

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 5289

(SENATE AUTHORS: CHAMPION)		
DATE	D-PG	OFFICIAL STATUS
04/04/2024	13372	Introduction and first reading Referred to Jobs and Economic Development
04/18/2024	14237a	Comm report: To pass as amended and re-refer to Finance
04/25/2024	15437a	Comm report: To pass as amended
	15438	Second reading
04/29/2024	15566a	Special Order: Amended
	15568	Third reading Passed
	15569	Protest and Dissent
05/06/2024	16317	Returned from House with amendment
	16317	Senate not concur, conference committee of 3 requested
	16412	Senate conferees Champion; Mohamed; Gustafson
05/09/2024	16521	House conferees Hassan; Xiong; Zeleznikar
05/18/2024	17744c	Conference committee report, delete everything
	17839	Motion to reject CC report, did not prevail
	17840	Senate adopted CC report and repassed bill
	17841	Third reading
05/19/2024	18008	House adopted SCC report and repassed bill
		Presentment date 05/22/24
	20029	Governor's action Approval 05/24/24
	20029	Secretary of State Chapter 120 05/24/24
		Effective date Various dates

1.1

A bill for an act

1.2

relating to state government; making supplemental appropriations for jobs and

1.3

economic development; making various policy and technical changes; modifying

1.4

occupational licensing requirements; modifying programs managed by the

1.5

Department of Employment and Economic Development; modifying vocational

1.6

rehabilitation programs; requiring reports; transferring money; appropriating

1.7

money; amending Minnesota Statutes 2022, sections 116J.435, subdivisions 3, 4;

1.8

116J.5492, subdivision 2; 116J.8731, subdivision 10; 116J.8748, subdivision 1;

1.9

116M.18; 116U.26; 116U.27, subdivisions 5, 6; 155A.27, subdivision 2; 268.035,

1.10

subdivision 20; 268A.11; 326.10, subdivision 8; Minnesota Statutes 2023

1.11

Supplement, sections 116J.682, subdivisions 1, 3; 116J.8733; 116J.8748,

1.12

subdivisions 3, 4, 6; 116L.17, subdivision 1; 116L.43, subdivision 1; 116U.27,

1.13

subdivisions 1, 4; 155A.2705, subdivision 3; Laws 2023, chapter 53, article 15,

1.14

sections 32, subdivision 6; 33, subdivisions 4, 5; article 20, sections 2, subdivisions

1.15

1, 2, 3, 4, 6; 3; article 21, sections 6; 7; proposing coding for new law in Minnesota

1.16

Statutes, chapter 116U; repealing Minnesota Statutes 2022, sections 116J.435,

1.17

subdivision 5; 116J.439; 116L.17, subdivision 5.

1.18

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

1.19

ARTICLE 1

1.20

APPROPRIATIONS

1.21

Section 1. APPROPRIATIONS.

1.22

(a) The sums shown in the columns marked "Appropriations" are added to the

1.23

appropriations in Laws 2023, chapter 53, or are appropriated to the agencies and for the

1.24

purposes specified in this article. The appropriations are from the general fund, or another

1.25

named fund, and are available for the fiscal years indicated for each purpose. The figures

1.26

"2024" and "2025" used in this article mean that the appropriations listed under them are

1.27

available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first

1.28

year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal

1.29

years 2024 and 2025.

(b) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the commissioners of the agencies receiving grant appropriations in this article must not use any amount of the grant appropriations for administrative costs unless otherwise appropriated or stated in Minnesota Statutes, section 116J.035, subdivision 7.

APPROPRIATIONS	
Available for the Year	
Ending June 30	
2024	2025

Sec. 2. **DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT**

Subdivision 1. **Total Appropriation** \$ -0- \$ 23,851,000

Appropriations by Fund		
	2024	2025
General	-0-	11,694,000
Workforce Development	-0-	12,157,000

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Business and Community Development** \$ -0- \$ 6,589,000

(a) \$500,000 the second year is for a grant to the Asian Economic Development Association for asset building and financial empowerment for entrepreneurs and small business owners, small business development and technical assistance, and cultural placemaking. This is a onetime appropriation and is available until June 30, 2027.

(b) \$1,000,000 the second year is for a grant to the New American Development Center to provide small businesses and entrepreneurs with technical assistance, financial education, training, and lending and to build the grantee's capacity. This is a onetime appropriation.

3.1 (c) \$1,000,000 the second year is for a grant
3.2 to the Entrepreneur Fund to capitalize their
3.3 revolving loan funds to address unmet
3.4 financing needs in northeast Minnesota of
3.5 for-profit business startups, expansions, and
3.6 ownership transitions. This is a onetime
3.7 appropriation.

3.8 (d) \$200,000 the second year is for a grant to
3.9 the Coalition of Asian American Leaders to
3.10 support outreach, training, technical assistance,
3.11 peer network development, and direct financial
3.12 assistance for Asian Minnesotan women
3.13 entrepreneurs and Asian-owned businesses.
3.14 This is a onetime appropriation and is
3.15 available until June 30, 2026.

3.16 (e) \$300,000 the second year is for a grant to
3.17 Fortis Capital for a revolving loan fund to
3.18 provide risk-mitigating capital for commercial
3.19 development activities in underserved
3.20 communities and to entrepreneurs from
3.21 disadvantaged groups statewide. This is a
3.22 onetime appropriation and is available until
3.23 June 30, 2027. Up to ten percent of the amount
3.24 may be used for administrative costs.

3.25 (f) \$2,500,000 the second year is for Launch
3.26 Minnesota and is available until June 30, 2027.
3.27 This is a onetime appropriation. Of this
3.28 amount:

3.29 (1) \$1,500,000 is for innovation grants to
3.30 eligible Minnesota entrepreneurs or start-up
3.31 businesses to assist with their operating needs;

3.32 (2) \$500,000 is for administration of Launch
3.33 Minnesota; and

4.1 (3) \$500,000 is for grantee activities at Launch
4.2 Minnesota.

4.3 (g) \$400,000 the second year is for a grant to
4.4 the Somali Museum of Minnesota for capacity
4.5 building. This a onetime appropriation.

4.6 (h) \$489,000 the second year is for a grant to
4.7 the Center for Community Resources for a
4.8 financial literacy program. This is a onetime
4.9 appropriation.

4.10 (i) \$200,000 the second year is for grants to
4.11 community butcher shops for costs associated
4.12 with relocation of community butcher shops.
4.13 This is a onetime appropriation. In order to be
4.14 eligible for a grant:

4.15 (1) the community butcher shop must cater to
4.16 residents and families that reside within census
4.17 tracts, based on the most recent data published
4.18 by the United States Census Bureau, where:

4.19 (i) 50 percent or more of the population are
4.20 persons of color; or

4.21 (ii) 25 percent or more of the households have
4.22 an income at or below 200 percent of the
4.23 federal poverty level; and

4.24 (2) the relocation of the community butcher
4.25 shop is as a result of reducing the
4.26 environmental impact of the city business.

4.27	Subd. 3. Employment and Training Programs	\$	-0-	\$	12,207,000
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4.28 Appropriations by Fund

	2024	2025
4.29		

4.30	General	-0-	50,000
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4.31 Workforce

4.32	<u>Development</u>	-0-	12,157,000
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5.1 (a) \$400,000 the second year is from the
5.2 workforce development fund for a grant to
5.3 Sabathani Community Center for specialized
5.4 community outreach and engagement, a
5.5 marketing and communication plan, program
5.6 evaluation, personal empowerment training
5.7 for men, empowerment and truancy
5.8 curriculum for youth, wellness training for
5.9 seniors, a workforce strategies mentorship and
5.10 jobs training program, a 15-passenger van,
5.11 and service kiosks for the Sabathani
5.12 Community Center, including a onetime paid
5.13 internship to support these programs. This is
5.14 a onetime appropriation.

5.15 (b) \$700,000 the second year is from the
5.16 workforce development fund for a grant to the
5.17 Shakopee Chamber Foundation for the
5.18 Shakopee area workforce development
5.19 scholarship pilot program. This is a onetime
5.20 appropriation and is available until June 30,
5.21 2027. The commissioner of employment and
5.22 economic development may enter into an
5.23 interagency agreement with the Office of
5.24 Higher Education, including agreements to
5.25 transfer funds and to administer the program.

5.26 (c) \$100,000 the second year is from the
5.27 workforce development fund for a grant to
5.28 Inspire Change Clinic for their health care
5.29 fellowship program designed to create
5.30 pathways to medicine for high school and
5.31 college students interested in pursuing a career
5.32 in the health care workforce. The health care
5.33 fellowship program is intended to remove
5.34 barriers for minority students, foster
5.35 inclusivity and diversity in the health care

6.1 sector, and provide valuable opportunities for
6.2 students, including mentorship programs,
6.3 access to renowned health institutions in the
6.4 state of Minnesota, and hands-on work
6.5 experience. In addition to the reporting
6.6 requirements in section 14, the commissioner
6.7 must include the number of participants served
6.8 by the grant and provide information about
6.9 program outcomes. This is a onetime
6.10 appropriation.

6.11 (d) \$250,000 the second year is from the
6.12 workforce development fund for a grant to
6.13 Bolder Options Youth Mentoring Program to
6.14 provide disadvantaged youth ages 12 to 22
6.15 with intensive one-to-one wellness,
6.16 goal-setting, and academic-focused
6.17 mentorship; programming that teaches life and
6.18 job-seeking skills; career and college
6.19 achievement coaches; and connections to
6.20 employment, job training, and education
6.21 opportunities. The grant must serve youth in
6.22 the Bolder Options program in the Twin Cities
6.23 and the city of Rochester. In addition to the
6.24 reporting requirements in section 14, the
6.25 commissioner must include the number of
6.26 participants served by the grant. This is a
6.27 onetime appropriation.

6.28 (e) \$1,000,000 the second year is from the
6.29 workforce development fund for a grant to
6.30 Change Starts With Community for a violence
6.31 prevention program. Grant money must be
6.32 used to establish a comprehensive workforce
6.33 development initiative, specifically tailored
6.34 for at-risk youth and adults, located on site at

7.1 Shiloh Cares Food Shelf in the city of
7.2 Minneapolis. This is a onetime appropriation.

7.3 (f) \$100,000 the second year is from the
7.4 workforce development fund for a grant to
7.5 InspireMSP to develop programming to assist
7.6 middle school-aged children in Minneapolis
7.7 and St. Paul to develop an interest in and
7.8 connect with the creative industry in
7.9 Minnesota. Money must be used for program
7.10 development and career exploration in the
7.11 creative industry for historically excluded
7.12 youth by providing access to essential
7.13 resources, networks, and hands-on experience.
7.14 This is a onetime appropriation.

7.15 (g) \$100,000 the second year is from the
7.16 workforce development fund for a grant to
7.17 Lake County Ambulance Service to establish
7.18 a training program for Cook County and Lake
7.19 County high school students interested in
7.20 pursuing careers as emergency medical
7.21 technicians. This is a onetime appropriation.

7.22 (h) \$350,000 the second year is from the
7.23 workforce development fund for a grant to the
7.24 city of Austin to develop and implement
7.25 training programs for water operators and
7.26 wastewater operators. Riverland Community
7.27 College must offer the training programs. This
7.28 is a onetime appropriation and is available
7.29 until June 30, 2027. Of this amount, the city
7.30 of Austin may use up to five percent for
7.31 administration of the program. The
7.32 commissioner must provide an annual report
7.33 by January 5 of each year until January 5,
7.34 2028, regarding the use of grant funds under
7.35 this paragraph to the chairs and ranking

8.1 minority members of the legislative
8.2 committees with jurisdiction over economic
8.3 development and higher education. The report
8.4 must include the number of students enrolled
8.5 and number of students who have completed
8.6 courses funded by this appropriation.

8.7 (i) \$250,000 the second year is from the
8.8 workforce development fund for a grant to the
8.9 Greater Minneapolis Council of Churches for
8.10 a STEM training and career preparation
8.11 program targeted at the needs of BIPOC youth.
8.12 The program shall serve youth who are at least
8.13 11 years of age and less than 24 years of age
8.14 and shall provide career training, job skills
8.15 development, mentorship, and employment
8.16 opportunities. This is a onetime appropriation
8.17 and is available until June 30, 2027.

8.18 (j) \$200,000 the second year is from the
8.19 workforce development fund and is for a grant
8.20 to the Jobs Foundation for direct training,
8.21 support services, safety enhancements, and
8.22 economic support for formerly incarcerated
8.23 individuals participating in the Repowered
8.24 work readiness program. This is a onetime
8.25 appropriation.

8.26 (k) \$100,000 the second year is from the
8.27 workforce development fund for a grant to the
8.28 North Minneapolis Pet Resource Center, also
8.29 known as Mypitbullisfamilycom.Inc,
8.30 Community Animal Medicine Professionals
8.31 (CAMP) program to provide training,
8.32 professional development workshops,
8.33 mentorship and leadership programs, and
8.34 develop recruitment and retention strategies.
8.35 This is a onetime appropriation.

9.1 (l) \$1,000,000 the second year is from the
9.2 workforce development fund and is for a grant
9.3 to African Immigrants Community Services
9.4 for workforce development for new
9.5 Americans. This is a onetime appropriation.

9.6 (m) \$1,000,000 the second year is from the
9.7 workforce development fund and is for a grant
9.8 to WomenVenture for supporting child care
9.9 providers by providing business training,
9.10 mentorship, services, and educational
9.11 materials, by facilitating shared administrative
9.12 staff and pooled management of services such
9.13 as banking and payroll, by providing child
9.14 care management software and software
9.15 training, and by distributing subgrants and
9.16 loans, which may be forgivable at
9.17 WomenVenture's discretion. This is a onetime
9.18 appropriation and is available until June 30,
9.19 2027.

9.20 (n) \$1,000,000 the second year is from the
9.21 workforce development fund and is for a grant
9.22 to the Black Chamber of Commerce for
9.23 technical support to Black-owned small
9.24 businesses, for implementing initiatives to
9.25 address barriers facing the Black business
9.26 community, and for networking, mentorship,
9.27 and training programs. This is a onetime
9.28 appropriation and is available until June 30,
9.29 2027.

9.30 (o) \$250,000 the second year is from the
9.31 workforce development fund and is for a grant
9.32 to the Karen Organization of Minnesota for
9.33 job training and financial support and
9.34 incentives for job training participants. This
9.35 is a onetime appropriation.

10.1 (p) \$100,000 the second year is from the
10.2 workforce development fund and is for a grant
10.3 to Indigenous Roots for soft skills training and
10.4 career readiness training for youth. This is a
10.5 onetime appropriation.

10.6 (q) \$100,000 the second year is from the
10.7 workforce development fund and is for a grant
10.8 to Ramsey County for a subgrant with People
10.9 in Action to provide workforce development
10.10 programming. This amount is available until
10.11 June 30, 2026, and 40 percent of the amount
10.12 must be expended within the city of St. Paul.
10.13 Grants provided by People in Action must be
10.14 awarded through at least two requests for
10.15 proposals. This is a onetime appropriation.

10.16 (r) \$500,000 the second year is from the
10.17 workforce development fund and is for a grant
10.18 to the Metro Youth Diversion Center to
10.19 support its Youth-Care Assessment and
10.20 Readiness Education program to enhance
10.21 workforce development opportunities for
10.22 youth with a focus on underrepresented East
10.23 African students. This is a onetime
10.24 appropriation.

10.25 (s) \$174,000 the second year is from the
10.26 workforce development fund and is for a grant
10.27 to Independent School District No. 709,
10.28 Duluth, for a software subscription to facilitate
10.29 the career planning of students. This is a
10.30 onetime appropriation.

10.31 (t) \$171,000 the second year is from the
10.32 workforce development fund and is for a grant
10.33 to Independent School District No. 704,
10.34 Proctor, to develop a regional career and
10.35 technical education program to serve

- 11.1 Independent School District No. 704, Proctor,
11.2 Independent School District No. 700,
11.3 Hermantown, and Independent School District
11.4 No. 99, Esko. This is a onetime appropriation.
- 11.5 (u) \$1,000,000 the second year is from the
11.6 workforce development fund and is for a grant
11.7 to the city of Brooklyn Park for the Brooklyn
11.8 Park Small Business Center and for the city
11.9 to expand the workforce development
11.10 programming of Brooklyn Park and Brooklyn
11.11 Center through workforce development
11.12 programs serving primarily underrepresented
11.13 populations, including such programs as
11.14 Brooklynk, Career Pathways, Youth
11.15 Entrepreneurship, and Community Partnership.
11.16 This is a onetime appropriation and is
11.17 available until June 30, 2027.
- 11.18 (v) \$500,000 the second year is from the
11.19 workforce development fund and is for a grant
11.20 to Riverside Plaza Tenant Association to
11.21 address employment, economic, and
11.22 technology access disparities for low-income
11.23 unemployed or underemployed individuals
11.24 through training in health care, technology,
11.25 and construction or skilled trades industries.
11.26 This is a onetime appropriation.
- 11.27 (w) \$300,000 the second year is from the
11.28 workforce development fund and is for a grant
11.29 to African Career, Education, and Resources,
11.30 Inc., to develop a program for health care
11.31 skills training and computer skills training in
11.32 collaboration with the Organization of
11.33 Liberians in Minnesota. This is a onetime
11.34 appropriation.

