.6 compensation from the fund for a final judgment that is based on a contract directly between  
86.7 the licensee and the homeowner or lessee that was entered into prior to the cause of action  
86.8 and that requires licensure as a residential building contractor or residential remodeler.

86.9 Sec. 18. Minnesota Statutes 2020, section 326B.89, subdivision 9, is amended to read:

86.10 Subd. 9. **Satisfaction of applications for compensation.** The commissioner shall pay  
86.11 compensation from the fund to an owner or a lessee pursuant to the terms of an agreement  
86.12 that has been entered into under subdivision 7, clause (1), or pursuant to a final order that  
86.13 has been issued under subdivision 7, clause (2), or subdivision 8 by December 1 of the fiscal  
86.14 year following the fiscal year during which the agreement was entered into or during which  
86.15 the order became final, subject to the limitations of this section. ~~At the end of each fiscal~~  
86.16 ~~year the commissioner shall calculate the amount of compensation to be paid from the fund~~  
86.17 ~~pursuant to agreements that have been entered into under subdivision 7, clause (1), and final~~  
86.18 ~~orders that have been issued under subdivision 7, clause (2), or subdivision 8. If the calculated~~  
86.19 ~~amount exceeds the amount available for payment, then the commissioner shall allocate the~~  
86.20 ~~amount available among the owners and the lessees in the ratio that the amount agreed to~~  
86.21 ~~or ordered to be paid to each owner or lessee bears to the amount calculated. The~~  
86.22 ~~commissioner shall mail notice of the allocation to all owners and lessees not less than 45~~  
86.23 ~~days following the end of the fiscal year. 31 for applications submitted by July 1 or June~~  
86.24 ~~30 for applications submitted by January 1 of the fiscal year. The commissioner shall not~~  
86.25 ~~pay compensation to owners or lessees that totals more than \$275,000 per licensee during~~  
86.26 ~~Cycle One of a fiscal year nor shall the commissioner pay out during Cycle One if the payout~~  
86.27 ~~will result in the exhaustion of a licensee's fund. If compensation paid to owners or lessees~~  
86.28 ~~in Cycle One would total more than \$275,000 or would result in exhaustion of a licensee's~~  
86.29 ~~fund in Cycle One, the commissioner shall not make a final determination of compensation~~  
86.30 ~~for claims against the licensee until the completion of Cycle Two. If the claims against a~~  
86.31 ~~licensee for the fiscal year result in the exhaustion of a licensee's fund or the fund as a whole,~~  
86.32 ~~the commissioner must prorate the amount available among the owners and lessees based~~  
86.33 ~~on the amount agreed to or ordered to be paid to each owner or lessee. The commissioner~~  
86.34 ~~shall mail notice of the proration to all owners and lessees no later than March 31 of the~~  
86.35 ~~current fiscal year. Any compensation paid by the commissioner in accordance with this~~

87.1 subdivision shall be deemed to satisfy and extinguish any right to compensation from the  
87.2 fund based upon the verified application of the owner or lessee.

87.3 Sec. 19. Laws 2014, chapter 211, section 13, as amended by Laws 2015, First Special  
87.4 Session chapter 1, article 7, section 1, Laws 2016, chapter 189, article 7, section 42, and  
87.5 Laws 2017, chapter 94, article 12, section 1, is amended to read:

87.6 Sec. 13. **EFFECTIVE DATE.**

87.7 Sections 1 to 3 and 6 to 11 are effective July 1, 2020, to June 30, 2021, and on July 1,  
87.8 2023. Sections 4, 5, and 12 are effective July 1, 2014.

87.9 **EFFECTIVE DATE.** The amendments to this section are effective retroactively from  
87.10 June 30, 2020, except that any investigation and proceedings related to an unfair labor  
87.11 practice charge currently pending before the Public Employee Relations Board as of the  
87.12 date of enactment of this section shall be conducted according to the process in place under  
87.13 Minnesota Statutes, sections 179A.052 and 179A.13, as of July 1, 2020, and the board shall  
87.14 retain jurisdiction over any pending charge. Following enactment of this section and until  
87.15 July 1, 2023, any employee, employer, employee or employer organization, exclusive  
87.16 representative, or any other person or organization aggrieved by an unfair labor practice as  
87.17 defined in Minnesota Statutes, section 179A.13, may bring an action for injunctive relief  
87.18 and for damages caused by the unfair labor practice in the district court of the county in  
87.19 which the practice is alleged to have occurred.

