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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2225

02/13/2012 Authored by Allen, Abeler, Gunther and Fritz

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance

1.1 A bill for an act  
1.2 relating to human services; transferring an appropriation for Advocating Change  
1.3 Together; amending Laws 2011, First Special Session chapter 4, article 1, section  
1.4 3, subdivision 2.

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

1.6 Section 1. Laws 2011, First Special Session chapter 4, article 1, section 3, subdivision  
1.7 2, is amended to read:

1.8 Subd. 2. **Business and Community**  
1.9 **Development** 13,281,000 8,281,000

1.10	Appropriations by Fund		
1.11	General	12,242,000	7,242,000
1.12	Remediation	700,000	700,000
1.13	Workforce		
1.14	Development	339,000	339,000

1.15 (a) \$700,000 the first year and \$700,000 the  
1.16 second year are from the remediation fund for  
1.17 contaminated site cleanup and development  
1.18 grants under Minnesota Statutes, section  
1.19 116J.554. This appropriation is available  
1.20 until expended.

1.21 (b) \$1,022,000 the first year and \$1,022,000  
1.22 the second year are from the general fund for  
1.23 contaminated site cleanup and development  
1.24 grants under Minnesota Statutes, section

2.1 116J.554. The base funding for this program  
2.2 is \$1,272,000 each year beginning in fiscal  
2.3 year 2014 and thereafter.

2.4 (c) \$150,000 the first year is from the general  
2.5 fund for a grant to WomenVenture for  
2.6 women's business development programs  
2.7 and for programs that encourage and assist  
2.8 women to enter nontraditional careers in the  
2.9 trades; manual and technical occupations;  
2.10 science, technology, engineering, and  
2.11 mathematics-related occupations; and green  
2.12 jobs. This appropriation may be matched  
2.13 dollar for dollar with any resources available  
2.14 from the federal government for these  
2.15 purposes with priority given to initiatives  
2.16 that have a goal of increasing by at least ten  
2.17 percent the number of women in occupations  
2.18 where women currently comprise less than  
2.19 25 percent of the workforce. This is a  
2.20 onetime appropriation.

2.21 (d) \$79,000 the first year is from the general  
2.22 fund and \$50,000 the first year is from the  
2.23 workforce development fund for a grant to  
2.24 the Metropolitan Economic Development  
2.25 Association for continuing minority business  
2.26 development programs in the metropolitan  
2.27 area. This appropriation must be used for the  
2.28 sole purpose of providing free or reduced  
2.29 fee business consulting services to minority  
2.30 entrepreneurs and contractors. This is a  
2.31 onetime appropriation.

2.32 (e)(1) \$356,000 the first year is a onetime  
2.33 appropriation from the general fund for a  
2.34 grant to BioBusiness Alliance of Minnesota  
2.35 for bioscience business development

3.1 programs to promote and position the state  
3.2 as a global leader in bioscience business  
3.3 activities. These funds may be used to create,  
3.4 recruit, retain, and expand biobusiness  
3.5 activity in Minnesota; implement the  
3.6 destination 2025 statewide plan; update  
3.7 a statewide assessment of the bioscience  
3.8 industry and the competitive position of  
3.9 Minnesota-based bioscience businesses  
3.10 relative to other states and other nations;  
3.11 and develop and implement business and  
3.12 scenario-planning models to create, recruit,  
3.13 retain, and expand biobusiness activity in  
3.14 Minnesota.

3.15 (2) The BioBusiness Alliance must report  
3.16 each year by February 15 to the committees  
3.17 of the house of representatives and the senate  
3.18 having jurisdiction over bioscience industry  
3.19 activity in Minnesota on the use of funds;  
3.20 the number of bioscience businesses and  
3.21 jobs created, recruited, retained, or expanded  
3.22 in the state since the last reporting period;  
3.23 the competitive position of the biobusiness  
3.24 industry; and utilization rates and results of  
3.25 the business and scenario-planning models  
3.26 and outcomes resulting from utilization of  
3.27 the business and scenario-planning models.

3.28 (f) \$37,000 the first year is from the general  
3.29 fund for a grant to the Minnesota Inventors  
3.30 Congress, of which at least \$3,700 must be  
3.31 used for youth inventors. This is a onetime  
3.32 appropriation.

3.33 (g)(1) \$100,000 the first year is from the  
3.34 workforce development fund for a grant  
3.35 under Minnesota Statutes, section 116J.421,

4.1 to the Rural Policy and Development  
4.2 Center at St. Peter, Minnesota. The grant  
4.3 shall be used for research and policy  
4.4 analysis on emerging economic and social  
4.5 issues in rural Minnesota, to serve as a  
4.6 policy resource center for rural Minnesota  
4.7 communities, to encourage collaboration  
4.8 across higher education institutions, to  
4.9 provide interdisciplinary team approaches  
4.10 to research and problem-solving in rural  
4.11 communities, and to administer overall  
4.12 operations of the center. This is a onetime  
4.13 appropriation.