- 12.1 (x) \$75,000 the second year is from the
12.2 workforce development fund and is for a grant
12.3 to Equitable Development Action for it to fund
12.4 programs and provide technical assistance to
12.5 underserved businesses. This is a onetime
12.6 appropriation.
- 12.7 (y) \$50,000 the second year is from the
12.8 workforce development fund and is for a grant
12.9 to HIRPHA International for use on youth
12.10 apprenticeships, entrepreneurship training,
12.11 computer skills, and work readiness training.
12.12 This is a onetime appropriation.
- 12.13 (z) \$200,000 the second year is from the
12.14 workforce development fund and is for a grant
12.15 to YWCA St. Paul for a strategic intervention
12.16 program designed to target and connect
12.17 program participants to meaningful,
12.18 sustainable living wage employment. This is
12.19 a onetime appropriation.
- 12.20 (aa) \$50,000 the second year is from the
12.21 workforce development fund and is for a grant
12.22 to United Senior Lao American Association
12.23 to provide job and skills training for an
12.24 underserved population. This is a onetime
12.25 appropriation.
- 12.26 (bb) \$100,000 the second year is from the
12.27 workforce development fund and is for a grant
12.28 to Hmong American Farmers Association for
12.29 workforce readiness, employment exploration,
12.30 and skills development. This is a onetime
12.31 appropriation.
- 12.32 (cc) \$240,000 the second year is from the
12.33 workforce development fund and is for a grant
12.34 to MN Zej Zog for workforce readiness,

- 13.1 employment exploration, and skills
- 13.2 development. This is a onetime appropriation.
- 13.3 (dd) \$100,000 the second year is from the
- 13.4 workforce development fund and is for a grant
- 13.5 to Ramsey County for a Justice Impact
- 13.6 Navigator to support Ramsey County residents
- 13.7 who have a justice impact or who are
- 13.8 reentering the community after incarceration
- 13.9 to connect to resources with a focus on
- 13.10 employment and training supports. Funds must
- 13.11 be used for a navigator pilot and other
- 13.12 administrative expenses such as outreach,
- 13.13 marketing, and resources for residents. This
- 13.14 is a onetime appropriation.
- 13.15 (ee) \$100,000 the second year is from the
- 13.16 workforce development fund and is for a grant
- 13.17 to Ramsey County for a Digital Equity
- 13.18 Specialist to support Ramsey County residents
- 13.19 with digital literacy resources and skills to
- 13.20 connect to employment and training supports.
- 13.21 Funds must be used for a digital navigator
- 13.22 pilot serving in Ramsey County Career Labs
- 13.23 and community-based locations and other
- 13.24 administrative expenses, such as outreach,
- 13.25 marketing, and resources for residents. This
- 13.26 is a onetime appropriation.
- 13.27 (ff) \$100,000 the second year is from the
- 13.28 workforce development fund for a grant to
- 13.29 Film North to attract a film festival. This is a
- 13.30 onetime appropriation. The commissioner of
- 13.31 employment and economic development may
- 13.32 enter into an interagency agreement with
- 13.33 Explore Minnesota, including agreements to
- 13.34 transfer funds and administer the grant.

- 14.1 (gg) \$400,000 the second year is from the
14.2 workforce development fund for a grant to the
14.3 Twin Cities Urban League for support,
14.4 capacity building, and expansion of the Work
14.5 Readiness Program. This is a onetime
14.6 appropriation.
- 14.7 (hh) \$500,000 the second year is from the
14.8 workforce development fund for a grant to
14.9 Arrowhead Opportunity Agency for the
14.10 purposes of expanding workforce development
14.11 opportunities in the region. This is a onetime
14.12 appropriation.
- 14.13 (ii) \$597,000 the second year is from the
14.14 workforce development fund for a grant to the
14.15 Minneapolis Downtown Council for
14.16 infrastructure and associated costs for the
14.17 Taste of Minnesota event, including but not
14.18 limited to buildout, permits, garbage services,
14.19 staffing, security, equipment rentals, signage,
14.20 and insurance. This is a onetime appropriation.
14.21 The commissioner of employment and
14.22 economic development may enter into an
14.23 interagency agreement with Explore
14.24 Minnesota, including agreements to transfer
14.25 funds and administer the grant.
- 14.26 (jj) \$50,000 the second year is from the
14.27 general fund for a grant to Block Builders
14.28 Foundation. This appropriation must be used
14.29 for programming targeted toward at-risk youth
14.30 coaching, financial literacy education, juvenile
14.31 offender diversion programming, and
14.32 community outreach. This is a onetime
14.33 appropriation.

15.1	<u>Subd. 4. Vocational Rehabilitation</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>5,055,000</u>
15.2	<u>\$5,055,000 the second year is for grants to</u>				
15.3	<u>programs that provide employment support</u>				
15.4	<u>services to persons with mental illness under</u>				
15.5	<u>Minnesota Statutes, sections 268A.13 and</u>				
15.6	<u>268A.14. This is a onetime appropriation and</u>				
15.7	<u>is available until June 30, 2027.</u>				
15.8	<u>Sec. 3. UNIVERSITY OF MINNESOTA.</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>250,000</u>
15.9	<u>\$250,000 the second year is from the</u>				
15.10	<u>workforce development fund to the Board of</u>				
15.11	<u>Regents of the University of Minnesota to</u>				
15.12	<u>perform the duties required to establish and</u>				
15.13	<u>carry out the duties of the Center for Nursing</u>				
15.14	<u>Equity and Excellence. This is a onetime</u>				
15.15	<u>appropriation.</u>				
15.16	<u>Sec. 4. EXPLORE MINNESOTA</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>4,475,000</u>
15.17	<u>(a) \$825,000 the second year is for Explore</u>				
15.18	<u>Minnesota Film. This appropriation is added</u>				
15.19	<u>to the Explore MN base in fiscal year 2026</u>				
15.20	<u>and each year thereafter.</u>				
15.21	<u>(b) \$400,000 the second year is for a grant to</u>				
15.22	<u>Ka Joog for Somali community and cultural</u>				
15.23	<u>festivals and events, including festivals and</u>				
15.24	<u>events in greater Minnesota. This is a onetime</u>				
15.25	<u>appropriation.</u>				
15.26	<u>(c) \$2,000,000 the second year is for a grant</u>				
15.27	<u>to the 2026 Special Olympics USA Games to</u>				
15.28	<u>expend on providing food and housing to 2026</u>				
15.29	<u>Special Olympics USA Games athletes. This</u>				
15.30	<u>is a onetime appropriation.</u>				
15.31	<u>(d) \$1,250,000 the second year is for a grant</u>				
15.32	<u>to the Minneapolis Downtown Council for</u>				
15.33	<u>infrastructure and associated costs for the</u>				
15.34	<u>Taste of Minnesota event, including but not</u>				

16.1

limited to buildout, permits, garbage services,

16.2

staffing, security, equipment rentals, signage,

16.3

and insurance. This is a onetime appropriation.

16.4

Sec. 5. Laws 2023, chapter 53, article 20, section 2, subdivision 1, is amended to read:

16.5

16.6

Subdivision 1. **Total Appropriation**

\$

382,802,000

\$

~~310,131,000~~

309,306,000

16.7

	Appropriations by Fund	
	2024	2025
		279,854,000
16.9		
16.10	General	352,525,000
		<u>279,029,000</u>
16.11	Remediation	700,000
		700,000
16.12	Workforce	
16.13	Development	30,277,000
		30,277,000

16.14

The amounts that may be spent for each

16.15

purpose are specified in the following

16.16

subdivisions.

16.17

Sec. 6. Laws 2023, chapter 53, article 20, section 2, subdivision 2, is amended to read:

16.18

16.19

Subd. 2. **Business and Community Development**

195,061,000

~~139,929,000~~

139,104,000

16.20

	Appropriations by Fund	
		137,879,000
16.21		
16.22	General	193,011,000
		<u>137,054,000</u>
16.23	Remediation	700,000
		700,000
16.24	Workforce	
16.25	Development	1,350,000
		1,350,000

16.26

(a) \$2,287,000 each year is for the greater

16.27

Minnesota business development public

16.28

infrastructure grant program under Minnesota

16.29

Statutes, section 116J.431. This appropriation

16.30

is available until June 30, 2027.

16.31

(b) \$500,000 each year is for grants to small

16.32

business development centers under Minnesota

16.33

Statutes, section 116J.68. Money made

16.34

available under this paragraph may be used to

16.35

match funds under the federal Small Business

17.1 Development Center (SBDC) program under
17.2 United States Code, title 15, section 648, to
17.3 provide consulting and technical services or
17.4 to build additional SBDC network capacity to
17.5 serve entrepreneurs and small businesses.

17.6 (c) \$2,500,000 ~~each~~ the first year is for Launch
17.7 Minnesota. ~~These are~~ This is a onetime
17.8 ~~appropriations~~ appropriation. Of this amount:

17.9 (1) \$1,500,000 ~~each year~~ is for innovation
17.10 grants to eligible Minnesota entrepreneurs or
17.11 start-up businesses to assist with their
17.12 operating needs;

17.13 (2) \$500,000 ~~each year~~ is for administration
17.14 of Launch Minnesota; and

17.15 (3) \$500,000 ~~each year~~ is for grantee activities
17.16 at Launch Minnesota.

17.17 (d)(1) \$500,000 each year is for grants to
17.18 MNSBIR, Inc., to support moving scientific
17.19 excellence and technological innovation from
17.20 the lab to the market for start-ups and small
17.21 businesses by securing federal research and
17.22 development funding. The purpose of the grant
17.23 is to build a strong Minnesota economy and
17.24 stimulate the creation of novel products,
17.25 services, and solutions in the private sector;
17.26 strengthen the role of small business in
17.27 meeting federal research and development
17.28 needs; increase the commercial application of
17.29 federally supported research results; and
17.30 develop and increase the Minnesota
17.31 workforce, especially by fostering and
17.32 encouraging participation by small businesses
17.33 owned by women and people who are Black,

18.1 Indigenous, or people of color. This is a
18.2 onetime appropriation.

18.3 (2) MNSBIR, Inc., shall use the grant money
18.4 to be the dedicated resource for federal
18.5 research and development for small businesses
18.6 of up to 500 employees statewide to support
18.7 research and commercialization of novel ideas,
18.8 concepts, and projects into cutting-edge
18.9 products and services for worldwide economic
18.10 impact. MNSBIR, Inc., shall use grant money
18.11 to:

18.12 (i) assist small businesses in securing federal
18.13 research and development funding, including
18.14 the Small Business Innovation Research and
18.15 Small Business Technology Transfer programs
18.16 and other federal research and development
18.17 funding opportunities;

18.18 (ii) support technology transfer and
18.19 commercialization from the University of
18.20 Minnesota, Mayo Clinic, and federal
18.21 laboratories;

18.22 (iii) partner with large businesses;

18.23 (iv) conduct statewide outreach, education,
18.24 and training on federal rules, regulations, and
18.25 requirements;

18.26 (v) assist with scientific and technical writing;

18.27 (vi) help manage federal grants and contracts;
18.28 and

18.29 (vii) support cost accounting and sole-source
18.30 procurement opportunities.

18.31 (e) \$10,000,000 the first year is for the
18.32 Minnesota Expanding Opportunity Fund
18.33 Program under Minnesota Statutes, section

19.1 116J.8733. This is a onetime appropriation
19.2 and is available until June 30, 2025.

19.3 (f) \$6,425,000 each year is for the small
19.4 business assistance partnerships program
19.5 under Minnesota Statutes, section 116J.682.
19.6 All grant awards shall be for two consecutive
19.7 years. Grants shall be awarded in the first year.
19.8 The department may use up to five percent of
19.9 the appropriation for administrative purposes.
19.10 The base for this appropriation is \$2,725,000
19.11 in fiscal year 2026 and each year thereafter.

19.12 (g) \$350,000 each year is for administration
19.13 of the community energy transition office.

19.14 (h) \$5,000,000 each year is transferred from
19.15 the general fund to the community energy
19.16 transition account for grants under Minnesota
19.17 Statutes, section 116J.55. This is a onetime
19.18 transfer.

19.19 (i) \$1,772,000 each year is for contaminated
19.20 site cleanup and development grants under
19.21 Minnesota Statutes, sections 116J.551 to
19.22 116J.558. This appropriation is available until
19.23 expended.

19.24 (j) \$700,000 each year is from the remediation
19.25 fund for contaminated site cleanup and
19.26 development grants under Minnesota Statutes,
19.27 sections 116J.551 to 116J.558. This
19.28 appropriation is available until expended.

19.29 (k) \$389,000 each year is for the Center for
19.30 Rural Policy and Development. The base for
19.31 this appropriation is \$139,000 in fiscal year
19.32 2026 and each year thereafter.

19.33 (l) \$25,000 each year is for the administration
19.34 of state aid for the Destination Medical Center

20.1 under Minnesota Statutes, sections 469.40 to
20.2 469.47.

20.3 (m) \$875,000 each year is for the host
20.4 community economic development program
20.5 established in Minnesota Statutes, section
20.6 116J.548.

20.7 (n) \$6,500,000 each year is for grants to local
20.8 communities to increase the number of quality
20.9 child care providers to support economic
20.10 development. Fifty percent of grant money
20.11 must go to communities located outside the
20.12 seven-county metropolitan area as defined in
20.13 Minnesota Statutes, section 473.121,
20.14 subdivision 2. The base for this appropriation
20.15 is \$1,500,000 in fiscal year 2026 and each year
20.16 thereafter.

20.17 Grant recipients must obtain a 50 percent
20.18 nonstate match to grant money in either cash
20.19 or in-kind contribution, unless the
20.20 commissioner waives the requirement. Grant
20.21 money available under this subdivision must
20.22 be used to implement projects to reduce the
20.23 child care shortage in the state, including but
20.24 not limited to funding for child care business
20.25 start-ups or expansion, training, facility
20.26 modifications, direct subsidies or incentives
20.27 to retain employees, or improvements required
20.28 for licensing, and assistance with licensing
20.29 and other regulatory requirements. In awarding
20.30 grants, the commissioner must give priority
20.31 to communities that have demonstrated a
20.32 shortage of child care providers.

20.33 Within one year of receiving grant money,
20.34 grant recipients must report to the
20.35 commissioner on the outcomes of the grant

21.1 program, including but not limited to the
21.2 number of new providers, the number of
21.3 additional child care provider jobs created, the
21.4 number of additional child care openings, and
21.5 the amount of cash and in-kind local money
21.6 invested. Within one month of all grant
21.7 recipients reporting on program outcomes, the
21.8 commissioner must report the grant recipients'
21.9 outcomes to the chairs and ranking members
21.10 of the legislative committees with jurisdiction
21.11 over early learning and child care and
21.12 economic development.

21.13 (o) \$500,000 each year is for the Office of
21.14 Child Care Community Partnerships. Of this
21.15 amount:

21.16 (1) \$450,000 each year is for administration
21.17 of the Office of Child Care Community
21.18 Partnerships; and

21.19 (2) \$50,000 each year is for the Labor Market
21.20 Information Office to conduct research and
21.21 analysis related to the child care industry.

21.22 (p) \$3,500,000 each year is for grants in equal
21.23 amounts to each of the Minnesota Initiative
21.24 Foundations. This appropriation is available
21.25 until June 30, 2027. The base for this
21.26 appropriation is \$1,000,000 in fiscal year 2026
21.27 and each year thereafter. The Minnesota
21.28 Initiative Foundations must use grant money
21.29 under this section to:

21.30 (1) facilitate planning processes for rural
21.31 communities resulting in a community solution
21.32 action plan that guides decision making to
21.33 sustain and increase the supply of quality child

22.1 care in the region to support economic
22.2 development;

22.3 (2) engage the private sector to invest local
22.4 resources to support the community solution
22.5 action plan and ensure quality child care is a
22.6 vital component of additional regional
22.7 economic development planning processes;

22.8 (3) provide locally based training and technical
22.9 assistance to rural business owners
22.10 individually or through a learning cohort.
22.11 Access to financial and business development
22.12 assistance must prepare child care businesses
22.13 for quality engagement and improvement by
22.14 stabilizing operations, leveraging funding from
22.15 other sources, and fostering business acumen
22.16 that allows child care businesses to plan for
22.17 and afford the cost of providing quality child
22.18 care; and

22.19 (4) recruit child care programs to participate
22.20 in quality rating and improvement
22.21 measurement programs. The Minnesota
22.22 Initiative Foundations must work with local
22.23 partners to provide low-cost training,
22.24 professional development opportunities, and
22.25 continuing education curricula. The Minnesota
22.26 Initiative Foundations must fund, through local
22.27 partners, an enhanced level of coaching to
22.28 rural child care providers to obtain a quality
22.29 rating through measurement programs.