87.20 Sec. 20. Laws 2019, First Special Session chapter 7, article 1, section 3, subdivision 4, is  
87.21 amended to read:

87.22	Subd. 4. <b>Workers' Compensation</b>	14,882,000	11,882,000
87.23	\$3,000,000 the first year is from the workers'		
87.24	compensation fund for workers' compensation		
87.25	system upgrades. This amount is available		
87.26	until June 30, <del>2021</del> <u>2023</u> . This is a onetime		
87.27	appropriation.		

87.28 Sec. 21. **LOGGERS SAFETY GRANT PROGRAM.**

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

87.31 (b) "Commissioner" means the commissioner of labor and industry.

88.1 (c) "Program" means the loggers safety grant program under this section.

88.2 Subd. 2. **Establishment.** The commissioner shall establish a loggers safety grant program  
88.3 to provide matching funding for logging industry employers to make safety improvements  
88.4 recommended by an on-site safety survey.

88.5 Subd. 3. **Grant eligibility.** (a) To be eligible for a grant under this section, an employer  
88.6 must:

88.7 (1) be an employer in the logging industry, or a closely associated field, with at least  
88.8 one employee;

88.9 (2) have current workers' compensation insurance provided through the assigned risk  
88.10 plan, provided by an insurer subject to penalties under Minnesota Statutes, chapter 176, or  
88.11 as an approved self-insured employer; and

88.12 (3) have an on-site safety survey with results that recommend specific equipment or  
88.13 practices that will reduce the risk of injury or illness to employees. This survey must have  
88.14 been conducted by a Minnesota occupational safety and health compliance investigator or  
88.15 workplace safety consultation consultant, an in-house safety and health committee, a workers'  
88.16 compensation insurance underwriter, a private consultant, or a person under contract with  
88.17 the assigned risk plan.

88.18 (b) Grant funds may be used for all or part of the cost of the following:

88.19 (1) purchasing and installing recommended safety equipment;

88.20 (2) operating or maintaining recommended safety equipment;

88.21 (3) property, if the property is necessary to meet the recommendations of the on-site  
88.22 safety survey;

88.23 (4) training required to operate recommended safety equipment; and

88.24 (5) tuition reimbursement for educational costs related to the recommendations of the  
88.25 on-site safety survey.

88.26 Subd. 4. **Evaluation criteria.** The commissioner shall evaluate applications, submitted  
88.27 on forms developed by the commissioner, based on whether the proposed project:

88.28 (1) is technically and economically feasible;

88.29 (2) is consistent with the recommendations of the on-site safety survey and the objective  
88.30 of reducing risk of injury or illness to employees;



(3) was submitted by an applicant with sufficient experience, knowledge, and commitment for the project to be implemented in a timely manner;

(4) has the necessary financial commitments to cover all project costs;

(5) has the support of all public entities necessary for its completion; and

(6) complies with federal, state, and local regulations.

Subd. 5. **Awards.** (a) Grants under this section shall provide a match of up to \$25,000 for private funds committed by the employer to implement the recommended safety equipment or practices.

(b) Grants will be awarded to all applicants that meet the eligibility and evaluation criteria under subdivisions 3 and 4. If there are more eligible requests than funding, awards will be prorated.

(c) Grant recipients are not eligible to apply for another grant under Minnesota Statutes, chapter 176, until two years after the date of the award.

Subd. 6. **Report.** By January 15, 2023, the commissioner must report to the legislative committees in the house of representatives and senate with jurisdiction over labor and industry about grants made under this program.

**Sec. 22. REPEALER.**

Minnesota Statutes 2020, section 181.9414, is repealed.