4.14 (2) The grant shall be provided upon the  
4.15 condition that each state-appropriated  
4.16 dollar be matched with a nonstate dollar.  
4.17 Acceptable matching funds are nonstate  
4.18 contributions that the center has received and  
4.19 have not been used to match previous state  
4.20 grants. Any funds not spent the first year are  
4.21 available the second year.

4.22 (h) \$189,000 the first year is from  
4.23 the workforce development fund for  
4.24 entrepreneur and small business development  
4.25 direct professional business assistance in  
4.26 Blue Earth, Brown, Faribault, Le Sueur,  
4.27 Martin, Nicollet, Sibley, Watonwan, and  
4.28 Waseca Counties. These services must  
4.29 include, but are not limited to, preventure  
4.30 assistance for individuals considering  
4.31 starting a business. Funds must be awarded  
4.32 to an organization or organizations that can  
4.33 demonstrate leverage of at least an equal  
4.34 amount of federal funds. Any balance in the  
4.35 first year does not cancel but is available in  
4.36 the second year. The grant recipient must

5.1 report to the commissioner by February 1  
5.2 of each year that the organization receives  
5.3 a grant with the number of customers  
5.4 served; the amount of direct consulting hours  
5.5 delivered; the number of new businesses  
5.6 started; the amount of capital accessed for  
5.7 business start-up or expansion; and the  
5.8 number of jobs created and retained in each  
5.9 county. The commissioner must report to  
5.10 the house of representatives and senate  
5.11 committees with jurisdiction over economic  
5.12 development finance on the effectiveness  
5.13 of these programs for assisting in the  
5.14 development of entrepreneurs and small  
5.15 businesses. This is a onetime appropriation.

5.16 (i) ~~\$757,000~~ \$622,000 the second year is from  
5.17 the general fund and \$339,000 the second  
5.18 year is from the workforce development fund  
5.19 for the business development competitive  
5.20 grant pilot program.

5.21 (1) The commissioner shall develop and  
5.22 implement a competitive grant program  
5.23 for business development assistance  
5.24 and services including, but not limited  
5.25 to: minority business development,  
5.26 women's business development, rural  
5.27 business development, bioscience business  
5.28 development, entrepreneur development,  
5.29 and services to inventors. Of this amount,  
5.30 up to five percent is for administration and  
5.31 monitoring of the business development  
5.32 competitive grant program.

5.33 (2) The commissioner must report to the  
5.34 legislative committees having jurisdiction  
5.35 over economic development issues by

6.1 January 10 each year on the following:  
6.2 methodologies and processes for soliciting  
6.3 and evaluating grant proposals; criteria and  
6.4 methodology for selecting grant recipients;  
6.5 methods and procedures for monitoring the  
6.6 use of grant awards including expenditures  
6.7 for administrative expenses by grant  
6.8 recipients; and methods for measuring  
6.9 outcomes and accomplishments of grant  
6.10 recipients including but not limited to the  
6.11 total number of new jobs created by each  
6.12 grant recipient, average wage of new jobs  
6.13 created, amount of private funds leveraged,  
6.14 number of new businesses created and the  
6.15 number of new jobs per business, return  
6.16 on investment to the state, and ongoing  
6.17 solicitation and feedback from interested  
6.18 parties regarding ongoing improvement  
6.19 and enhancement to the competitive grant  
6.20 program. The commissioner must also report  
6.21 on department expenditures related to the  
6.22 administration and monitoring of grants  
6.23 under this subdivision.

6.24 (j) \$1,492,000 each year is from the general  
6.25 fund for the Minnesota Trade Office.

6.26 (k) \$3,000,000 the first year is from the  
6.27 general fund for the Minnesota investment  
6.28 fund under Minnesota Statutes, section  
6.29 116J.8731. This is a onetime appropriation  
6.30 and is available until spent.

6.31 (l) \$2,000,000 the first year is from the  
6.32 general fund for grants under Minnesota  
6.33 Statutes, section 116J.571, for the  
6.34 redevelopment program. This is a onetime  
6.35 appropriation and is available until spent.

- 7.1 (m) \$135,000 the first year and \$135,000  
7.2 the second year is from the general fund for  
7.3 a grant to Advocating Change Together for  
7.4 training, technical assistance, and resource  
7.5 materials for persons with developmental  
7.6 and mental illness disabilities. ~~This is a~~  
7.7 ~~onetime appropriation~~ The appropriation  
7.8 in the second year is for transfer to the  
7.9 commissioner of human services and is  
7.10 added to the Department of Human Services'  
7.11 base budget beginning in fiscal year 2014 and  
7.12 each year thereafter. The base budget of the  
7.13 Department of Employment and Economic  
7.14 Development is reduced by \$135,000 each  
7.15 year beginning in fiscal year 2014.
- 7.16 (n) \$250,000 each year is from the general  
7.17 fund for a grant to Enterprise Minnesota, Inc.,  
7.18 for the small business growth acceleration  
7.19 program under Minnesota Statutes, section  
7.20 116O.115. This is a onetime appropriation.