22.30 (q) \$8,000,000 each year is for the Minnesota
22.31 job creation fund under Minnesota Statutes,
22.32 section 116J.8748. Of this amount, the
22.33 commissioner of employment and economic
22.34 development may use up to three percent for
22.35 administrative expenses. This appropriation

23.1 is available until expended. Notwithstanding
23.2 Minnesota Statutes, section 116J.8748, money
23.3 appropriated for the job creation fund may be
23.4 used for redevelopment under Minnesota
23.5 Statutes, sections 116J.575 and 116J.5761, at
23.6 the discretion of the commissioner.

23.7 (r) \$12,370,000 each year is for the Minnesota
23.8 investment fund under Minnesota Statutes,
23.9 section 116J.8731. Of this amount, the
23.10 commissioner of employment and economic
23.11 development may use up to three percent for
23.12 administration and monitoring of the program.
23.13 This appropriation is available until expended.
23.14 Notwithstanding Minnesota Statutes, section
23.15 116J.8731, money appropriated to the
23.16 commissioner for the Minnesota investment
23.17 fund may be used for the redevelopment
23.18 program under Minnesota Statutes, sections
23.19 116J.575 and 116J.5761, at the discretion of
23.20 the commissioner. Grants under this paragraph
23.21 are not subject to the grant amount limitation
23.22 under Minnesota Statutes, section 116J.8731.

23.23 (s) \$4,246,000 each year is for the
23.24 redevelopment program under Minnesota
23.25 Statutes, sections 116J.575 and 116J.5761.
23.26 The base for this appropriation is \$2,246,000
23.27 in fiscal year 2026 and each year thereafter.
23.28 This appropriation is available until expended.

23.29 (t) \$1,000,000 each year is for the Minnesota
23.30 emerging entrepreneur loan program under
23.31 Minnesota Statutes, section 116M.18. Money
23.32 available under this paragraph is for transfer
23.33 into the emerging entrepreneur program
23.34 special revenue fund account created under
23.35 Minnesota Statutes, chapter 116M, and are

24.1 available until expended. Of this amount, up
24.2 to four percent is for administration and
24.3 monitoring of the program.

24.4 (u) \$325,000 ~~each~~ the first year is for the
24.5 Minnesota Film and TV Board. The
24.6 appropriation ~~each year~~ is available only upon
24.7 receipt by the board of \$1 in matching
24.8 contributions of money or in-kind
24.9 contributions from nonstate sources for every
24.10 \$3 provided by this appropriation, except that
24.11 ~~each year~~ up to \$50,000 is available on July
24.12 1 even if the required matching contribution
24.13 has not been received by that date. This is a
24.14 onetime appropriation.

24.15 (v) \$12,000 each year is for a grant to the
24.16 Upper Minnesota Film Office.

24.17 (w) \$500,000 ~~each~~ the first year is for a grant
24.18 to the Minnesota Film and TV Board for the
24.19 film production jobs program under Minnesota
24.20 Statutes, section 116U.26. This appropriation
24.21 is available until June 30, 2027. This is a
24.22 onetime appropriation.

24.23 (x) \$4,195,000 each year is for the Minnesota
24.24 job skills partnership program under
24.25 Minnesota Statutes, sections 116L.01 to
24.26 116L.17. If the appropriation for either year
24.27 is insufficient, the appropriation for the other
24.28 year is available. This appropriation is
24.29 available until expended.

24.30 (y) \$1,350,000 each year from the workforce
24.31 development fund is for jobs training grants
24.32 under Minnesota Statutes, section 116L.41.

24.33 (z) \$47,475,000 ~~each~~ the first year ~~is and~~
24.34 \$50,475,000 the second year are for the

25.1 PROMISE grant program. This is a onetime
25.2 appropriation and is available until June 30,
25.3 2027. Any unencumbered balance remaining
25.4 at the end of the first year does not cancel but
25.5 is available the second year. Of this amount:
25.6 (1) \$475,000 each year is for administration
25.7 of the PROMISE grant program;
25.8 (2) \$7,500,000 each year is for grants in equal
25.9 amounts to each of the Minnesota Initiative
25.10 Foundations to serve businesses in greater
25.11 Minnesota. Of this amount, \$600,000 each
25.12 year is for grants to businesses with less than
25.13 \$100,000 in revenue in the prior year; and
25.14 (3) \$39,500,000 ~~each~~ the first year is and
25.15 \$42,500,000 the second year are for grants to
25.16 the Neighborhood Development Center. Of
25.17 this amount, the following amounts are
25.18 designated for the following areas:
25.19 (i) \$16,000,000 each year is for North
25.20 Minneapolis' West Broadway, Camden, or
25.21 other Northside neighborhoods. Of this
25.22 amount, \$1,000,000 each year is for grants to
25.23 businesses with less than \$100,000 in revenue
25.24 in the prior year;
25.25 (ii) \$13,500,000 each year is for South
25.26 Minneapolis' Lake Street, 38th and Chicago,
25.27 Franklin, Nicollet, and Riverside corridors.
25.28 Of this amount, \$750,000 each year is for
25.29 grants to businesses with less than \$100,000
25.30 in revenue in the prior year; ~~and~~
25.31 (iii) \$10,000,000 each year is for St. Paul's
25.32 University Avenue, Midway, Eastside, or other
25.33 St. Paul neighborhoods. Of this amount,
25.34 \$750,000 each year is for grants to businesses

26.1 with less than \$100,000 in revenue in the prior
26.2 year;

26.3 (iv) \$1,000,000 the first year is for South
26.4 Minneapolis' Hennepin Avenue Commercial
26.5 corridor, South Hennepin Community
26.6 corridor, and Uptown Special Service District;
26.7 and

26.8 (v) \$3,000,000 the second year is for grants
26.9 to businesses in the counties of Anoka, Carver,
26.10 Dakota, Hennepin, Ramsey, Scott, and
26.11 Washington, excluding the cities of
26.12 Minneapolis and St. Paul.

26.13 (aa) \$15,150,000 each year is for the
26.14 PROMISE loan program. This is a onetime
26.15 appropriation and is available until June 30,
26.16 2027. Of this amount:

26.17 (1) \$150,000 each year is for administration
26.18 of the PROMISE loan program;

26.19 (2) \$3,000,000 each year is for grants in equal
26.20 amounts to each of the Minnesota Initiative
26.21 Foundations to serve businesses in greater
26.22 Minnesota; and

26.23 (3) \$12,000,000 each year is for grants to the
26.24 Metropolitan Economic Development
26.25 Association (MEDA). Of this amount, the
26.26 following amounts are designated for the
26.27 following areas:

26.28 (i) \$4,500,000 each year is for North
26.29 Minneapolis' West Broadway, Camden, or
26.30 other Northside neighborhoods;

26.31 (ii) \$4,500,000 each year is for South
26.32 Minneapolis' Lake Street, 38th and Chicago,

27.1 Franklin, Nicollet, and Riverside corridors;
27.2 and

27.3 (iii) \$3,000,000 each year is for St. Paul's
27.4 University Avenue, Midway, Eastside, or other
27.5 St. Paul neighborhoods.

27.6 (bb) \$1,500,000 each year is for a grant to the
27.7 Metropolitan Consortium of Community
27.8 Developers for the community wealth-building
27.9 grant program pilot project. Of this amount,
27.10 up to two percent is for administration and
27.11 monitoring of the community wealth-building
27.12 grant program pilot project. This is a onetime
27.13 appropriation.

27.14 (cc) \$250,000 each year is for the publication,
27.15 dissemination, and use of labor market
27.16 information under Minnesota Statutes, section
27.17 116J.401.

27.18 (dd) \$5,000,000 the first year is for a grant to
27.19 the Bloomington Port Authority to provide
27.20 funding for the Expo 2027 host organization.
27.21 The Bloomington Port Authority must enter
27.22 into an agreement with the host organization
27.23 over the use of money, which may be used for
27.24 activities, including but not limited to
27.25 finalizing the community dossier and staffing
27.26 the host organization and for infrastructure
27.27 design and planning, financial modeling,
27.28 development planning and coordination of
27.29 both real estate and public private partnerships,
27.30 and reimbursement of costs the Bloomington
27.31 Port Authority incurred. In selecting vendors
27.32 and exhibitors for Expo 2027, the host
27.33 organization shall prioritize outreach to,
27.34 collaboration with, and inclusion of businesses
27.35 that are majority owned by people of color,

28.1 women, and people with disabilities. The host
28.2 organization and Bloomington Port Authority
28.3 may be reimbursed for expenses 90 days prior
28.4 to encumbrance. This appropriation is
28.5 contingent on approval of the project by the
28.6 Bureau International des Expositions. If the
28.7 project is not approved by the Bureau
28.8 International des Expositions, the money shall
28.9 transfer to the Minnesota investment fund
28.10 under Minnesota Statutes, section 116J.8731.
28.11 Any unencumbered balance remaining at the
28.12 end of the first year does not cancel but is
28.13 available for the second year.

28.14 (ee) \$5,000,000 the first year is for a grant to
28.15 the Neighborhood Development Center for
28.16 small business programs, including training,
28.17 lending, business services, and real estate
28.18 programming; small business incubator
28.19 development in the Twin Cities and outside
28.20 the seven-county metropolitan area; and
28.21 technical assistance activities for partners
28.22 outside the seven-county metropolitan area;
28.23 and for high-risk, character-based loan capital
28.24 for nonrecourse loans. This is a onetime
28.25 appropriation. Any unencumbered balance
28.26 remaining at the end of the first year does not
28.27 cancel but is available for the second year.

28.28 (ff) \$5,000,000 the first year is for transfer to
28.29 the emerging developer fund account in the
28.30 special revenue fund. Of this amount, up to
28.31 five percent is for administration and
28.32 monitoring of the emerging developer fund
28.33 program under Minnesota Statutes, section
28.34 116J.9926, and the remainder is for a grant to
28.35 the Local Initiatives Support Corporation -

29.1 Twin Cities to serve as a partner organization
29.2 under the program. This is a onetime
29.3 appropriation.

29.4 (gg) \$5,000,000 the first year is for the
29.5 Canadian border counties economic relief
29.6 program under article 5. Of this amount, up
29.7 to \$1,000,000 is for Tribal economic
29.8 development and \$2,100,000 is for a grant to
29.9 Lake of the Woods County for the forgivable
29.10 loan program for remote recreational
29.11 businesses. This is a onetime appropriation
29.12 and is available until June 30, 2026.

29.13 (hh) \$1,000,000 each year is for a grant to
29.14 African Economic Development Solutions.
29.15 This is a onetime appropriation and is
29.16 available until June 30, 2026. Of this amount:

29.17 (1) \$500,000 each year is for a loan fund that
29.18 must address pervasive economic inequities
29.19 by supporting business ventures of
29.20 entrepreneurs in the African immigrant
29.21 community; and

29.22 (2) \$250,000 each year is for workforce
29.23 development and technical assistance,
29.24 including but not limited to business
29.25 development, entrepreneur training, business
29.26 technical assistance, loan packing, and
29.27 community development services.

29.28 (ii) \$1,500,000 each year is for a grant to the
29.29 Latino Economic Development Center. This
29.30 is a onetime appropriation and is available
29.31 until June 30, 2025. Of this amount:

29.32 (1) \$750,000 each year is to assist, support,
29.33 finance, and launch microentrepreneurs by

30.1 delivering training, workshops, and
30.2 one-on-one consultations to businesses; and
30.3 (2) \$750,000 each year is to guide prospective
30.4 entrepreneurs in their start-up process by
30.5 introducing them to key business concepts,
30.6 including business start-up readiness. Grant
30.7 proceeds must be used to offer workshops on
30.8 a variety of topics throughout the year,
30.9 including finance, customer service,
30.10 food-handler training, and food-safety
30.11 certification. Grant proceeds may also be used
30.12 to provide lending to business startups.

30.13 (jj) \$627,000 the first year is for a grant to
30.14 Community and Economic Development
30.15 Associates (CEDA) to provide funding for
30.16 economic development technical assistance
30.17 and economic development project grants to
30.18 small communities across rural Minnesota and
30.19 for CEDA to design, implement, market, and
30.20 administer specific types of basic community
30.21 and economic development programs tailored
30.22 to individual community needs. Technical
30.23 assistance grants shall be based on need and
30.24 given to communities that are otherwise
30.25 unable to afford these services. Of the amount
30.26 appropriated, up to \$270,000 may be used for
30.27 economic development project implementation
30.28 in conjunction with the technical assistance
30.29 received. This is a onetime appropriation. Any
30.30 unencumbered balance remaining at the end
30.31 of the first year does not cancel but is available
30.32 the second year.

30.33 (kk) \$2,000,000 the first year is for a grant to
30.34 WomenVenture to:

31.1 (1) support child care providers through
31.2 business training and shared services programs
31.3 and to create materials that could be used, free
31.4 of charge, for start-up, expansion, and
31.5 operation of child care businesses statewide,
31.6 with the goal of helping new and existing child
31.7 care businesses in underserved areas of the
31.8 state become profitable and sustainable; and

31.9 (2) support business expansion for women
31.10 food entrepreneurs throughout Minnesota's
31.11 food supply chain to help stabilize and
31.12 strengthen their business operations, create
31.13 distribution networks, offer technical
31.14 assistance and support to beginning women
31.15 food entrepreneurs, develop business plans,
31.16 develop a workforce, research expansion
31.17 strategies, and for other related activities.

31.18 Eligible uses of the money include but are not
31.19 limited to:

31.20 (i) leasehold improvements;
31.21 (ii) additions, alterations, remodeling, or
31.22 renovations to rented space;
31.23 (iii) inventory or supplies;
31.24 (iv) machinery or equipment purchases;
31.25 (v) working capital; and
31.26 (vi) debt refinancing.

31.27 Money distributed to entrepreneurs may be
31.28 loans, forgivable loans, and grants. Of this
31.29 amount, up to five percent may be used for
31.30 the WomenVenture's technical assistance and
31.31 administrative costs. This is a onetime
31.32 appropriation and is available until June 30,
31.33 2026.

32.1 By December 15, 2026, WomenVenture must
32.2 submit a report to the chairs and ranking
32.3 minority members of the legislative
32.4 committees with jurisdiction over agriculture
32.5 and employment and economic development.
32.6 The report must include a summary of the uses
32.7 of the appropriation, including the amount of
32.8 the appropriation used for administration. The
32.9 report must also provide a breakdown of the
32.10 amount of funding used for loans, forgivable
32.11 loans, and grants; information about the terms
32.12 of the loans issued; a discussion of how money
32.13 from repaid loans will be used; the number of
32.14 entrepreneurs assisted; and a breakdown of
32.15 how many entrepreneurs received assistance
32.16 in each county.

32.17 (ll) \$2,000,000 the first year is for a grant to
32.18 African Career, Education, and Resource, Inc.,
32.19 for operational infrastructure and technical
32.20 assistance to small businesses. This
32.21 appropriation is available until June 30, 2025.

32.22 (mm) \$5,000,000 the first year is for a grant
32.23 to the African Development Center to provide
32.24 loans to purchase commercial real estate and
32.25 to expand organizational infrastructure. This
32.26 appropriation is available until June 30, 2025.
32.27 Of this amount:

32.28 (1) \$2,800,000 is for loans to purchase
32.29 commercial real estate targeted at African
32.30 immigrant small business owners;

32.31 (2) \$364,000 is for loan loss reserves to
32.32 support loan volume growth and attract
32.33 additional capital;

- 33.1 (3) \$836,000 is for increasing organizational
33.2 capacity;
- 33.3 (4) \$300,000 is for the safe 2 eat project of
33.4 inclusive assistance with required restaurant
33.5 licensing examinations; and
- 33.6 (5) \$700,000 is for a center for community
33.7 resources for language and technology
33.8 assistance for small businesses.
- 33.9 (nn) \$7,000,000 the first year is for grants to
33.10 the Minnesota Initiative Foundations to
33.11 capitalize their revolving loan funds, which
33.12 address unmet financing needs of for-profit
33.13 business start-ups, expansions, and ownership
33.14 transitions; nonprofit organizations; and
33.15 developers of housing to support the
33.16 construction, rehabilitation, and conversion
33.17 of housing units. Of the amount appropriated:
- 33.18 (1) \$1,000,000 is for a grant to the Southwest
33.19 Initiative Foundation;
- 33.20 (2) \$1,000,000 is for a grant to the West
33.21 Central Initiative Foundation;
- 33.22 (3) \$1,000,000 is for a grant to the Southern
33.23 Minnesota Initiative Foundation;
- 33.24 (4) \$1,000,000 is for a grant to the Northwest
33.25 Minnesota Foundation;
- 33.26 (5) \$2,000,000 is for a grant to the Initiative
33.27 Foundation of which \$1,000,000 is for
33.28 redevelopment of the St. Cloud Youth and
33.29 Family Center; and
- 33.30 (6) \$1,000,000 is for a grant to the Northland
33.31 Foundation.
- 33.32 (oo) \$500,000 each year is for a grant to
33.33 Enterprise Minnesota, Inc., to reach and

34.1 deliver talent, leadership, employee retention,
34.2 continuous improvement, strategy, quality
34.3 management systems, revenue growth, and
34.4 manufacturing peer-to-peer advisory services
34.5 to small manufacturing companies employing
34.6 35 or fewer full-time equivalent employees.
34.7 This is a onetime appropriation. No later than
34.8 February 1, 2025, and February 1, 2026,
34.9 Enterprise Minnesota, Inc., must provide a
34.10 report to the chairs and ranking minority
34.11 members of the legislative committees with
34.12 jurisdiction over economic development that
34.13 includes:

34.14 (1) the grants awarded during the past 12
34.15 months;

34.16 (2) the estimated financial impact of the grants
34.17 awarded to each company receiving services
34.18 under the program;

34.19 (3) the actual financial impact of grants
34.20 awarded during the past 24 months; and

34.21 (4) the total amount of federal funds leveraged
34.22 from the Manufacturing Extension Partnership
34.23 at the United States Department of Commerce.

