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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4945

04/13/2026 Authored by Zeleznikar and Skraba The bill was read for the first time and referred to the Committee on Workforce, Labor, and Economic Development Finance and Policy

1.1 A bill for an act
1.2 relating to employment and economic development; appropriating money for
1.3 construction mitigation grants to businesses affected by construction on marked
1.4 Trunk Highway 61 in the city of Two Harbors; requiring a report.

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

1.6 Section 1. APPROPRIATION; DEPARTMENT OF EMPLOYMENT AND
1.7 ECONOMIC DEVELOPMENT.

1.8 (a) For purposes of this section, unless otherwise specified, "commissioner" means the
1.9 commissioner of employment and economic development.

1.10 (b) \$...... in fiscal year 2027 is appropriated from the general fund to the commissioner
1.11 for financial assistance to qualified businesses as provided in this section. This is a onetime
1.12 appropriation and is available until June 30, 2029.

1.13 (c) The commissioner, in consultation with the commissioner of transportation, must
1.14 establish a grant program to provide financial assistance to qualified businesses adversely
1.15 affected by the Department of Transportation's redesign and construction project along
1.16 marked Trunk Highway 61, also known as 7th Avenue, through the city of Two Harbors.

1.17 (d) A qualified business must:

1.18 (1) employ no more than 100 full-time equivalent or part-time employees;

1.19 (2) be located within the 55616 zip code area; and

1.20 (3) experience impairment of road access, parking, or visibility as a result of the project.

2.1 (e) The commissioner may establish requirements in addition to the qualifications under  
2.2 paragraph (d) as necessary to efficiently and equitably provide financial assistance under  
2.3 this section.

2.4 (f) Financial assistance provided under this section may be used for employee payroll  
2.5 expenses, operating expenses, or facilities expenses and must not be used for bonuses; new  
2.6 equipment, furniture, or capital improvements; or construction or expansion.

2.7 (g) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, of the  
2.8 appropriation in paragraph (b), the commissioner may use up to five percent for  
2.9 administrative costs.

2.10 (h) By January 15, 2029, the commissioner must submit a report on the grants awarded  
2.11 under this section to the chairs and ranking minority members of the legislative committees  
2.12 with jurisdiction over (1) employment and economic development and (2) transportation  
2.13 finance and policy. At a minimum, the report must include a complete list of grants awarded,  
2.14 including business names and addresses, types of businesses, and the amount of each award.