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**Minnesota
House of
Representatives**
Melissa Hortman, Speaker

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New Laws Effective July 1, 2024

The following is a list of select new laws passed during the 2024 legislative session, and one from 2023, that take effect July 1, 2024. The asterisk following the bill number denotes language that became law. Summaries of laws passed by the 2024 Legislature are available online from nonpartisan House Public Information Services at house.mn.gov/newlaws/search/2024.

ECONOMIC DEVELOPMENT

Law spends \$23.85 million to fund job training, economic development programs

The Department of Employment and Economic Development has an extra \$23.85 million to spend on job training and economic development programs in fiscal year 2025.

A new law appropriates \$12.16 million from the Workforce Development Fund for employment and training programs and \$11.69 million from the General Fund for business and community development programs.

Rep. Hodan Hassan (DFL-Mpls) and Senate President Bobby Joe Champion (DFL-Mpls) are the sponsors.

Including in the funding is:

- \$2.5 million for Launch Minnesota for innovation grants to assist eligible Minnesota entrepreneurs or start-up businesses with their operating needs;
- \$1 million to the Entrepreneur Fund to capitalize its revolving loan funds to address unmet financing needs in northeast Minnesota of for-profit business startups, expansions, and ownership transitions;
- \$1 million to the New American Development Center to provide small businesses and entrepreneurs with technical assistance, financial education, training, and lending;
- \$1 million to African Immigrants Community Services for workforce development for new Americans;
- \$1 million to Change Starts with Community for a violence prevention program;
- \$1 million to the city of Brooklyn Park to develop a biotech innovation district;
- \$1 million to the Minnesota Black Chamber of Commerce for technical support to Black-owned small businesses;
- \$1 million to WomenVenture for supporting child care providers by providing business training, mentorship, services, and educational materials; and
- \$700,000 for the Shakopee area workforce development scholarship pilot program.

The law also appropriates General Fund money to support programs through Explore Minnesota Tourism: \$2 million to the 2026 Special Olympics USA Games to provide food and housing to athletes; \$1.25 million to the Minneapolis Downtown Council for infrastructure and associated costs for the Taste of Minnesota; \$825,000 for Explore Minnesota Film; and \$400,000 to Ka Joog for Somali community and cultural festivals and events.

HF5205/SF5289*/CH120

EDUCATION

Additional K-12 funding; early childhood, some HHS also included

Education in Minnesota will get a \$43 million funding boost in fiscal year 2025, largely to increase student literacy in Minnesota.

In addition to K-12 provisions, language related to children and families and health and human services are in the law that takes effect July 1, 2024. Rep. Cheryl Youakim (DFL-Hopkins) and Sen. Mary Kunesh (DFL-New Brighton) are the sponsors.

The bulk of the new one-time spending — \$37.22 million — is directed to the Minnesota Reading to Ensure Academic Development (READ) Act that, per the Department of Education, aims “to have every child reading at or above grade level every year, beginning in kindergarten, and to support multilingual learners and students receiving special education services in achieving their individualized reading goals.”

Further, the law increases equalization aid in fiscal year 2025 in the local optional revenue program, thereby reducing the local optional levy to offset other statewide increases in market value levies attributable to additional voluntary prekindergarten seats authorized in the law.

A state school librarian position is added at the Department of Education effective July 1, 2024, to, in part, “provide advice and guidance in academic standards development and statewide library data collection from district and charter schools, and related activities ... (and) support district and charter schools on issues of intellectual freedom, media and digital literacy, and growing lifelong readers.” Beginning in fiscal year 2026, \$130,000 from the amount appropriated for school library aid will fund the position.

The law makes a number of appropriations in fiscal year 2025 to various agencies for purposes related to children and families, including:

- \$9.66 million for information technology improvements to the outdated Social Services Information System used by more than 6,000 workers around the state to track and manage child welfare case work;
- \$3.39 million for emergency services grants;
- \$2.39 million for Minnesota's regional food banks for purposes of the emergency food assistance program;
- \$2 million for the Minnesota food shelf program;
- \$1.13 million for the child care improvement grant program;
- \$1 million for the American Indian food sovereignty funding program; and
- \$550,000 for the supporting relative caregiver grants program.