34.24 (pp) \$375,000 each year is for a grant to
34.25 PFund Foundation to provide grants to
34.26 LGBTQ+-owned small businesses and
34.27 entrepreneurs. Of this amount, up to five
34.28 percent may be used for PFund Foundation's
34.29 technical assistance and administrative costs.
34.30 This is a onetime appropriation and is
34.31 available until June 30, 2026. To the extent
34.32 practicable, money must be distributed by
34.33 PFund Foundation as follows:

35.1 (1) at least 33.3 percent to businesses owned
35.2 by members of racial minority communities;
35.3 and

35.4 (2) at least 33.3 percent to businesses outside
35.5 of the seven-county metropolitan area as
35.6 defined in Minnesota Statutes, section
35.7 473.121, subdivision 2.

35.8 (qq) \$125,000 each year is for a grant to
35.9 Quorum to provide business support, training,
35.10 development, technical assistance, and related
35.11 activities for LGBTQ+-owned small
35.12 businesses that are recipients of a PFund
35.13 Foundation grant. Of this amount, up to five
35.14 percent may be used for Quorum's technical
35.15 assistance and administrative costs. This is a
35.16 onetime appropriation and is available until
35.17 June 30, 2026.

35.18 (rr) \$5,000,000 the first year is for a grant to
35.19 the Metropolitan Economic Development
35.20 Association (MEDA) for statewide business
35.21 development and assistance services to
35.22 minority-owned businesses. This is a onetime
35.23 appropriation. Any unencumbered balance
35.24 remaining at the end of the first year does not
35.25 cancel but is available the second year. Of this
35.26 amount:

35.27 (1) \$3,000,000 is for a revolving loan fund to
35.28 provide additional minority-owned businesses
35.29 with access to capital; and

35.30 (2) \$2,000,000 is for operating support
35.31 activities related to business development and
35.32 assistance services for minority business
35.33 enterprises.

36.1 By February 1, 2025, MEDA shall report to
36.2 the commissioner and the chairs and ranking
36.3 minority members of the legislative
36.4 committees with jurisdiction over economic
36.5 development policy and finance on the loans
36.6 and operating support activities, including
36.7 outcomes and expenditures, supported by the
36.8 appropriation under this paragraph.

36.9 (ss) \$2,500,000 each year is for a grant to a
36.10 Minnesota-based automotive component
36.11 manufacturer and distributor specializing in
36.12 electric vehicles and sensor technology that
36.13 manufactures all of their parts onshore to
36.14 expand their manufacturing. The grant
36.15 recipient under this paragraph shall submit
36.16 reports on the uses of the money appropriated,
36.17 the number of jobs created due to the
36.18 appropriation, wage information, and the city
36.19 and state in which the additional
36.20 manufacturing activity was located to the
36.21 chairs and ranking minority members of the
36.22 legislative committees with jurisdiction over
36.23 economic development. An initial report shall
36.24 be submitted by December 15, 2023, and a
36.25 final report is due by December 15, 2025. This
36.26 is a onetime appropriation.

36.27 (tt)(1) \$125,000 each year is for grants to the
36.28 Latino Chamber of Commerce Minnesota to
36.29 support the growth and expansion of small
36.30 businesses statewide. Funds may be used for
36.31 the cost of programming, outreach, staffing,
36.32 and supplies. This is a onetime appropriation.

36.33 (2) By January 15, 2026, the Latino Chamber
36.34 of Commerce Minnesota must submit a report
36.35 to the legislative committees with jurisdiction

37.1 over economic development that details the
37.2 use of grant funds and the grant's economic
37.3 impact.

37.4 (uu) \$175,000 the first year is for a grant to
37.5 the city of South St. Paul to study options for
37.6 repurposing the 1927 American Legion
37.7 Memorial Library after the property is no
37.8 longer used as a library. This appropriation is
37.9 available until the project is completed or
37.10 abandoned, subject to Minnesota Statutes,
37.11 section 16A.642.

37.12 (vv) \$250,000 the first year is for a grant to
37.13 LatinoLEAD for organizational
37.14 capacity-building.

37.15 (ww) \$80,000 the first year is for a grant to
37.16 the Neighborhood Development Center for
37.17 small business competitive grants to software
37.18 companies working to improve employee
37.19 engagement and workplace culture and to
37.20 reduce turnover.

37.21 (xx)(1) \$3,000,000 in the first year is for a
37.22 grant to the Center for Economic Inclusion for
37.23 strategic, data-informed investments in job
37.24 creation strategies that respond to the needs
37.25 of underserved populations statewide. This
37.26 may include forgivable loans, revenue-based
37.27 financing, and equity investments for
37.28 entrepreneurs with barriers to growth. Of this
37.29 amount, up to five percent may be used for
37.30 the center's technical assistance and
37.31 administrative costs. This appropriation is
37.32 available until June 30, 2025.

37.33 (2) By January 15, 2026, the Center for
37.34 Economic Inclusion shall submit a report on

38.1 the use of grant funds, including any loans
38.2 made, to the legislative committees with
38.3 jurisdiction over economic development.

38.4 (yy) \$500,000 ~~each~~ the first year is for a grant
38.5 to the Asian Economic Development
38.6 Association for asset building and financial
38.7 empowerment for entrepreneurs and small
38.8 business owners, small business development
38.9 and technical assistance, and cultural
38.10 placemaking. This is a onetime appropriation.

38.11 (zz) \$500,000 each year is for a grant to
38.12 Isuroon to support primarily African
38.13 immigrant women with entrepreneurial
38.14 training to start, manage, and grow
38.15 self-sustaining microbusinesses, develop
38.16 incubator space for these businesses, and
38.17 provide support with financial and language
38.18 literacy, systems navigation to eliminate
38.19 capital access disparities, marketing, and other
38.20 technical assistance. This is a onetime
38.21 appropriation.

38.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

38.23 Sec. 7. Laws 2023, chapter 53, article 20, section 2, subdivision 3, is amended to read:

38.24	Subd. 3. Employment and Training Programs	112,038,000	104,499,000
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38.25	Appropriations by Fund		
38.26		2024	2025
38.27	General	91,036,000	83,497,000
38.28	Workforce		
38.29	Development	21,002,000	21,002,000

38.30 (a) \$500,000 each year from the general fund
38.31 and \$500,000 each year from the workforce
38.32 development fund are for rural career
38.33 counseling coordinators in the workforce

39.1 service areas and for the purposes specified
39.2 under Minnesota Statutes, section 116L.667.

39.3 (b) \$25,000,000 each year is for the targeted
39.4 population workforce grants under Minnesota
39.5 Statutes, section 116L.43. The department
39.6 may use up to five percent of this
39.7 appropriation for administration, monitoring,
39.8 and oversight of the program. Of this amount:

39.9 (1) \$18,500,000 each year is for job and
39.10 entrepreneurial skills training grants under
39.11 Minnesota Statutes, section 116L.43,
39.12 subdivision 2;

39.13 (2) \$1,500,000 each year is for diversity and
39.14 inclusion training for small employers under
39.15 Minnesota Statutes, section 116L.43,
39.16 subdivision 3; and

39.17 (3) \$5,000,000 each year is for capacity
39.18 building grants under Minnesota Statutes,
39.19 section 116L.43, subdivision 4.

39.20 The base for this appropriation is \$1,275,000
39.21 in fiscal year 2026 and each year thereafter.

39.22 (c) \$750,000 each year is for the women and
39.23 high-wage, high-demand, nontraditional jobs
39.24 grant program under Minnesota Statutes,
39.25 section 116L.99. Of this amount, up to five
39.26 percent is for administration and monitoring
39.27 of the program.

39.28 (d) \$10,000,000 each year is for the Drive for
39.29 Five Initiative to conduct outreach and provide
39.30 job skills training, career counseling, case
39.31 management, and supportive services for
39.32 careers in (1) technology, (2) labor, (3) the
39.33 caring professions, (4) manufacturing, and (5)

40.1 educational and professional services. This is
40.2 a onetime appropriation.

40.3 (e) Of the amounts appropriated in paragraph
40.4 (d), the commissioner must make \$7,000,000
40.5 each year available through a competitive
40.6 request for proposal process. The grant awards
40.7 must be used to provide education and training
40.8 in the five industries identified in paragraph
40.9 (d). Education and training may include:

40.10 (1) student tutoring and testing support
40.11 services;

40.12 (2) training and employment placement in high
40.13 wage and high growth employment;

40.14 (3) assistance in obtaining industry-specific
40.15 certifications;

40.16 (4) remedial training leading to enrollment in
40.17 employment training programs or services;

40.18 (5) real-time work experience;

40.19 (6) career and educational counseling;

40.20 (7) work experience and internships; and

40.21 (8) supportive services.

40.22 (f) Of the amount appropriated in paragraph
40.23 (d), \$2,000,000 each year must be awarded
40.24 through competitive grants made to trade
40.25 associations or chambers of commerce for job
40.26 placement services. Grant awards must be used
40.27 to encourage workforce training efforts to
40.28 ensure that efforts are aligned with employer
40.29 demands and that graduates are connected with
40.30 employers that are currently hiring. Trade
40.31 associations or chambers must partner with
40.32 employers with current or anticipated
40.33 employment opportunities and nonprofit

41.1 workforce training partners participating in
41.2 this program. The trade associations or
41.3 chambers must work closely with the industry
41.4 sector training providers in the five industries
41.5 identified in paragraph (d). Grant awards may
41.6 be used for:

41.7 (1) employer engagement strategies to align
41.8 employment opportunities for individuals
41.9 exiting workforce development training
41.10 programs. These strategies may include
41.11 business recruitment, job opening
41.12 development, employee recruitment, and job
41.13 matching. Trade associations must utilize the
41.14 state's labor exchange system;

41.15 (2) diversity, inclusion, and retention training
41.16 of their members to increase the business'
41.17 understanding of welcoming and retaining a
41.18 diverse workforce; and

41.19 (3) industry-specific training.

41.20 (g) Of the amount appropriated in paragraph
41.21 (d), \$1,000,000 each year is to hire, train, and
41.22 deploy business services representatives in
41.23 local workforce development areas throughout
41.24 the state. Business services representatives
41.25 must work with an assigned local workforce
41.26 development area to address the hiring needs
41.27 of Minnesota's businesses by connecting job
41.28 seekers and program participants in the
41.29 CareerForce system. Business services
41.30 representatives serve in the classified service
41.31 of the state and operate as part of the agency's
41.32 Employment and Training Office. The
41.33 commissioner shall develop and implement
41.34 training materials and reporting and evaluation
41.35 procedures for the activities of the business

42.1 services representatives. The business services
42.2 representatives must:

42.3 (1) serve as the primary contact for businesses
42.4 in that area;

42.5 (2) actively engage employers by assisting
42.6 with matching employers to job seekers by
42.7 referring candidates, convening job fairs, and
42.8 assisting with job announcements; and

42.9 (3) work with the local area board and its
42.10 partners to identify candidates for openings in
42.11 small and midsize companies in the local area.

42.12 (h) \$2,546,000 each year from the general fund
42.13 and \$4,604,000 each year from the workforce
42.14 development fund are for the pathways to
42.15 prosperity competitive grant program. Of this
42.16 amount, up to five percent is for administration
42.17 and monitoring of the program.

42.18 (i) \$500,000 each year is from the workforce
42.19 development fund for current Minnesota
42.20 affiliates of OIC of America, Inc. This
42.21 appropriation shall be divided equally among
42.22 the eligible centers.

42.23 (j) \$1,000,000 each year is for competitive
42.24 grants to organizations providing services to
42.25 relieve economic disparities in the Southeast
42.26 Asian community through workforce
42.27 recruitment, development, job creation,
42.28 assistance of smaller organizations to increase
42.29 capacity, and outreach. Of this amount, up to
42.30 five percent is for administration and
42.31 monitoring of the program.

42.32 (k) \$1,000,000 each year is for a competitive
42.33 grant program to provide grants to
42.34 organizations that provide support services for

43.1 individuals, such as job training, employment
43.2 preparation, internships, job assistance to
43.3 parents, financial literacy, academic and
43.4 behavioral interventions for low-performing
43.5 students, and youth intervention. Grants made
43.6 under this section must focus on low-income
43.7 communities, young adults from families with
43.8 a history of intergenerational poverty, and
43.9 communities of color. Of this amount, up to
43.10 five percent is for administration and
43.11 monitoring of the program.

43.12 (l) \$750,000 each year from the general fund
43.13 and \$6,698,000 each year from the workforce
43.14 development fund are for the youth-at-work
43.15 competitive grant program under Minnesota
43.16 Statutes, section 116L.562. Of this amount,
43.17 up to five percent is for administration and
43.18 monitoring of the youth workforce
43.19 development competitive grant program. All
43.20 grant awards shall be for two consecutive
43.21 years. Grants shall be awarded in the first year.
43.22 The base for this appropriation is \$750,000
43.23 from the general fund and \$3,348,000 from
43.24 the workforce development fund beginning in
43.25 fiscal year 2026 and each year thereafter.

43.26 (m) \$1,093,000 each year is from the general
43.27 fund and \$1,000,000 each year is from the
43.28 workforce development fund for the
43.29 youthbuild program under Minnesota Statutes,
43.30 sections 116L.361 to 116L.366. The base for
43.31 this appropriation is \$1,000,000 from the
43.32 workforce development fund in fiscal year
43.33 2026 and each year thereafter.

43.34 (n) \$4,511,000 each year from the general fund
43.35 and \$4,050,000 each year from the workforce

44.1 development fund are for the Minnesota youth
44.2 program under Minnesota Statutes, sections
44.3 116L.56 and 116L.561. The base for this
44.4 appropriation is \$0 from the general fund and
44.5 \$4,050,000 from the workforce development
44.6 fund in fiscal year 2026 and each year
44.7 thereafter.

44.8 (o) \$750,000 each year is for the Office of
44.9 New Americans under Minnesota Statutes,
44.10 section 116J.4231.

44.11 (p) \$1,000,000 each year from the workforce
44.12 development fund is for a grant to the
44.13 Minnesota Technology Association to support
44.14 the SciTech internship program, a program
44.15 that supports science, technology, engineering,
44.16 and math (STEM) internship opportunities for
44.17 two- and four-year college students and
44.18 graduate students in their fields of study. The
44.19 internship opportunities must match students
44.20 with paid internships within STEM disciplines
44.21 at small, for-profit companies located in
44.22 Minnesota having fewer than 250 employees
44.23 worldwide. At least 325 students must be
44.24 matched each year. No more than 15 percent
44.25 of the hires may be graduate students. Selected
44.26 hiring companies shall receive from the grant
44.27 50 percent of the wages paid to the intern,
44.28 capped at \$3,000 per intern. The program must
44.29 work toward increasing the participation
44.30 among women or other underserved
44.31 populations. This is a onetime appropriation.

44.32 (q) \$750,000 each year is for grants to the
44.33 Minneapolis Park and Recreation Board's Teen
44.34 Teamworks youth employment and training
44.35 programs. This is a onetime appropriation and

45.1 available until June 30, 2027. Any
45.2 unencumbered balance remaining at the end
45.3 of the first year does not cancel but is available
45.4 in the second year.

45.5 (r) \$900,000 each year is for a grant to Avivo
45.6 to provide low-income individuals with career
45.7 education and job skills training that is fully
45.8 integrated with chemical and mental health
45.9 services. Of this amount, up to \$250,000 each
45.10 year is for a grant to Avivo to provide
45.11 resources and support services to survivors of
45.12 sex trafficking and domestic abuse in the
45.13 greater St. Cloud area as they search for
45.14 employment. Program resources include but
45.15 are not limited to costs for day care,
45.16 transportation, housing, legal advice, procuring
45.17 documents required for employment, interview
45.18 clothing, technology, and Internet access. The
45.19 program shall also include public outreach and
45.20 corporate training components to communicate
45.21 to the public and potential employers about
45.22 the specific struggles faced by survivors as
45.23 they re-enter the workforce. This is a onetime
45.24 appropriation.

45.25 (s) \$1,000,000 each year is for the getting to
45.26 work grant program under Minnesota Statutes,
45.27 section 116J.545. Of this amount, up to five
45.28 percent is for administration and monitoring
45.29 of the program. This is a onetime
45.30 appropriation.