**EFFECTIVE DATE.** This section is effective January 1, 2022.

**ARTICLE 4**

**UNEMPLOYMENT INSURANCE**

Section 1. Minnesota Statutes 2020, section 268.035, subdivision 21c, is amended to read:

Subd. 21c. **Reemployment assistance training.** (a) An applicant is in "reemployment assistance training" when:

(1)(i) a reasonable opportunity for suitable employment for the applicant does not exist in the labor market area and additional training will assist the applicant in obtaining suitable employment;

~~(2)~~ (ii) the curriculum, facilities, staff, and other essentials are adequate to achieve the training objective;

~~(3)~~ (iii) the training is vocational or short term academic training directed to an occupation or skill that will substantially enhance the employment opportunities available to the applicant in the applicant's labor market area;

~~(4)~~ (iv) the training course is full time by the training provider; and

~~(5)~~ (v) the applicant is making satisfactory progress in the training;

(2) the applicant can provide proof of enrollment in one or more programs offered by an adult basic education consortium under section 124D.518. Programs may include but are not limited to:

(i) general educational development diploma preparation;

(ii) local credit completion adult high school diploma preparation;

(iii) state competency-based adult high school diploma preparation;

(iv) basic skills enhancement training focused on math, functional literacy, reading, or writing;

(v) computer skills training; or

(vi) English as a second language instruction;

(3) the applicant can provide proof of enrollment in an English as a second language program taught by a licensed instructor;

(4) the applicant can provide proof of enrollment in an over-the-road truck driving training program offered by a college or university within the Minnesota state system; or

(5) the applicant can provide proof of enrollment in a program funded under section 116L.99.

(b) Full-time training provided through the dislocated worker program, the Trade Act of 1974, as amended, or the North American Free Trade Agreement is "reemployment assistance training," if that training course is in accordance with the requirements of that program.

(c) Apprenticeship training provided in order to meet the requirements of an apprenticeship program under chapter 178 is "reemployment assistance training."

(d) An applicant is in reemployment assistance training only if the training course has actually started or is scheduled to start within 30 calendar days.

**EFFECTIVE DATE.** This section is effective July 3, 2022.

91.1 Sec. 2. Minnesota Statutes 2020, section 268.085, subdivision 2, is amended to read:

91.2 Subd. 2. **Not eligible.** An applicant is ineligible for unemployment benefits for any week:

91.3 (1) that occurs before the effective date of a benefit account;

91.4 (2) that the applicant, at any time during the week, has an outstanding misrepresentation  
91.5 overpayment balance under section 268.18, subdivision 2, including any penalties and  
91.6 interest;

91.7 ~~(3) that occurs in a period when the applicant is a student in attendance at, or on vacation~~  
91.8 ~~from a secondary school including the period between academic years or terms;~~

91.9 ~~(4)~~ (3) that the applicant is incarcerated or performing court-ordered community service.  
91.10 The applicant's weekly unemployment benefit amount is reduced by one-fifth for each day  
91.11 the applicant is incarcerated or performing court-ordered community service;

91.12 ~~(5)~~ (4) that the applicant fails or refuses to provide information on an issue of ineligibility  
91.13 required under section 268.101;

91.14 ~~(6)~~ (5) that the applicant is performing services 32 hours or more, in employment, covered  
91.15 employment, noncovered employment, volunteer work, or self-employment regardless of  
91.16 the amount of any earnings; or

91.17 ~~(7)~~ (6) with respect to which the applicant has filed an application for unemployment  
91.18 benefits under any federal law or the law of any other state. If the appropriate agency finally  
91.19 determines that the applicant is not entitled to establish a benefit account under federal law  
91.20 or the law of any other state, this clause does not apply.

91.21 **EFFECTIVE DATE.** This section is effective July 3, 2022.

91.22 Sec. 3. Minnesota Statutes 2020, section 268.085, subdivision 4a, is amended to read:

91.23 Subd. 4a. **Social Security disability benefits.** (a) An applicant who is receiving, has  
91.24 received, or has filed for primary Social Security disability benefits for any week is ineligible  
91.25 for unemployment benefits for that week, unless:

91.26 (1) the Social Security Administration approved the collecting of primary Social Security  
91.27 disability benefits each month the applicant was employed during the base period; or

91.28 (2) the applicant provides a statement from an appropriate health care professional who  
91.29 is aware of the applicant's Social Security disability claim and the basis for that claim,  
91.30 certifying that the applicant is available for suitable employment.

(b) If an applicant meets the requirements of paragraph (a), clause (1) or (2), there is no deduction from the applicant's weekly benefit amount for any Social Security disability benefits.

