SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 4427

(SENATE AUTHORS: HOUSLEY and Draheim)

DATE	D-PG	OFFICIAL STATUS
03/12/2026	6672	Introduction and first reading Referred to Jobs and Economic Development

A bill for an act

relating to workforce development; requiring a report to the legislature recommending appropriations from the workforce development fund; amending Minnesota Statutes 2024, section 116L.665, by adding a subdivision.

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

Section 1. Minnesota Statutes 2024, section 116L.665, is amended by adding a subdivision to read:

Subd. 9. **Report to legislature.** (a) The board must convene a subcommittee of its members to review applications from nonprofit organizations and recommend to the legislature which applicants should receive appropriations from the workforce development fund.

(b) The subcommittee must conduct outreach to make nonprofit organizations that provide workforce development services aware of the opportunity to apply to receive the board's recommendation for a legislative appropriation.

(c) In reviewing applications, the subcommittee must consider, at a minimum:

(1) whether the applicant is properly legally organized and in good standing with the state;

(2) whether the applicant has filed all required tax forms, financial disclosures, and other reports;

(3) past state funding received by the applicant;

(4) the applicant's number of employees and executive compensation details; and

(5) the applicant's past record of success at providing workforce development services.

(d) After conducting this review, the subcommittee must submit a report to the board that contains recommendations to the legislature for which applicants should receive appropriations from the workforce development fund, along with the recommended amount and purpose of each appropriation. These recommendations should be grouped by the type of workforce development services that would be funded.

(e) The board must consider the subcommittee's report under paragraph (d) and vote to either approve it or return it to the subcommittee for further consideration.

(f) By January 1 of every odd-numbered year, beginning in January 1, 2027, the board must submit an approved version of the report under paragraph (d) to the chairs and ranking minority members of the legislative committees with jurisdiction over workforce development.