45.31 (t) \$400,000 each year is for a grant to the
45.32 nonprofit 30,000 Feet to fund youth
45.33 apprenticeship jobs, wraparound services,
45.34 after-school programming, and summer
45.35 learning loss prevention efforts targeted at

46.1 African American youth. This is a onetime
46.2 appropriation.

46.3 (u) \$463,000 the first year is for a grant to the
46.4 Boys and Girls Club of Central Minnesota.
46.5 This is a onetime appropriation. Of this
46.6 amount:

46.7 (1) \$313,000 is to fund one year of free
46.8 full-service programming for a new program
46.9 in Waite Park that will employ part-time youth
46.10 development staff and provide community
46.11 volunteer opportunities for people of all ages.
46.12 Career exploration and life skills programming
46.13 will be a significant dimension of
46.14 programming at this new site; and

46.15 (2) \$150,000 is for planning and design for a
46.16 new multiuse facility for the Boys and Girls
46.17 Club of Waite Park and other community
46.18 partners, including the Waite Park Police
46.19 Department and the Whitney Senior Center.

46.20 (v) \$1,000,000 each year is for a grant to the
46.21 Minnesota Alliance of Boys and Girls Clubs
46.22 to administer a statewide project of youth job
46.23 skills and career development. This project,
46.24 which may have career guidance components
46.25 including health and life skills, must be
46.26 designed to encourage, train, and assist youth
46.27 in early access to education and job-seeking
46.28 skills, work-based learning experience,
46.29 including career pathways in STEM learning,
46.30 career exploration and matching, and first job
46.31 placement through local community
46.32 partnerships and on-site job opportunities. This
46.33 grant requires a 25 percent match from
46.34 nonstate resources. This is a onetime
46.35 appropriation.

47.1 (w) \$1,000,000 the first year is for a grant to
47.2 the Owatonna Area Chamber of Commerce
47.3 Foundation for the Learn and Earn Initiative
47.4 to help the Owatonna and Steele County
47.5 region grow and retain a talented workforce.
47.6 This is a onetime appropriation and is
47.7 available until June 30, 2025. Of this amount:

47.8 (1) \$900,000 is to develop an advanced
47.9 manufacturing career pathway program for
47.10 youth and adult learners with shared learning
47.11 spaces, state-of-the-art equipment, and
47.12 instructional support to grow and retain talent
47.13 in Owatonna; and

47.14 (2) \$100,000 is to create the Owatonna
47.15 Opportunity scholarship model for the Learn
47.16 and Earn Initiative for students and employers.

47.17 (x) \$250,000 each year from the workforce
47.18 development fund is for a grant to the White
47.19 Bear Center for the Arts for establishing a paid
47.20 internship program for high school students
47.21 to learn professional development skills
47.22 through an arts perspective. This is a onetime
47.23 appropriation.

47.24 (y) \$250,000 each year is for the Minnesota
47.25 Family Resiliency Partnership under
47.26 Minnesota Statutes, section 116L.96. The
47.27 commissioner, through the adult career
47.28 pathways program, shall distribute the money
47.29 to existing nonprofit and state displaced
47.30 homemaker programs. This is a onetime
47.31 appropriation.

47.32 (z) \$600,000 each year is for a grant to East
47.33 Side Neighborhood Services. This is a onetime
47.34 appropriation of which:

48.1 (1) \$300,000 each year is for the senior
48.2 community service employment program,
48.3 which provides work readiness training to
48.4 low-income adults ages 55 and older to
48.5 provide ongoing support and mentoring
48.6 services to the program participants as well as
48.7 the transition period from subsidized wages
48.8 to unsubsidized wages; and

48.9 (2) \$300,000 each year is for the nursing
48.10 assistant plus program to serve the increased
48.11 need for growth of medical talent pipelines
48.12 through expansion of the existing program and
48.13 development of in-house training.

48.14 The amounts specified in clauses (1) and (2)
48.15 may also be used to enhance employment
48.16 programming for youth and young adults, ages
48.17 14 to 24, to introduce them to work culture,
48.18 develop essential work readiness skills, and
48.19 make career plans through paid internship
48.20 experiences and work readiness training.

48.21 (aa) \$1,500,000 each year from the workforce
48.22 development fund is for a grant to Ujamaa
48.23 Place to assist primarily African American
48.24 men with job training, employment
48.25 preparation, internships, education, vocational
48.26 housing, and organizational capacity building.
48.27 This is a onetime appropriation.

48.28 (bb) \$500,000 each year is for a grant to
48.29 Comunidades Organizando el Poder y la
48.30 Acción Latina (COPAL) for worker center
48.31 programming that supports primarily
48.32 low-income, migrant, and Latinx workers with
48.33 career planning, workforce training and
48.34 education, workers' rights advocacy, health

49.1 resources and navigation, and wealth creation
49.2 resources. This is a onetime appropriation.

49.3 (cc) \$2,000,000 each year is for a grant to
49.4 Propel Nonprofits to provide capacity-building
49.5 grants and related technical assistance to small,
49.6 culturally specific organizations that primarily
49.7 serve historically underserved cultural
49.8 communities. Propel Nonprofits may only
49.9 award grants to nonprofit organizations that
49.10 have an annual organizational budget of less
49.11 than \$1,000,000. These grants may be used
49.12 for:

49.13 (1) organizational infrastructure
49.14 improvements, including developing database
49.15 management systems and financial systems,
49.16 or other administrative needs that increase the
49.17 organization's ability to access new funding
49.18 sources;

49.19 (2) organizational workforce development,
49.20 including hiring culturally competent staff,
49.21 training and skills development, and other
49.22 methods of increasing staff capacity; or

49.23 (3) creating or expanding partnerships with
49.24 existing organizations that have specialized
49.25 expertise in order to increase capacity of the
49.26 grantee organization to improve services to
49.27 the community.

49.28 Of this amount, up to five percent may be used
49.29 by Propel Nonprofits for administrative costs.
49.30 This is a onetime appropriation.

49.31 (dd) \$1,000,000 each year is for a grant to
49.32 Goodwill Easter Seals Minnesota and its
49.33 partners. The grant must be used to continue
49.34 the FATHER Project in Rochester, St. Cloud,

50.1 St. Paul, Minneapolis, and the surrounding
50.2 areas to assist fathers in overcoming barriers
50.3 that prevent fathers from supporting their
50.4 children economically and emotionally,
50.5 including with community re-entry following
50.6 confinement. This is a onetime appropriation.

50.7 (ee) \$250,000 the first year is for a grant to
50.8 the ProStart and Hospitality Tourism
50.9 Management Program for a well-established,
50.10 proven, and successful education program that
50.11 helps young people advance careers in the
50.12 hospitality industry and addresses critical
50.13 long-term workforce shortages in that industry.

50.14 (ff) \$450,000 each year is for grants to
50.15 Minnesota Diversified Industries to provide
50.16 inclusive employment opportunities and
50.17 services for people with disabilities. This is a
50.18 onetime appropriation.

50.19 (gg) \$1,000,000 the first year is for a grant to
50.20 Minnesota Diversified Industries to assist
50.21 individuals with disabilities through the
50.22 unified work model by offering virtual and
50.23 in-person career skills classes augmented with
50.24 virtual reality tools. Minnesota Diversified
50.25 Industries shall submit a report on the number
50.26 and demographics of individuals served, hours
50.27 of career skills programming delivered,
50.28 outreach to employers, and recommendations
50.29 for future career skills delivery methods to the
50.30 chairs and ranking minority members of the
50.31 legislative committees with jurisdiction over
50.32 labor and workforce development policy and
50.33 finance by January 15, 2026. This is a onetime
50.34 appropriation and is available until June 30,
50.35 2025.

51.1 (hh) \$1,264,000 each year is for a grant to
51.2 Summit Academy OIC to expand employment
51.3 placement, GED preparation and
51.4 administration, and STEM programming in
51.5 the Twin Cities, Saint Cloud, and Bemidji.
51.6 This is a onetime appropriation.

51.7 (ii) \$500,000 each year is for a grant to
51.8 Minnesota Independence College and
51.9 Community to provide employment
51.10 preparation, job placement, job retention, and
51.11 service coordination services to adults with
51.12 autism and learning differences. This is a
51.13 onetime appropriation.

51.14 (jj) \$1,000,000 the first year and \$2,000,000
51.15 the second year are for a clean economy
51.16 equitable workforce grant program. Money
51.17 must be used for grants to support partnership
51.18 development, planning, and implementation
51.19 of workforce readiness programs aimed at
51.20 workers who are Black, Indigenous, and
51.21 People of Color. Programs must include
51.22 workforce training, career development,
51.23 workers' rights training, employment
51.24 placement, and culturally appropriate job
51.25 readiness and must prepare workers for careers
51.26 in the high-demand fields of construction,
51.27 clean energy, and energy efficiency. Grants
51.28 must be given to nonprofit organizations that
51.29 serve historically disenfranchised
51.30 communities, including new Americans, with
51.31 preference for organizations that are new
51.32 providers of workforce programming or which
51.33 have partnership agreements with registered
51.34 apprenticeship programs. This is a onetime
51.35 appropriation.

52.1 (kk) \$350,000 the first year and \$25,000 the
52.2 second year are for a grant to the University
52.3 of Minnesota Tourism Center for the creation
52.4 and operation of an online hospitality training
52.5 program in partnership with Explore
52.6 Minnesota Tourism. This training program
52.7 must be made available at no cost to
52.8 Minnesota residents in an effort to address
52.9 critical workforce shortages in the hospitality
52.10 and tourism industries and assist in career
52.11 development. The base for this appropriation
52.12 is \$25,000 in fiscal year 2026 and each year
52.13 thereafter for ongoing system maintenance,
52.14 management, and content updates.

52.15 (ll) \$3,000,000 the first year is for competitive
52.16 grants to support high school robotics teams
52.17 and prepare youth for careers in STEM fields.
52.18 Of this amount, \$2,000,000 is for creating
52.19 internships for high school students to work
52.20 at private companies in STEM fields,
52.21 including the payment of student stipends.
52.22 This is a onetime appropriation and is
52.23 available until June 30, 2028.

52.24 (mm) \$750,000 each year is for grants to the
52.25 nonprofit Sanneh Foundation to fund
52.26 out-of-school and summer programs focused
52.27 on mentoring and behavioral, social, and
52.28 emotional learning interventions and
52.29 enrichment activities directed toward
52.30 low-income students of color. This is a
52.31 onetime appropriation and available until June
52.32 30, ~~2026~~ 2027.

52.33 (nn) \$1,000,000 each year is for a grant to the
52.34 Hmong American Partnership to expand job
52.35 training and placement programs primarily

53.1 serving the Southeast Asian community. This
53.2 is a onetime appropriation.

53.3 (oo) \$1,000,000 each year is for a grant to
53.4 Comunidades Latinas Unidas En Servicio
53.5 (CLUES) to address employment, economic,
53.6 and technology access disparities for
53.7 low-income unemployed or underemployed
53.8 individuals. Grant money must support
53.9 short-term certifications and transferable skills
53.10 in high-demand fields, workforce readiness,
53.11 customized financial capability, and
53.12 employment supports. At least 50 percent of
53.13 this amount must be used for programming
53.14 targeted at greater Minnesota. This is a
53.15 onetime appropriation.

53.16 (pp) \$300,000 each year is for a grant to All
53.17 Square. The grant must be used to support the
53.18 operations of All Square's Fellowship and
53.19 Prison to Law Pipeline programs which
53.20 operate in Minneapolis, St. Paul, and
53.21 surrounding correctional facilities to assist
53.22 incarcerated and formerly incarcerated
53.23 Minnesotans in overcoming employment
53.24 barriers that prevent economic and emotional
53.25 freedom. This is a onetime appropriation.

53.26 (qq) \$1,000,000 each year is for a grant to the
53.27 Redemption Project to provide employment
53.28 services to adults leaving incarceration,
53.29 including recruiting, educating, training, and
53.30 retaining employment mentors and partners.
53.31 This is a onetime appropriation.

53.32 (rr) \$500,000 each year is for a grant to
53.33 Greater Twin Cities United Way to make
53.34 grants to partner organizations to provide
53.35 workforce training using the career pathways

54.1 model that helps students gain work
54.2 experience, earn experience in high-demand
54.3 fields, and transition into family-sustaining
54.4 careers. This is a onetime appropriation.

54.5 (ss) \$3,000,000 each year is for a grant to
54.6 Community Action Partnership of Hennepin
54.7 County. This is a onetime appropriation. Of
54.8 this amount:

54.9 (1) \$1,500,000 each year is for grants to 21
54.10 Days of Peace for social equity building and
54.11 community engagement activities; and

54.12 (2) \$1,500,000 each year is for grants to A
54.13 Mother's Love for community outreach,
54.14 empowerment training, and employment and
54.15 career exploration services.

54.16 (tt) \$750,000 each year is for a grant to Mind
54.17 the G.A.P.P. (Gaining Assistance to Prosperity
54.18 Program) to improve the quality of life of
54.19 unemployed and underemployed individuals
54.20 by improving their employment outcomes and
54.21 developing individual earnings potential. This
54.22 is a onetime appropriation. Any unencumbered
54.23 balance remaining at the end of the first year
54.24 does not cancel but is available in the second
54.25 year.

54.26 (uu) \$550,000 each year is for a grant to the
54.27 International Institute of Minnesota. Grant
54.28 money must be used for workforce training
54.29 for new Americans in industries in need of a
54.30 trained workforce. This is a onetime
54.31 appropriation.

54.32 (vv) \$400,000 each year from the workforce
54.33 development fund is for a grant to Hired to
54.34 expand their career pathway job training and

55.1 placement program that connects lower-skilled
55.2 job seekers to entry-level and gateway jobs in
55.3 high-growth sectors. This is a onetime
55.4 appropriation.

55.5 (ww) \$500,000 each year is for a grant to the
55.6 American Indian Opportunities and
55.7 Industrialization Center for workforce
55.8 development programming, including reducing
55.9 academic disparities for American Indian
55.10 students and adults. This is a onetime
55.11 appropriation.

55.12 (xx) \$500,000 each year from the workforce
55.13 development fund is for a grant to the Hmong
55.14 Chamber of Commerce to train ethnically
55.15 Southeast Asian business owners and
55.16 operators in better business practices. Of this
55.17 amount, up to \$5,000 may be used for
55.18 administrative costs. This is a onetime
55.19 appropriation.

55.20 (yy) \$275,000 each year is for a grant to
55.21 Southeast Minnesota Workforce Development
55.22 Area 8 and Workforce Development, Inc., to
55.23 provide career planning, career pathway
55.24 training and education, wraparound support
55.25 services, and job skills advancement in
55.26 high-demand careers to individuals with
55.27 barriers to employment in Steele County, and
55.28 to help families build secure pathways out of
55.29 poverty and address worker shortages in the
55.30 Owatonna and Steele County area, as well as
55.31 supporting Employer Outreach Services that
55.32 provide solutions to workforce challenges and
55.33 direct connections to workforce programming.
55.34 Money may be used for program expenses,
55.35 including but not limited to hiring instructors

56.1 and navigators; space rental; and supportive
56.2 services to help participants attend classes,
56.3 including assistance with course fees, child
56.4 care, transportation, and safe and stable
56.5 housing. Up to five percent of grant money
56.6 may be used for Workforce Development,
56.7 Inc.'s administrative costs. This is a onetime
56.8 appropriation and is available until June 30,
56.9 2027.

56.10 (zz) \$589,000 the first year and \$588,000 the
56.11 second year are for grants to the Black
56.12 Women's Wealth Alliance to provide
56.13 low-income individuals with job skills
56.14 training, career counseling, and job placement
56.15 assistance. This is a onetime appropriation.

56.16 (aaa) \$250,000 each year is for a grant to
56.17 Abijahs on the Backside to provide equine
56.18 experiential mental health therapy to first
56.19 responders suffering from job-related trauma
56.20 and post-traumatic stress disorder. For
56.21 purposes of this paragraph, a "first responder"
56.22 is a peace officer as defined in Minnesota
56.23 Statutes, section 626.84, subdivision 1,
56.24 paragraph (c); a full-time firefighter as defined
56.25 in Minnesota Statutes, section 299N.03,
56.26 subdivision 5; or a volunteer firefighter as
56.27 defined in Minnesota Statutes, section
56.28 299N.03, subdivision 7.

56.29 Abijahs on the Backside must report to the
56.30 commissioner of employment and economic
56.31 development and the chairs and ranking
56.32 minority members of the legislative
56.33 committees with jurisdiction over employment
56.34 and economic development policy and finance
56.35 on the equine experiential mental health

57.1 therapy provided to first responders under this
57.2 paragraph. The report must include an
57.3 overview of the program's budget, a detailed
57.4 explanation of program expenditures, the
57.5 number of first responders served by the
57.6 program, and a list and explanation of the
57.7 services provided to and benefits received by
57.8 program participants. An initial report is due
57.9 by January 15, 2024, and a final report is due
57.10 by January 15, 2026. This is a onetime
57.11 appropriation.

57.12 (bbb) \$500,000 each year is for a grant to
57.13 Ramsey County to provide job training and
57.14 workforce development for underserved
57.15 communities. Grant money may be subgranted
57.16 to Milestone Community Development for the
57.17 Milestone Tech program. This is a onetime
57.18 appropriation.