~~(c) If an applicant meets the requirements of paragraph (a), clause (2), there must be deducted from the applicant's weekly unemployment benefit amount 50 percent of the weekly equivalent of the primary Social Security disability benefits the applicant is receiving, has received, or has filed for, with respect to that week.~~

~~If the Social Security Administration determines that the applicant is not entitled to receive primary Social Security disability benefits for any week the applicant has applied for those benefits, then this paragraph does not apply to that week.~~

~~(d)~~ (c) Information from the Social Security Administration is conclusive, absent specific evidence showing that the information was erroneous.

~~(e)~~ (d) This subdivision does not apply to Social Security survivor benefits.

**EFFECTIVE DATE.** This section is effective July 3, 2022.

Sec. 4. Minnesota Statutes 2020, section 268.133, is amended to read:

**268.133 UNEMPLOYMENT BENEFITS WHILE IN ENTREPRENEURIAL TRAINING.**

Unemployment benefits are available to dislocated workers participating in the converting layoffs into Minnesota businesses (CLIMB) program under section 116L.17, subdivision 11. Applicants participating in CLIMB are considered in reemployment assistance training under section 268.035, subdivision 21c. All requirements under section 268.069, subdivision 1, must be met, except the commissioner may waive:

(1) the deductible earnings provisions in section 268.085, subdivision 5; and

(2) the 32 hours of work limitation in section 268.085, subdivision 2, clause ~~(6)~~ (5). A maximum of 500 applicants may receive a waiver at any given time.

**EFFECTIVE DATE.** This section is effective July 3, 2022.

Sec. 5. Minnesota Statutes 2020, section 268.136, subdivision 1, is amended to read:

Subdivision 1. **Shared work plan requirements.** An employer may submit a proposed shared work plan for an employee group to the commissioner for approval in a manner and format set by the commissioner. The proposed shared work plan must include:

(1) a certified statement that the normal weekly hours of work of all of the proposed participating employees were full time or regular part time but are now reduced, or will be reduced, with a corresponding reduction in pay, in order to prevent layoffs;

(2) the name and Social Security number of each participating employee;

(3) the number of layoffs that would have occurred absent the employer's ability to participate in a shared work plan;

(4) a certified statement that each participating employee was first hired by the employer at least ~~one year~~ three months before the proposed shared work plan is submitted and is not a seasonal, temporary, or intermittent worker;

(5) the hours of work each participating employee will work each week for the duration of the shared work plan, which must be at least 50 percent of the normal weekly hours but no more than 80 percent of the normal weekly hours, except that the plan may provide for a uniform vacation shutdown of up to two weeks;

(6) a certified statement that any health benefits and pension benefits provided by the employer to participating employees will continue to be provided under the same terms and conditions as though the participating employees' hours of work each week had not been reduced;

(7) a certified statement that the terms and implementation of the shared work plan is consistent with the employer's obligations under state and federal law;

(8) an acknowledgment that the employer understands that unemployment benefits paid under a shared work plan will be used in computing the future tax rate of a taxpaying employer or charged to the reimbursable account of a nonprofit or government employer;

(9) the proposed duration of the shared work plan, which must be at least two months and not more than one year, although a plan may be extended for up to an additional year upon approval of the commissioner;

(10) a starting date beginning on a Sunday at least 15 calendar days after the date the proposed shared work plan is submitted; and

(11) a signature of an owner or officer of the employer who is listed as an owner or officer on the employer's account under section 268.045.

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

94.1      **Sec. 6. CONTINUED SUSPENSION OF FIVE-WEEK BUSINESS OWNER**  
94.2      **BENEFIT LIMITATION.**

94.3      Notwithstanding Minnesota Statutes, section 268.085, subdivision 9, the five-week  
94.4      limitation for receipt of unemployment benefits for business owners is suspended for  
94.5      applicants for unemployment insurance benefit accounts established between December  
94.6      27, 2020, and September 4, 2021.

94.7      **EFFECTIVE DATE.** This section is effective retroactively from December 27, 2020.

