

Subject Southwest Minnesota workforce development scholarship pilot

Authors Hamilton

Analyst Anna Scholin

Date March 29, 2022

Summary

Creates the southwestern Minnesota workforce development scholarships pilot program which will award students scholarships at Minnesota West colleges for study of in-demand fields as determined by the local workforce development board. Requires scholarship applicants to commit to three years of full-time employment with any qualified local employer in their field, if this obligation is not met, the scholarship converts to a loan. Prioritizes grants to applicants continuing in the program and then students sponsored by an employer. Allows employers who sponsor a student a credit against their state taxes equal to the amount of the scholarship provided. Requires reports to the legislature on program outcomes and sets other administrative procedures. Makes a onetime appropriation of \$700,000 in fiscal year 2023 from the workforce development fund for a grant to the Southwest Initiative Foundation for the pilot program and keeps funds available until June 30, 2027. Allows up to seven percent of grant funds to be used for administrative costs.