57.19 (ccc) \$500,000 each year is for a grant to
57.20 Ramsey County for a technology training
57.21 pathway program focused on intergenerational
57.22 community tech work for residents who are
57.23 at least 18 years old and no more than 24 years
57.24 old and ~~who live in a census tract that has a~~
57.25 ~~poverty rate of at least 20 percent as reported~~
57.26 ~~in the most recently completed decennial~~
57.27 ~~census published by the United States Bureau~~
57.28 ~~of the Census~~ whose household income is at
57.29 or below 200 percent of the federal poverty
57.30 level. Grant money may be used for program
57.31 administration, training, training stipends,
57.32 wages, and support services. This is a onetime
57.33 appropriation.

57.34 (ddd) \$200,000 each year is for a grant to
57.35 Project Restore Minnesota for the Social

58.1 Kitchen project, a pathway program for careers
58.2 in the culinary arts. This is a onetime
58.3 appropriation and is available until June 30,
58.4 2027.

58.5 (eee) \$100,000 each year is for grants to the
58.6 Minnesota Grocers Association Foundation
58.7 for Carts to Careers, a statewide initiative to
58.8 promote careers, conduct outreach, provide
58.9 job skills training, and award scholarships for
58.10 students pursuing careers in the food industry.
58.11 This is a onetime appropriation.

58.12 (fff) \$1,200,000 each year is for a grant to
58.13 Twin Cities R!SE. Of this amount, \$700,000
58.14 each year is for performance grants under
58.15 Minnesota Statutes, section 116J.8747, to
58.16 Twin Cities R!SE to provide training to
58.17 individuals facing barriers to employment;
58.18 and \$500,000 each year is to increase the
58.19 capacity of the Empowerment Institute through
58.20 employer partnerships across Minnesota and
58.21 expansion of the youth personal empowerment
58.22 curriculum. This is a onetime appropriation
58.23 and available until June 30, 2026.

58.24 (ggg) \$750,000 each year is for a grant to
58.25 Bridges to Healthcare to provide career
58.26 education, wraparound support services, and
58.27 job skills training in high-demand health care
58.28 fields to low-income parents, nonnative
58.29 speakers of English, and other hard-to-train
58.30 individuals, helping families build secure
58.31 pathways out of poverty while also addressing
58.32 worker shortages in one of Minnesota's most
58.33 innovative industries. Grants may be used for
58.34 program expenses, including but not limited
58.35 to hiring instructors and navigators; space

59.1 rental; and supportive services to help
59.2 participants attend classes, including assistance
59.3 with course fees, child care, transportation,
59.4 and safe and stable housing. In addition, up to
59.5 five percent of grant money may be used for
59.6 Bridges to Healthcare's administrative costs.
59.7 This is a onetime appropriation.

59.8 (hhh) \$500,000 each year is for a grant to Big
59.9 Brothers Big Sisters of the Greater Twin Cities
59.10 to provide disadvantaged youth ages 12 to 21
59.11 with job-seeking skills, connections to job
59.12 training and education opportunities, and
59.13 mentorship while exploring careers. The grant
59.14 shall serve youth in the Big Brothers Big
59.15 Sisters chapters in the Twin Cities, central
59.16 Minnesota, and southern Minnesota. This is a
59.17 onetime appropriation.

59.18 (iii) \$3,000,000 each year is for a grant to
59.19 Youthprise to provide economic development
59.20 services designed to enhance long-term
59.21 economic self-sufficiency in communities with
59.22 concentrated African populations statewide.
59.23 Of these amounts, 50 percent is for subgrants
59.24 to Ka Joog and 50 percent is for competitive
59.25 subgrants to community organizations. This
59.26 is a onetime appropriation.

59.27 (jjj) \$350,000 each year is for a grant to the
59.28 YWCA Minneapolis to provide training to
59.29 eligible individuals, including job skills
59.30 training, career counseling, and job placement
59.31 assistance necessary to secure a child
59.32 development associate credential and to have
59.33 a career path in early education. This is a
59.34 onetime appropriation.

60.1 (kkk) \$500,000 each year is for a grant to
60.2 Emerge Community Development to support
60.3 and reinforce critical workforce training at the
60.4 Emerge Career and Technical Center, Cedar
60.5 Riverside Opportunity Center, and Emerge
60.6 Second Chance programs in the city of
60.7 Minneapolis. This is a onetime appropriation.

60.8 (lll) \$425,000 each year is for a grant to Better
60.9 Futures Minnesota to provide job skills
60.10 training to individuals who have been released
60.11 from incarceration for a felony-level offense
60.12 and are no more than 12 months from the date
60.13 of release. This is a onetime appropriation.

60.14 Better Futures Minnesota shall annually report
60.15 to the commissioner on how the money was
60.16 spent and what results were achieved. The
60.17 report must include, at a minimum,
60.18 information and data about the number of
60.19 participants; participant homelessness,
60.20 employment, recidivism, and child support
60.21 compliance; and job skills training provided
60.22 to program participants.

60.23 (mmm) \$500,000 each year is for a grant to
60.24 Pillsbury United Communities to provide job
60.25 training and workforce development services
60.26 for underserved communities. This is a
60.27 onetime appropriation.

60.28 (nnn) \$500,000 each year is for a grant to
60.29 Project for Pride in Living for job training and
60.30 workforce development services for
60.31 underserved communities. This is a onetime
60.32 appropriation.

60.33 (ooo) \$300,000 each year is for a grant to
60.34 YMCA of the North to provide career

61.1 exploration, job training, and workforce
61.2 development services for underserved youth
61.3 and young adults. This is a onetime
61.4 appropriation.

61.5 (ppp) \$500,000 each year is for a grant to Al
61.6 Maa'uun, formerly the North at Work program,
61.7 for a strategic intervention program designed
61.8 to target and connect program participants to
61.9 meaningful, sustainable living wage
61.10 employment. This is a onetime appropriation.

61.11 (qqq) \$500,000 each year is for a grant to
61.12 CAIRO to provide workforce development
61.13 services in health care, technology, and
61.14 transportation (CDL) industries. This is a
61.15 onetime appropriation.

61.16 (rrr) \$500,000 each year is for a grant to the
61.17 Central Minnesota Community Empowerment
61.18 Organization for providing services to relieve
61.19 economic disparities in the African immigrant
61.20 community through workforce recruitment,
61.21 development, job creation, assistance of
61.22 smaller organizations to increase capacity, and
61.23 outreach. Of this amount, up to five percent
61.24 is for administration and monitoring of the
61.25 program. This is a onetime appropriation.

61.26 (sss) \$270,000 each year is for a grant to the
61.27 Stairstep Foundation for community-based
61.28 workforce development efforts. This is a
61.29 onetime appropriation.

61.30 (ttt) \$400,000 each year is for a grant to
61.31 Building Strong Communities, Inc, for a
61.32 statewide apprenticeship readiness program
61.33 to prepare women, BIPOC community
61.34 members, and veterans to enter the building

62.1 and construction trades. This is a onetime
62.2 appropriation.

62.3 (uuu) \$150,000 each year is for prevailing
62.4 wage staff under Minnesota Statutes, section
62.5 116J.871, subdivision 2.

62.6 (vvv) \$250,000 each year is for the purpose
62.7 of awarding a grant to Minnesota Community
62.8 of African People with Disabilities
62.9 (MNCAPD), Roots Connect, and Fortune
62.10 Relief and Youth Empowerment Organization
62.11 (FRAYEO). This is a onetime appropriation.
62.12 MNCAPD, Roots Connect, and FRAYEO
62.13 must use grant proceeds to provide funding
62.14 for workforce development activities for
62.15 at-risk youth from low-income families and
62.16 unengaged young adults experiencing
62.17 disabilities, including:

62.18 (1) job readiness training for at-risk youth,
62.19 including resume building, interview skills,
62.20 and job search strategies;

62.21 (2) on-the-job training opportunities with local
62.22 businesses;

62.23 (3) support services such as transportation
62.24 assistance and child care to help youth attend
62.25 job training programs; and

62.26 (4) mentorship and networking opportunities
62.27 to connect youth with professionals in the
62.28 youth's desired fields.

62.29 (www)(1) \$250,000 each year is for a grant
62.30 to Greater Rochester Advocates for
62.31 Universities and Colleges (GRAUC), a
62.32 collaborative organization representing health
62.33 care, business, workforce development, and
62.34 higher education institutions, for expenses

63.1 relating to starting up a state-of-the-art
63.2 simulation center for training health care
63.3 workers in southeast Minnesota. Once
63.4 established, this center must be self-sustaining
63.5 through user fees. Eligible expenses include
63.6 leasing costs, developing and providing
63.7 training, and operational costs. This is a
63.8 onetime appropriation.

63.9 (2) By January 15, 2025, GRAUC must submit
63.10 a report, including an independent financial
63.11 audit of the use of grant money, to the chairs
63.12 and ranking minority members of the
63.13 legislative committees having jurisdiction over
63.14 higher education and economic development.
63.15 This report must include details on the training
63.16 provided at the simulation center, including
63.17 the names of all organizations that use the
63.18 center for training, the number of individuals
63.19 each organization trained, and the type of
63.20 training provided.

63.21 (xxx)(1) \$350,000 each year is for a grant to
63.22 the Minnesota Association of Black Lawyers
63.23 for a pilot program supporting black
63.24 undergraduate students pursuing admission to
63.25 law school. This is a onetime appropriation.

63.26 (2) The program must:

63.27 (i) enroll an initial cohort of ten to 20 black
63.28 Minnesota resident students attending a
63.29 baccalaureate degree-granting postsecondary
63.30 institution in Minnesota full time;

63.31 (ii) support each of the program's students with
63.32 an academic scholarship in the amount of
63.33 \$4,000 per academic year;

64.1 (iii) organize events and programming,
64.2 including but not limited to one-on-one
64.3 mentoring, to familiarize enrolled students
64.4 with law school and legal careers; and

64.5 (iv) provide the program's students free test
64.6 preparation materials, academic support, and
64.7 registration for the Law School Admission
64.8 Test (LSAT) examination.

64.9 (3) The Minnesota Association of Black
64.10 Lawyers may use grant funds under clause (1)
64.11 for costs related to:

64.12 (i) student scholarships;

64.13 (ii) academic events and programming,
64.14 including food and transportation costs for
64.15 students;

64.16 (iii) LSAT preparation materials, courses, and
64.17 registrations; and

64.18 (iv) hiring staff for the program.

64.19 (4) By January 30, 2024, and again by January
64.20 30, 2025, the Minnesota Association of Black
64.21 Lawyers must submit a report to the
64.22 commissioner and to the chairs and ranking
64.23 minority members of legislative committees
64.24 with jurisdiction over workforce development
64.25 finance and policy and higher education
64.26 finance and policy. The report must include
64.27 an accurate and detailed account of the pilot
64.28 program, its outcomes, and its revenues and
64.29 expenses, including the use of all state funds
64.30 appropriated in clause (1).

64.31 (yyy) \$2,000,000 the first year is for a grant
64.32 to the Power of People Leadership Institute
64.33 (POPLI) to expand pre- and post-release

65.1 personal development and leadership training
65.2 and community reintegration services, to
65.3 reduce recidivism, and increase access to
65.4 employment. This is a onetime appropriation
65.5 and is available until June 30, 2025.

65.6 (zzz) \$500,000 the first year is to the
65.7 Legislative Coordinating Commission for the
65.8 Working Group on Youth Interventions. This
65.9 is a onetime appropriation.

65.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

65.11 Sec. 8. Laws 2023, chapter 53, article 20, section 2, subdivision 4, is amended to read:

65.12	Subd. 4. General Support Services	18,045,000	8,045,000
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65.13	Appropriations by Fund		
65.14		2024	2025
65.15	General Fund	17,950,000	7,950,000
65.16	Workforce		
65.17	Development	95,000	95,000

65.18 The base for the general support services
65.19 division in fiscal year 2026 is \$5,950,000 for
65.20 the general fund and \$95,000 for the
65.21 workforce development fund.

65.22 (a) \$1,269,000 each year is for transfer to the
65.23 Minnesota Housing Finance Agency for
65.24 operating the Olmstead Compliance Office.

65.25 (b) \$10,000,000 the first year is for the
65.26 workforce digital transformation projects. This
65.27 appropriation is onetime and is available until
65.28 June 30, 2027.

65.29 Sec. 9. Laws 2023, chapter 53, article 20, section 2, subdivision 6, is amended to read:

65.30			45,691,000
65.31	Subd. 6. Vocational Rehabilitation	45,691,000	<u>40,636,000</u>

66.1	Appropriations by Fund		
66.2		2024	2025
66.3			37,861,000
66.4	General	37,861,000	<u>32,806,000</u>
66.5	Workforce		
66.6	Development	7,830,000	7,830,000
66.7	(a) \$14,300,000 each year is for the state's		
66.8	vocational rehabilitation program under		
66.9	Minnesota Statutes, chapter 268A.		
66.10	(b) \$11,495,000 each year from the general		
66.11	fund and \$6,830,000 each year from the		
66.12	workforce development fund are for extended		
66.13	employment services for persons with severe		
66.14	disabilities under Minnesota Statutes, section		
66.15	268A.15. Of the amounts appropriated from		
66.16	the general fund, \$4,500,000 each year is for		
66.17	maintaining prior rate increases to providers		
66.18	of extended employment services for persons		
66.19	with severe disabilities under Minnesota		
66.20	Statutes, section 268A.15.		
66.21	(c) \$5,055,000 each year <u>in the first year</u> is for		
66.22	grants to programs that provide employment		
66.23	support services to persons with mental illness		
66.24	under Minnesota Statutes, sections 268A.13		
66.25	and 268A.14, <u>and is available until June 30,</u>		
66.26	<u>2025</u> . The base for this appropriation is		
66.27	\$2,555,000 in fiscal year 2026 and each year		
66.28	thereafter.		
66.29	(d) \$7,011,000 each year is for grants to		
66.30	centers for independent living under		
66.31	Minnesota Statutes, section 268A.11. This		
66.32	appropriation is available until June 30, 2027.		
66.33	The base for this appropriation is \$3,011,000		
66.34	in fiscal year 2026 and each year thereafter.		

67.1 (e) \$1,000,000 each year is from the workforce
67.2 development fund for grants under Minnesota
67.3 Statutes, section 268A.16, for employment
67.4 services for persons, including transition-age
67.5 youth, who are deaf, deafblind, or
67.6 hard-of-hearing. If the amount in the first year
67.7 is insufficient, the amount in the second year
67.8 is available in the first year.

67.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

67.10 Sec. 10. Laws 2023, chapter 53, article 20, section 3, is amended to read:

67.11				40,954,000		
67.12	Sec. 3. EXPLORE MINNESOTA TOURISM	\$	<u>40,554,000</u>	\$		21,369,000

67.13 (a) \$500,000 each year must be matched from
67.14 nonstate sources to develop maximum private
67.15 sector involvement in tourism. Each \$1 of state
67.16 incentive must be matched with \$6 of private
67.17 sector money. "Matched" means revenue to
67.18 the state or documented in-kind, soft match,
67.19 or cash expenditures directly expended to
67.20 support Explore Minnesota Tourism under
67.21 Minnesota Statutes, section 116U.05. The
67.22 incentive in fiscal year 2024 is based on fiscal
67.23 year 2023 private sector contributions. The
67.24 incentive in fiscal year 2025 is based on fiscal
67.25 year 2024 private sector contributions. This
67.26 incentive is ongoing.

67.27 (b) \$11,000,000 the first year is for the
67.28 development of Explore Minnesota for
67.29 Business under Minnesota Statutes, section
67.30 116U.07, to market the overall livability and
67.31 economic opportunities of Minnesota. This is
67.32 a onetime appropriation.

67.33 (c) \$5,500,000 each year is for the
67.34 development of new initiatives for Explore

68.1 Minnesota Tourism. If the amount in the first
68.2 year is insufficient, the amount in the second
68.3 year is available in the first year. This is a
68.4 onetime appropriation.

68.5 (d) ~~\$6,047,000~~ \$5,647,000 the first year and
68.6 \$600,000 the second year is for grants for
68.7 infrastructure and associated costs for cultural
68.8 festivals and events, including but not limited
68.9 to buildout, permits, sanitation and
68.10 maintenance services, transportation, staffing,
68.11 event programming, public safety, facilities
68.12 and equipment rentals, signage, and insurance.
68.13 This is a onetime appropriation. Of this
68.14 amount:

68.15 (1) \$1,847,000 the first year is for a grant to
68.16 the Minneapolis Downtown Council for the
68.17 Taste of Minnesota event;

68.18 (2) \$1,200,000 the first year is for a grant to
68.19 the Stairstep Foundation for African American
68.20 cultural festivals and events;

68.21 (3) ~~\$1,200,000~~ \$800,000 the first year is for
68.22 grants for Somali community and cultural
68.23 festivals and events, including festivals and
68.24 events in greater Minnesota, as follows:

68.25 (i) \$400,000 is for a grant to Ka Joog; and

68.26 (ii) \$400,000 is for a grant to the Somali
68.27 Museum of Minnesota; ~~and~~

68.28 ~~(iii) \$400,000 is for a grant to ESHARA;~~

68.29 (4) \$1,200,000 the first year is for a grant to
68.30 West Side Boosters for Latino cultural
68.31 festivals and events; and

68.32 (5) \$600,000 the first year and \$600,000 the
68.33 second year are for grants to the United

69.1 Hmong Family, Inc. for the Hmong
69.2 International Freedom Festival event.

69.3 (e) Money for marketing grants is available
69.4 either year of the biennium. Unexpended grant
69.5 money from the first year is available in the
69.6 second year.