94.8      **Sec. 7. LEAVE OF ABSENCE DUE TO COVID-19.**

94.9      Notwithstanding Minnesota Statutes, section 268.085, subdivision 13a, for an applicant  
94.10      applying for an unemployment insurance benefit account established between December  
94.11      27, 2020, and September 4, 2021, a leave of absence is presumed to be an involuntary leave  
94.12      of absence and not ineligible if:

94.13      (1) a determination has been made by health authorities or by a health care professional  
94.14      that the presence of the applicant in the workplace would jeopardize the health of others,  
94.15      whether or not the applicant has actually contracted a communicable disease;

94.16      (2) a quarantine or isolation order has been issued to the applicant pursuant to Minnesota  
94.17      Statutes, sections 144.419 to 144.4196;

94.18      (3) there is a recommendation from health authorities or from a health care professional  
94.19      that the applicant should self-isolate or self-quarantine due to elevated risk from COVID-19  
94.20      due to being immunocompromised;

94.21      (4) the applicant has been instructed by the applicant's employer not to come to the  
94.22      employer's place of business due to an outbreak of a communicable disease; or

94.23      (5) the applicant has received a notification from a school district, day care, or other  
94.24      child care provider that either (i) classes are canceled, or (ii) the applicant's ordinary child  
94.25      care is unavailable, provided that the applicant made reasonable effort to obtain other child  
94.26      care and requested time off or other accommodation from the employer and no reasonable  
94.27      accommodation was available.

94.28      **EFFECTIVE DATE.** This section is effective retroactively from December 27, 2020.

95.1       Sec. 8. **REPORT ON IMPACT TO UNEMPLOYMENT INSURANCE TRUST**

95.2       **FUND.**

95.3       By January 14, 2022, the commissioner of employment and economic development shall  
95.4 submit a report to chairs and ranking minority members of the legislative committees having  
95.5 jurisdiction over economic development detailing the impact to the Minnesota unemployment  
95.6 insurance trust fund of eligibility for secondary school students and removal of the Social  
95.7 Security offset.

95.8       Sec. 9. **REPEALER.**

95.9       Minnesota Statutes 2020, section 268.085, subdivision 4, is repealed.

95.10      **EFFECTIVE DATE.** This section is effective July 3, 2022.

**181.9414 PREGNANCY ACCOMMODATIONS.**

Subdivision 1. **Accommodation.** An employer must provide reasonable accommodations to an employee for health conditions related to pregnancy or childbirth if she so requests, with the advice of her licensed health care provider or certified doula, unless the employer demonstrates that the accommodation would impose an undue hardship on the operation of the employer's business. A pregnant employee shall not be required to obtain the advice of her licensed health care provider or certified doula, nor may an employer claim undue hardship for the following accommodations: (1) more frequent restroom, food, and water breaks; (2) seating; and (3) limits on lifting over 20 pounds. The employee and employer shall engage in an interactive process with respect to an employee's request for a reasonable accommodation. "Reasonable accommodation" may include, but is not limited to, temporary transfer to a less strenuous or hazardous position, seating, frequent restroom breaks, and limits to heavy lifting. Notwithstanding any other provision of this section, an employer shall not be required to create a new or additional position in order to accommodate an employee pursuant to this section, and shall not be required to discharge any employee, transfer any other employee with greater seniority, or promote any employee.

Subd. 2. **Interaction with other laws.** Nothing in this section shall be construed to affect any other provision of law relating to sex discrimination or pregnancy, or in any way to diminish the coverage of pregnancy, childbirth, or health conditions related to pregnancy or childbirth under any other provisions of any other law.

Subd. 3. **No employer retribution.** An employer shall not retaliate against an employee for requesting or obtaining accommodation under this section.

Subd. 4. **Employee not required to take leave.** An employer shall not require an employee to take a leave or accept an accommodation.

**268.085 ELIGIBILITY REQUIREMENTS; PAYMENTS THAT AFFECT BENEFITS.**

Subd. 4. **Social Security old age insurance benefits.** (a) If all of the applicant's wage credits were earned while the applicant was claiming Social Security old age benefits, there is no deduction of the Social Security benefits from the applicant's weekly unemployment benefit amount.

(b) Unless paragraph (a) applies, 50 percent of the weekly equivalent of the primary Social Security old age benefit the applicant has received, has filed for, or intends to file for, with respect to that week must be deducted from an applicant's weekly unemployment benefit amount.

(c) Any applicant aged 62 or over is required to state when filing an application for unemployment benefits and when filing continued requests for unemployment benefits if the applicant is receiving, has filed for, or intends to file for, primary Social Security old age benefits.

(d) Information from the Social Security Administration is conclusive, absent specific evidence showing that the information was erroneous.

(e) This subdivision does not apply to Social Security survivor benefits.