HF5237*/SF5252/CH115

Policy changes to take effect

Before summer vacation started for students, changes that will affect them in future years were enacted.

Rep. Laurie Pryor (DFL-Minnetonka) and Sen. Steve Cwodzinski (DFL-Eden Prairie) sponsor the law. Among the changes effective July 1, 2024, are:

- adding American Indian cultural practice, observance, or ceremonies to the list of excused religious absences from school;
- moving the government and citizenship course requirement for graduation from the 2024-25 school year to the 2025-26 school year;
- requiring an annual review and revision of a personal learning plan to ensure a student is on track to graduate;
- allowing a school, district, or charter school to provide parental access to the student’s individual student performance data and achievement report when it is made available to the school, district, or charter school;
- allowing a student journalist the right to exercise freedom of speech and freedom of the press in school-sponsored media, and requiring a school district or charter school to adopt and publish a student journalist policy;
- requiring a school district to adopt a language access plan that specifies procedures to render effective language assistance to students and adults who communicate in a language other than English;
- providing certain rights and protections for children of Minnesota Army National Guard and Air National Guard members when transferring between public schools;
- providing rules for a school to achieve a Purple Star School designation; and
- a school board must provide written notice to a coach whose contract will not be renewed the following school year no more than 60 days after the regular season ends. It does not apply if the contract is not renewed based on coach misconduct or failure to perform duties, or the district's financial limitations.

HF3782/SF3567*/CH109

ELECTIONS

Filling school board vacancies, deep fake technology updates

As part of the 2024 elections law, effective July 1, 2024, if a school board vacancy occurs less than two years prior to the term's expiration a person can be appointed for the rest of the term and no special election is required. The law further provides that a school board may, but is not required to, fill a vacancy that occurs less than 90 days prior to the expiration of the term via appointment at a regular or special meeting.

However, if a board member is removed for proper cause, a special election must be held to fill the vacancy as soon as possible on a uniform election date.

To reduce the spread of misinformation that could threaten the electoral process, a 2023 law criminalizes the use of deep fakes to influence an election.

Also effective July 1, 2024, is an update declaring that a candidate has forfeited the nomination or office if they are found guilty of using deep fake technology to influence an election.

The law also amends the time frame in which a person can commit the offense of using a deep fake to influence an election to include 90 days before a political party nominating convention, or after the absentee voting period has begun prior to a presidential primary, state primary, local primary, special primary, or special election. The provision does not apply to a cable television system or broadcaster who disseminates a deep fake produced by a candidate if the dissemination is required by federal law.

Rep. Mike Freiberg (DFL-Golden Valley) and Sen. Jim Carlson (DFL-Eagan) sponsor the elections law.
HF4772*/SF4729/CH112

EMPLOYMENT

Restrictive employment covenants banned

A provision in the 2024 labor and industry policy law that takes effect July 1, 2024, will prohibit the use of restrictive employment covenants, and such covenants will be void and unenforceable.

Service providers — defined as “any partnership, association, corporation, business, trust, or group of persons acting directly or indirectly as an employer or manager for work contracted or requested by a customer” — must give notice to employees about this law if their contracts contain this type of restrictive provision.

Per the law, “This section does not apply to workers providing professional business consulting for computer software development and related services who are seeking employment through a service provider with the knowledge and intention of being considered for a permanent position of employment with the customer as their employer at a later date.”

Rep. Michael Nelson (DFL-Brooklyn Park) and Sen. Jennifer McEwen (DFL-Duluth) are the sponsors.
HF3947/SF3852*/CH110

ENVIRONMENT

Nearly \$80 million in lottery proceeds intended to protect, enhance state resources

The \$79.64 million fiscal year 2025 appropriations from the Environmental and Natural Resources Trust Fund cover more than 100 projects as recommended by the Legislative-Citizen Commission on Minnesota Resources.

It was established in 1988 via a constitutional amendment to “provide a long-term, consistent, and stable source of funding for activities that protect, conserve, preserve, and enhance Minnesota's ‘air, water, land, fish, wildlife, and other natural resources’ for the benefit of current citizens and future generations.” Money is generated by the state lottery.

Rep. Rick Hansen (DFL-South St. Paul) and Sen. Fong Hawj (DFL-St. Paul) sponsor the law that mostly takes effect July 1, 2024.