69.7 (f) The base for Explore Minnesota is
69.8 \$17,023,000 from the general fund in fiscal
69.9 year 2026 and each year thereafter.

69.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

69.11 Sec. 11. Laws 2023, chapter 53, article 21, section 6, is amended to read:

69.12 Sec. 6. **TRANSFERS.**

69.13 (a) In the biennium ending on June 30, 2025, the commissioner of management and
69.14 budget must transfer \$400,000,000 from the general fund to the Minnesota forward fund
69.15 account established in Minnesota Statutes, section 116J.8752, subdivision 2. The base for
69.16 this transfer is \$0.

69.17 (b) In the biennium ending on June 30, 2025, the commissioner of management and
69.18 budget shall transfer \$25,000,000 from the general fund to the Minnesota climate innovation
69.19 authority account established in Minnesota Statutes, section 216C.441, subdivision 11. The
69.20 base for this transfer is \$0.

69.21 (c) In the biennium ending on June 30, 2025, the commissioner of management and
69.22 budget must transfer \$75,000,000 from the general fund to the state competitiveness fund
69.23 account established in Minnesota Statutes, section 216C.391, subdivision 2. Notwithstanding
69.24 Minnesota Statutes, section 216C.391, subdivision 2, the commissioner of commerce must
69.25 use this transfer for grants to eligible entities for projects receiving federal loans or tax
69.26 credits where the benefits are in disadvantaged communities. The base for this transfer is
69.27 \$0. Up to three percent of money transferred under this paragraph is for administrative costs.

69.28 (d) ~~In the biennium ending on June 30, 2027,~~ The commissioners of management and
69.29 budget, in consultation with the commissioners of employment and economic development
69.30 and commerce, may transfer money between the Minnesota forward fund account, the
69.31 Minnesota climate innovation authority account, and the state competitiveness fund account.

70.1 The commissioner of management and budget must notify the Legislative Advisory
70.2 Commission within 15 days of making transfers under this paragraph.

70.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

70.4 Sec. 12. Laws 2023, chapter 53, article 21, section 7, is amended to read:

70.5 Sec. 7. **APPROPRIATIONS.**

70.6 (a) \$50,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund
70.7 account to the commissioner of employment and economic development for providing
70.8 businesses with matching funds required by federal programs. Money awarded under this
70.9 program is made retroactive to February 1, 2023, for applications and projects. The
70.10 commissioner may use up to two percent of this appropriation for administration. This is a
70.11 onetime appropriation and is available until June 30, 2027. Any funds that remain unspent
70.12 are canceled to the general fund.

70.13 (b) \$100,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund
70.14 account to the commissioner of employment and economic development to match existing
70.15 federal funds made available in the Consolidated Appropriations Act, Public Law 117-328.
70.16 This appropriation must be used to (1) construct and operate a bioindustrial manufacturing
70.17 pilot innovation facility, biorefinery, or commercial campus utilizing agricultural feedstocks
70.18 or (2) for a Minnesota aerospace center for research, development, and testing, or both (1)
70.19 and (2). This appropriation is not subject to the grant limit requirements of Minnesota
70.20 Statutes, section 116J.8752, subdivision 4, paragraph (b), and 5. Notwithstanding
70.21 Minnesota Statutes, section 116J.8752, subdivision 4, paragraph (a), this appropriation may
70.22 include land acquisition as an eligible use to construct a bioindustrial manufacturing pilot
70.23 innovation facility, a biorefinery, and an aerospace center for research, development, and
70.24 testing. The commissioner may use up to two percent of this appropriation for administration.
70.25 This is a onetime appropriation and is available until June 30, 2027. Any funds that remain
70.26 unspent are canceled to the general fund.

70.27 (c) \$250,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund
70.28 account to the commissioner of employment and economic development to match federal
70.29 funds made available in the Chips and Science Act, Public Law 117-167. Money awarded
70.30 under this program is made retroactive to February 1, 2023, for applications and projects.
70.31 This appropriation is not subject to Minnesota Statutes, section 116J.8752, subdivision 5.
70.32 The commissioner may use up two percent for administration. This is a onetime appropriation

71.1 and is available until June 30, 2027. Any funds that remain unspent are canceled to the
71.2 general fund.

71.3 (d) The commissioner may use the appropriation under paragraph (c) to allocate up to
71.4 15 percent of the total project cost with a maximum of \$75,000,000 per project for the
71.5 purpose of constructing, modernizing, or expanding commercial facilities on the front- and
71.6 back-end fabrication of leading-edge, current-generation, and mature-node semiconductors;
71.7 funding semiconductor materials and manufacturing equipment facilities; and for research
71.8 and development facilities.

71.9 (e) The commissioner may use the appropriation under paragraph (c) to award:

71.10 (1) grants to institutions of higher education for developing and deploying training
71.11 programs and to build pipelines to serve the needs of industry; and

71.12 (2) grants to increase the capacity of institutions of higher education to serve industrial
71.13 requirements for research and development that coincide with current and future requirements
71.14 of projects eligible under this section. Grant money may be used to construct and equip
71.15 facilities that serve the purpose of the industry. The maximum grant award per institution
71.16 of higher education under this section is \$5,000,000 and may not represent more than 50
71.17 percent of the total project funding from other sources. Use of this funding must be supported
71.18 by businesses receiving funds under clause (1).

71.19 (f) Money appropriated in paragraphs (a), (b), and (c) may be transferred between
71.20 appropriations within the Minnesota forward fund account by the commissioner of
71.21 employment and economic development with approval of the commissioner of management
71.22 and budget. The commissioner must notify the Legislative Advisory Commission at least
71.23 15 days prior to changing appropriations under this paragraph.

71.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

71.25 Sec. 13. **JOB CREATION FUND; TRANSFER OUT.**

71.26 \$3,000,000 in fiscal year 2025 is transferred from the job creation fund under Minnesota
71.27 Statutes, section 116J.8748, to the general fund. This is a onetime transfer.

71.28 Sec. 14. **REPORT TO LEGISLATURE.**

71.29 Subdivision 1. **Application.** This section applies to any grant funded under this act
71.30 whether the recipient of the grant is individually specified, or if not individually specified,
71.31 will result in a grant to a single recipient.

72.1 Subd. 2. **Reporting to the commissioner.** In addition to meeting any other reporting
72.2 requirements under existing law, included in a grant agreement, or as specified in an
72.3 appropriation in this act, a grant recipient subject to this section must provide the information
72.4 necessary for the commissioner to submit the report required under subdivision 3.

72.5 Subd. 3. **Report to legislature.** By January 15, 2026, the commissioner of employment
72.6 and economic development must submit a report to the chairs and ranking minority members
72.7 of the legislative committees with jurisdiction over economic development or workforce
72.8 development, as applicable, with the following information:

72.9 (1) a detailed accounting of the use of any grant funds;

72.10 (2) the portion of the grant, if any, spent on the recipient's administrative expenses;

72.11 (3) the number of individuals served by the grant; and

72.12 (4) any other reporting requirement specified for an appropriation under this act.

72.13 **Sec. 15. CANCELLATIONS.**

72.14 (a) Notwithstanding Laws 2023, chapter 53, article 20, section 2, subdivision 2, paragraph
72.15 (dd), if the Bureau International des Expositions does not approve the Expo 2027 project,
72.16 the money appropriated in Laws 2023, chapter 53, article 20, section 2, subdivision 2,
72.17 paragraph (dd), cancels to the general fund.

72.18 (b) The unencumbered balance of the appropriation to the commissioner of employment
72.19 and economic development for the workforce housing grant program in Laws 2015, First
72.20 Special Session article 1, section 2, subdivision 2, paragraph (l), is canceled to the general
72.21 fund.

72.22 **ARTICLE 2**

72.23 **POLICY**

72.24 **Section 1.** Minnesota Statutes 2023 Supplement, section 116L.43, subdivision 1, is amended
72.25 to read:

72.26 **Subdivision 1. Definitions.** (a) For the purposes of this section, the following terms have
72.27 the meanings given.

72.28 (b) "Community-based organization" means a nonprofit organization that:

72.29 (1) provides workforce development programming or services;

72.30 ~~(2) has an annual organizational budget of no more than \$1,000,000;~~

73.1 ~~(3)~~ (2) has its primary office located in a historically underserved community of color
73.2 or low-income community; and

73.3 ~~(4)~~ (3) serves a population that generally reflects the demographics of that local
73.4 community.

73.5 (c) "Entry level jobs" means part-time or full-time jobs that an individual can perform
73.6 without any prior education or experience.

73.7 (d) "High wage" means the income needed for a family to cover minimum necessary
73.8 expenses in a given geographic area, including food, child care, health care, housing, and
73.9 transportation.

73.10 (e) "Industry specific certification" means a credential an individual can earn to show
73.11 proficiency in a particular area or skill.

73.12 (f) "Remedial training" means additional training provided to staff following the
73.13 identification of a need and intended to increase proficiency in performing job tasks.

73.14 (g) "Small business" has the same meaning as section 645.445.

73.15 Sec. 2. [116U.255] EXPLORE MINNESOTA FILM.

73.16 Subdivision 1. Office established; director. (a) Explore Minnesota Film is established
73.17 as an office within Explore Minnesota.

73.18 (b) The director of Explore Minnesota shall appoint the director of Explore Minnesota
73.19 Film. The director of Explore Minnesota Film must be qualified by experience with issues
73.20 related to film and television production and economic development.

73.21 (c) The office may employ staff necessary to carry out the duties required in this section.

73.22 Subd. 2. Duties. The director of Explore Minnesota Film is authorized to:

73.23 (1) administer the film production jobs program and the film production credit program;

73.24 (2) promote Minnesota as a location for film and television production;

73.25 (3) assist in the establishment and implementation of programs related to film and
73.26 television production, including but not limited to permitting and workforce development;

73.27 (4) improve communication among local, state, federal, and private entities regarding
73.28 film and television production logistics and best practices;

73.29 (5) coordinate the development of statewide policies addressing film and television
73.30 production; and

74.1 (6) act as a liaison to production entities, workers, and state agencies.

74.2 Sec. 3. Minnesota Statutes 2022, section 116U.26, is amended to read:

74.3 **116U.26 FILM PRODUCTION JOBS PROGRAM.**

74.4 (a) The film production jobs program is created. The program shall be operated by ~~the~~
74.5 ~~Minnesota Film and TV Board~~ Explore Minnesota Film with administrative oversight and
74.6 control by the ~~commissioner of employment and economic development~~ director of Explore
74.7 Minnesota. The program shall make payment to producers of feature films, national television
74.8 or Internet programs, documentaries, music videos, and commercials that directly create
74.9 new film jobs in Minnesota. To be eligible for a payment, a producer must submit
74.10 documentation to ~~the Minnesota Film and TV Board~~ Explore Minnesota Film of expenditures
74.11 for production costs incurred in Minnesota that are directly attributable to the production
74.12 in Minnesota of a film product.

74.13 ~~The Minnesota Film and TV Board~~ Explore Minnesota Film shall make recommendations
74.14 to the ~~commissioner of employment and economic development~~ director of Explore
74.15 Minnesota about program payment, but the ~~commissioner~~ director has the authority to make
74.16 the final determination on payments. The ~~commissioner's~~ director's determination must be
74.17 based on proper documentation of eligible production costs submitted for payments. No
74.18 more than five percent of the funds appropriated for the program in any year may be expended
74.19 for administration, including costs for independent audits and financial reviews of projects.

74.20 (b) For the purposes of this section:

74.21 (1) "production costs" means the cost of the following:

74.22 (i) a story and scenario to be used for a film;

74.23 (ii) salaries of talent, management, and labor, including payments to personal services
74.24 corporations for the services of a performing artist;

74.25 (iii) set construction and operations, wardrobe, accessories, and related services;

74.26 (iv) photography, sound synchronization, lighting, and related services;

74.27 (v) editing and related services;

74.28 (vi) rental of facilities and equipment;

74.29 (vii) other direct costs of producing the film in accordance with generally accepted
74.30 entertainment industry practice;

74.31 (viii) above-the-line talent fees for nonresident talent; or

75.1 (ix) costs incurred during postproduction; and

75.2 (2) "film" means a feature film, television or Internet pilot, program, series, documentary,
75.3 music video, or television commercial, whether on film, video, or digital media. Film does
75.4 not include news, current events, public programming, or a program that includes weather
75.5 or market reports; a talk show; a production with respect to a questionnaire or contest; a
75.6 sports event or sports activity; a gala presentation or awards show; a finished production
75.7 that solicits funds; or a production for which the production company is required under
75.8 United States Code, title 18, section 2257, to maintain records with respect to a performer
75.9 portrayed in a single-media or multimedia program.

75.10 (c) Notwithstanding any other law to the contrary, ~~the Minnesota Film and TV Board~~
75.11 Explore Minnesota Film may make reimbursements of: (1) up to 25 percent of production
75.12 costs for films that locate production outside the metropolitan area, as defined in section
75.13 473.121, subdivision 2, or that incur a minimum Minnesota expenditure of \$1,000,000 in
75.14 the metropolitan area within a 12-month period; or (2) up to 20 percent of production costs
75.15 for films that incur less than \$1,000,000 in Minnesota production costs in the metropolitan
75.16 area within a 12-month period.

75.17 Sec. 4. Minnesota Statutes 2023 Supplement, section 116U.27, subdivision 1, is amended
75.18 to read:

75.19 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
75.20 the meanings given.

75.21 (b) "Allocation certificate" means a certificate issued by the commissioner to a taxpayer
75.22 upon receipt and approval of an initial application for a credit for a project that has not yet
75.23 been completed.

75.24 (c) "Application" means the application for a credit under subdivision 4.

75.25 ~~(d) "Commissioner" means the commissioner of employment and economic development.~~

75.26 ~~(e)~~ (d) "Credit certificate" means a certificate issued by the commissioner upon receipt
75.27 and approval of the cost verification report in subdivision 4, paragraph (e).

75.28 (e) "Director" means the director of Explore Minnesota.

75.29 (f) "Eligible production costs" means eligible production costs as defined in section
75.30 116U.26, paragraph (b), clause (1), incurred in Minnesota that are directly attributable to
75.31 the production of a film project in Minnesota.

75.32 (g) "Film" has the meaning given in section 116U.26, paragraph (b), clause (2).

76.1 (h) "Project" means a film:

76.2 (1) that includes the promotion of Minnesota;

76.3 (2) for which the taxpayer has expended at least \$1,000,000 in any consecutive 12-month
76.4 period beginning after expenditures are first paid in Minnesota for eligible production costs;
76.5 and

76.6 (3) to the extent practicable, that employs Minnesota residents.

76.7 Television commercials are exempt from the requirement under clause (1).

76.8 (i) "Promotion of Minnesota" or "promotion" means visible display of a static or animated
76.9 logo, approved by the ~~commissioner~~ and ~~lasting approximately five seconds~~ director, that
76.10 promotes Minnesota within its presentation in the end credits ~~before the below-the-line crew~~
76.11 ~~crawl~~ for the life of the project.

76.12 Sec. 5. Minnesota Statutes 2023 Supplement, section 116U.27, subdivision 4, is amended
76.13 to read:

76.14 Subd. 4. **Applications; allocations.** (a) To qualify for a credit under this section, a
76.15 taxpayer must submit to the ~~commissioner~~ director an application for a credit in the form
76.16 prescribed by the ~~commissioner~~ director, in consultation with the commissioner of revenue.

76.17 (b) Upon approving an application for a credit that meets the requirements of this section,
76.18 the ~~commissioner~~ director shall issue allocation certificates that:

76.19 (1) verify eligibility for the credit;

76.20 (2) state the amount of credit anticipated for the eligible project, with the credit amount
76.21 up to 25 percent of eligible project costs; and

76.22 (3) state the taxable year in which the credit is allocated.

76.23 ~~The commissioner must consult with the Minnesota Film and TV Board prior to issuing an~~
76.24 ~~allocation certificate.~~

76.25 (c) The ~~commissioner~~ director must not issue allocation certificates for more than
76.26 \$24,950,000 of credits each year. If the entire amount is not allocated in that taxable year,
76.27 any remaining amount is available for allocation for the four following taxable years until
76.28 the entire allocation has been made. The ~~commissioner~~ director must not award any credits
76.29 for taxable years beginning after December 31, 2030, and any unallocated amounts cancel
76.30 on that date.

76.31 (d) The ~~commissioner~~ director must allocate credits on a first-come, first-served basis.

(e) Upon completion of a project, the taxpayer shall submit to the ~~commissioner~~ director a report prepared by an independent certified public accountant licensed in the state of Minnesota to verify the amount of eligible production costs related to the project. The report must be prepared in accordance with generally accepted accounting principles. Upon receipt and approval of the cost verification report and other documents required by the ~~commissioner~~ director, the ~~commissioner~~ director shall determine the final amount of eligible production costs and issue a credit certificate to the taxpayer. The credit may not exceed the anticipated credit amount on the allocation certificate. If the credit is less than the anticipated amount on the allocation credit, the difference is returned to the amount available for allocation under paragraph (c). To claim the credit under section 290.06, subdivision 39, or 297I.20, subdivision 4, a taxpayer must include a copy of the credit certificate as part of the taxpayer's return.