Funding in the law includes:

- \$20.3 million for land acquisition and recreation projects, including more than \$5 million to develop state trails and \$4.7 million for local parks, trails and natural areas;
- \$15 million for 28 foundational information and data projects, including money to update field guides, track movement of white-tailed deer and prepare geologic atlases;

- \$11.3 million for 22 environmental education projects such as \$410,000 to support a naturalist and intern at a nature center in Austin and \$459,000 to create a mobile earth science education lab in northwest Minnesota;
 - \$10.9 million for 16 projects exploring methods to protect land, water and habit. They include studying how microbes can degrade microplastics, and whether an advanced LiDAR system can save birds from wind turbines;
 - \$8.3 million to address invasive species with most going to the University of Minnesota Invasive Terrestrial Plants and Pests Center;
 - \$6.9 million directed toward water resources research projects such as state flood and drought modeling and nutrient recovery from wastewater treatment plants research;
 - \$4.83 million for five projects addressing air quality, climate change and renewable energy, such as one to develop and test low-cost biofilters; and
 - \$2.1 million for administrative costs, with \$1.1 million going to the emerging issues account and \$750,000 for the LCCMR administrative budget.
- HF3377*/SF3507/CH83

HEALTH AND HUMAN SERVICES

Duties and responsibilities transferred to Department of Children, Youth, and Families

A new law reorganizes statutes to transfer duties and responsibilities from existing state agencies to the Department of Children, Youth, and Families that was created by a 2023 law and will begin operating in 2024.

Sponsored by Rep. Dave Pinto (DFL-St. Paul) and Sen. Melissa Wiklund (DFL-Bloomington), the law, effective July 1, 2024, transfers oversight of certain areas overseen by the Human Services, Education and Public Safety departments.

Some programs and services that will become the responsibility of the new agency include child care assistance, early learning programs, licensing functions, fraud protection, food support programs, child protection and welfare activities, juvenile justice and adoptions.

HF3646*/SF3770/CH80

TRANSPORTATION

Law requires plain language on driver's license exams

A new law aims to ensure written driver's license exams test how well applicants understand the rules of the road rather than their ability to decode complex sentences.

It directs the Department of Public Safety to create plain language standards and a new written test by Feb. 1, 2025. As much as possible the test must be "organized to serve the reader's needs and written using clear, simplified language."

Among specifics listed, language should:

- use the word "you" to address test takers directly;
- use the active voice;
- use concrete, familiar words;
- avoid long and complex sentences;
- minimize the use of abbreviations; and
- omit double negatives and terms such as "except for," "unless," and "indicated otherwise."

A one-time \$212,000 appropriation from the Driver and Vehicle Services Operating Account will implement the new standards, which includes translation and vendor services. A report is due the Legislature by Feb. 1, 2026.

Rep. Brad Tabke (DFL-Shakopee) and Sen. Clare Oumou Verbeten (DFL-St. Paul) are the sponsors.

HF3071*/SF3094/CH89

Retail delivery fee takes effect

A big boost in funding across all modes of transportation and new sources of revenue to operate and maintain the system are key parts of the 2023 transportation finance and policy law.

Included in that law is a 50-cent fee on retail delivery orders of tangible goods for at least \$100 beginning July 1, 2024. The fee will be generally imposed when the retail sale of the property is subject to the state general sales tax, but also it includes clothing and will not apply to prepared food and baby products. Retailers with annual sales of less than

\$1 million will also be exempt as will marketplace providers when facilitating the sale of a retailer that made less than \$100,000 in retail sales the previous calendar year through the marketplace provider.

Money from the retail delivery fee and from reallocation of a growing percentage (over 2024-33) of general sales tax revenue from motor vehicle repair and replacement parts will go into a new transportation advancement account, to be distributed as follows:

- 36% to metropolitan counties with a new formula-based allocation;
- 27% to small cities, distributed under the small cities assistance program;
- 15% to larger cities under a new account established in the law;
- 11% to town roads;
- 10% to the county state-aid highway fund; and
- 1% to support food delivery programs such as Meals on Wheels.

Rep. Frank Hornstein (DFL-Mpls) and Sen. D. Scott Dibble (DFL-Mpls) sponsor the law.

2023 Session: HF2887*/SF3157/CH68