Sec. 6. Minnesota Statutes 2022, section 116U.27, subdivision 5, is amended to read:

Subd. 5. **Report required.** By January 15, 2025, the commissioner of revenue, in consultation with the ~~commissioner~~ director, must provide a report to the chairs and ranking minority members of the legislative committees with jurisdiction over economic development and taxes. The report must comply with sections 3.195 and 3.197, and must detail the following:

(1) the amount of credit certifications issued annually;

(2) the number of applications submitted, the number of allocation certificates issued, the amount of allocation certificates issued, the number of reports submitted upon completion of a project, and the number of credit certificates issued;

(3) the types of projects eligible for the credit;

(4) the total economic impact of the credit in Minnesota, including the calendar year over calendar year percentage changes in the number of jobs held by Minnesota residents in businesses having a primary North American Industry Classification System code of 512110 as reported to the commissioner, for calendar years 2019 through 2023;

(5) the number of taxpayers per tax type which are assignees of credit certificates under subdivision 3;

(6) annual Minnesota taxes paid by businesses having a primary North American Industry Classification System code of 512110, for taxable years beginning after December 31, 2018, and before January 1, 2024; and

78.1 (7) any other information the commissioner of revenue, in consultation with the
78.2 ~~commissioner~~ director, deems necessary for purposes of claiming and administering the
78.3 credit.

78.4 Sec. 7. Minnesota Statutes 2022, section 116U.27, subdivision 6, is amended to read:

78.5 Subd. 6. **Appropriation.** Beginning in fiscal year 2022, \$50,000 is annually appropriated
78.6 from the general fund to the commissioner of revenue for a transfer to ~~the Department of~~
78.7 ~~Employment and Economic Development~~ Explore Minnesota for costs associated with
78.8 personnel and administrative expenses related to administering the credit. This subdivision
78.9 expires on June 30, 2025.

78.10 Sec. 8. Minnesota Statutes 2022, section 268.035, subdivision 20, is amended to read:

78.11 Subd. 20. **Noncovered employment.** "Noncovered employment" means:

78.12 (1) employment for the United States government or an instrumentality thereof, including
78.13 military service;

78.14 (2) employment for a state, other than Minnesota, or a political subdivision or
78.15 instrumentality thereof;

78.16 (3) employment for a foreign government;

78.17 (4) employment covered under the federal Railroad Unemployment Insurance Act;

78.18 (5) employment for a church or convention or association of churches, or a nonprofit
78.19 organization operated primarily for religious purposes that is operated, supervised, controlled,
78.20 or principally supported by a church or convention or association of churches;

78.21 (6) employment for an elementary or secondary school with a curriculum that includes
78.22 religious education that is operated by a church, a convention or association of churches,
78.23 or a nonprofit organization that is operated, supervised, controlled, or principally supported
78.24 by a church or convention or association of churches;

78.25 (7) employment for Minnesota or a political subdivision, or a nonprofit organization, of
78.26 a duly ordained or licensed minister of a church in the exercise of a ministry or by a member
78.27 of a religious order in the exercise of duties required by the order;

78.28 (8) employment for Minnesota or a political subdivision, or a nonprofit organization, of
78.29 an individual receiving rehabilitation of "sheltered" work in a facility conducted for the
78.30 purpose of carrying out a program of rehabilitation for individuals whose earning capacity
78.31 is impaired by age or physical or mental deficiency or injury or a program providing

79.1 "sheltered" work for individuals who because of an impaired physical or mental capacity
79.2 cannot be readily absorbed in the competitive labor market. This clause applies only to
79.3 services performed in a facility certified by the Rehabilitation Services Branch of the
79.4 department or in a day training or habilitation program licensed by the Department of Human
79.5 Services;

79.6 (9) employment for Minnesota or a political subdivision, or a nonprofit organization, of
79.7 an individual receiving work relief or work training as part of an unemployment work relief
79.8 or work training program financed in whole or in part by any federal agency or an agency
79.9 of a state or political subdivision thereof. This clause does not apply to programs that require
79.10 unemployment benefit coverage for the participants;

79.11 (10) employment for Minnesota or a political subdivision, as an elected official, a member
79.12 of a legislative body, or a member of the judiciary;

79.13 (11) employment as a member of the Minnesota National Guard or Air National Guard;

79.14 (12) employment for Minnesota or a political subdivision, or instrumentality thereof, of
79.15 an individual serving on a temporary basis in case of fire, flood, tornado, or similar
79.16 emergency;

79.17 (13) employment as an election official or election worker for Minnesota or a political
79.18 subdivision, if the compensation for that employment was less than \$1,000 in a calendar
79.19 year;

79.20 (14) employment for Minnesota that is a major policy-making or advisory position in
79.21 the unclassified service;

79.22 (15) employment for Minnesota in an unclassified position established under section
79.23 43A.08, subdivision 1a;

79.24 (16) employment for a political subdivision of Minnesota that is a nontenured major
79.25 policy making or advisory position;

79.26 (17) domestic employment in a private household, local college club, or local chapter
79.27 of a college fraternity or sorority, if the wages paid in any calendar quarter in either the
79.28 current or prior calendar year to all individuals in domestic employment totaled less than
79.29 \$1,000.

79.30 "Domestic employment" includes all service in the operation and maintenance of a
79.31 private household, for a local college club, or local chapter of a college fraternity or sorority
79.32 as distinguished from service as an employee in the pursuit of an employer's trade or business;

80.1 (18) employment of an individual by a son, daughter, or spouse, and employment of a
80.2 child under the age of 18 by the child's father or mother;

80.3 (19) employment of an inmate of a custodial or penal institution;

80.4 (20) employment for a school, college, or university, by a student who is enrolled and
80.5 whose primary relation to the school, college, or university is as a student. This does not
80.6 include an individual whose primary relation to the school, college, or university is as an
80.7 employee who also takes courses;

80.8 (21) employment of an individual who is enrolled as a student in a full-time program at
80.9 a nonprofit or public educational institution that maintains a regular faculty and curriculum
80.10 and has a regularly organized body of students in attendance at the place where its educational
80.11 activities are carried on, taken for credit at the institution, that combines academic instruction
80.12 with work experience, if the employment is an integral part of the program, and the institution
80.13 has so certified to the employer, except that this clause does not apply to employment in a
80.14 program established for or on behalf of an employer or group of employers;

80.15 (22) employment of a foreign college or university student who works on a seasonal or
80.16 temporary basis under the J-1 visa summer work travel program described in Code of Federal
80.17 Regulations, title 22, section 62.32;

80.18 (23) employment of university, college, or professional school students in an internship
80.19 or other training program with the city of St. Paul or the city of Minneapolis under Laws
80.20 1990, chapter 570, article 6, section 3;

80.21 (24) employment for a hospital by a patient of the hospital. "Hospital" means an institution
80.22 that has been licensed by the Department of Health as a hospital;

80.23 (25) employment as a student nurse for a hospital or a nurses' training school by an
80.24 individual who is enrolled and is regularly attending classes in an accredited nurses' training
80.25 school;

80.26 (26) employment as an intern for a hospital by an individual who has completed a
80.27 four-year course in an accredited medical school;

80.28 (27) employment as an insurance salesperson, by other than a corporate officer, if all
80.29 the wages from the employment is solely by way of commission. The word "insurance"
80.30 includes an annuity and an optional annuity;

80.31 (28) employment as an officer of a township mutual insurance company or farmer's
80.32 mutual insurance company under chapter 67A;

81.1 (29) employment of a corporate officer, if the officer directly or indirectly, including
81.2 through a subsidiary or holding company, owns 25 percent or more of the employer
81.3 corporation, and employment of a member of a limited liability company, if the member
81.4 directly or indirectly, including through a subsidiary or holding company, owns 25 percent
81.5 or more of the employer limited liability company;

81.6 (30) employment as a real estate salesperson, other than a corporate officer, if all the
81.7 wages from the employment is solely by way of commission;

81.8 (31) employment as a direct seller as defined in United States Code, title 26, section
81.9 3508;

81.10 (32) employment of an individual under the age of 18 in the delivery or distribution of
81.11 newspapers or shopping news, not including delivery or distribution to any point for
81.12 subsequent delivery or distribution;

81.13 (33) casual employment performed for an individual, other than domestic employment
81.14 under clause (17), that does not promote or advance that employer's trade or business;

81.15 (34) employment in "agricultural employment" unless it is "covered agricultural
81.16 employment" under subdivision 11; ~~or~~

81.17 (35) if employment during one-half or more of any pay period was covered employment,
81.18 all the employment for the pay period is covered employment; but if during more than
81.19 one-half of any pay period the employment was noncovered employment, then all of the
81.20 employment for the pay period is noncovered employment. "Pay period" means a period
81.21 of not more than a calendar month for which a payment or compensation is ordinarily made
81.22 to the employee by the employer; or

81.23 (36) employment of a foreign agricultural worker who works on a seasonal or temporary
81.24 basis under the H-2A visa temporary agricultural employment program described in Code
81.25 of Federal Regulations, title 20, part 655.

81.26 **EFFECTIVE DATE.** This section is effective July 1, 2024.

81.27 Sec. 9. **CHANGE STARTS WITH COMMUNITY VIOLENCE PREVENTION**
81.28 **PROGRAM.**

81.29 Subdivision 1. **Objectives.** Change Starts With Community must:

81.30 (1) develop and implement year-round job training programs for at-risk youth and adults
81.31 and provide trusted adult mentorship for at-risk BIPOC youth, providing them with the
81.32 skills needed for gainful employment and career opportunities; and

82.1 (2) create on-site job opportunities at Shiloh Cares Food Shelf, promoting community
82.2 engagement and economic development.

82.3 Subd. 2. **Partnerships.** (a) Change Starts With Community must partner with the Cargill
82.4 Foundation to support at-risk youth educational career field trips and mental health check-ins,
82.5 exposing participants to multiple career paths and preventing further trauma through mental
82.6 health check-ins for youth.

82.7 (b) Change Starts With Community must partner with Hennepin County juvenile
82.8 corrections and the Minneapolis Police Department to receive referrals for at-risk youth
82.9 who would benefit from enrollment in the program to prevent risky behaviors and community
82.10 violence.

82.11 Subd. 3. **At-risk youth and adult job program positions.** Change Starts With
82.12 Community must use grant proceeds to add positions to the program's complement, including
82.13 but not limited to youth mentorships, food service workers, an executive director, director,
82.14 and program director.

82.15 Subd. 4. **Report.** Change Starts With Community must report to the commissioner of
82.16 employment and economic development, outlining the utilization of grant money, program
82.17 outcomes, and the impact on the targeted population. The report must be submitted no later
82.18 than six months after the end of fiscal year 2025.

82.19 **Sec. 10. CENTER FOR NURSING EQUITY AND EXCELLENCE.**

82.20 Subdivision 1. **Establishment.** The Center for Nursing Equity and Excellence is
82.21 established within the University of Minnesota, in collaboration with Minnesota State
82.22 Colleges and Universities, to address nursing workforce needs, including issues of health
82.23 equity, recruitment, retention, and utilization of nursing workforce resources that are within
82.24 the current scope of the practice of nurses.

82.25 Subd. 2. **Duties.** The center shall:

82.26 (1) develop a strategic statewide plan for nursing workforce supply based on a detailed
82.27 analysis of workforce needs by conducting a statistically valid biennial data-driven gap
82.28 analysis of the supply and demand of the health care workforce. The center shall:

82.29 (i) establish and maintain a database on nursing supply and demand in the state, including
82.30 current supply and demand; and

82.31 (ii) analyze the current and future supply and demand in the state;

- 83.1 (2) establish and maintain a database on nursing workforce needs, including current data
83.2 and future projections;
- 83.3 (3) develop recommendations to increase nurse faculty and clinical preceptors, support
83.4 nurse faculty development, and promote advanced nurse education;
- 83.5 (4) develop best practices in the academic preparation and continuing education needs
83.6 of qualified nurse educators, nurse faculty, and clinical preceptors;
- 83.7 (5) collect data on nurse faculty, employment, distribution, and retention;
- 83.8 (6) pilot innovative projects to support the recruitment, development, and retention of
83.9 qualified nurse faculty and clinical preceptors;
- 83.10 (7) encourage and coordinate the development of academic practice partnerships,
83.11 including partnerships with hospitals that provide opportunities for nursing students to
83.12 obtain clinical experience to support nurse faculty employment and advancement;
- 83.13 (8) develop distance learning infrastructure for advancing faculty competencies in the
83.14 pedagogy of teaching and the evidence-based use of technology, simulation, and distance
83.15 learning techniques;
- 83.16 (9) enhance and promote recognition, reward, and renewal activities for nurses in the
83.17 state by:
- 83.18 (i) promoting nursing excellence programs such as magnet recognition by the American
83.19 Nurses Credentialing Center;
- 83.20 (ii) proposing and creating additional reward, recognition, and renewal activities for
83.21 nurses; and
- 83.22 (iii) promoting media and positive image-building efforts for nursing; and
- 83.23 (10) routinely convene various groups representative of nurses, health care professionals,
83.24 business and industry consumers, lawmakers, and educators to:
- 83.25 (i) review and comment on data analysis prepared for the center;
- 83.26 (ii) recommend systemic changes, including strategies for implementation of
83.27 recommended changes; and
- 83.28 (iii) evaluate and report the results of these efforts to the legislature and other entities.
- 83.29 Subd. 3. **Report.** Beginning in 2025, by no later than January 15 of each year, the center
83.30 shall submit a report to the governor and the chairs and ranking minority members of the
83.31 legislative committees having jurisdiction over higher education, health care, and workforce

84.1 development, providing details of the center's activities during the preceding calendar year
84.2 in pursuit of its goals and in the execution of its duties.

84.3 Sec. 11. **SHAKOPEE AREA WORKFORCE DEVELOPMENT SCHOLARSHIPS**
84.4 **PILOT.**

84.5 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
84.6 the meanings given.

84.7 (b) "Employer-sponsored applicant" means a student applicant with a local employer
84.8 scholarship equal to or greater than 25 percent of the workforce development scholarship.

84.9 (c) "Local employer" means an employer with a physical location in a county within the
84.10 service area of the foundation as listed in paragraph (d).

84.11 (d) "Shakopee Chamber Foundation" or "foundation" means a nonprofit organization
84.12 which provides workforce and charitable services to Scott County as well as the Shakopee
84.13 Mdewakanton Sioux Community.

84.14 Subd. 2. **Grants and administration.** (a) The commissioner of employment and
84.15 economic development must award appropriated grant funds to the foundation to administer
84.16 the Shakopee area workforce development scholarship pilot program. The foundation may
84.17 use up to ten percent of grant funds for administrative costs.

84.18 (b) The foundation and participating college or university from the Minnesota State
84.19 Colleges and Universities System must establish an application process and other guidelines
84.20 for implementing this program.

84.21 Subd. 3. **Scholarship recipient requirements.** (a) To be eligible for a scholarship from
84.22 the foundation, a student must:

84.23 (1) be enrolling or enrolled at least half-time in a program at a college or university from
84.24 the Minnesota State Colleges and Universities System approved by the Dakota-Scott
84.25 Workforce Development Board under subdivision 4; and

84.26 (2) complete the Free Application for Federal Student Aid (FAFSA), if applicable to
84.27 the program for which they are enrolling or enrolled.

84.28 (b) A recipient of a scholarship awarded under this section must:

84.29 (1) adhere to any applicable participating local employer program requirements; and

84.30 (2) sign a contract agreeing to fulfill the employment obligation under paragraph (c).

85.1 (c) A scholarship recipient must make a good faith effort to attain a full-time employment
85.2 commitment within the service area of the foundation as listed in subdivision 1, paragraph
85.3 (d). The employment may be with the local employer sponsoring the student or any qualified
85.4 local employer in a high-demand occupation as defined by the Dakota-Scott Workforce
85.5 Development Board.

85.6 Subd. 4. **Program eligibility.** (a) The Dakota-Scott Workforce Development Board
85.7 must annually identify eligible undergraduate degree, diploma, or certificate or
85.8 industry-recognized credential programs in advanced manufacturing, health care, law
85.9 enforcement, hospitality, or other high-demand occupations. The Dakota-Scott Workforce
85.10 Development Board must consider data based on a workforce shortage for full-time
85.11 employment requiring postsecondary education that is unique to the region, as reported in
85.12 the most recent Department of Employment and Economic Development job vacancy survey
85.13 data for the economic development region. A workforce shortage area is one in which the
85.14 job vacancy rate for full-time employment in a specific occupation in the region is higher
85.15 than the state average vacancy rate for that same occupation.

85.16 (b) By December 1, 2024, and annually through December 1, 2029, the Dakota-Scott
85.17 Workforce Development Board must provide a list of eligible programs administered by
85.18 each Minnesota state college and university that are eligible for scholarships in the subsequent
85.19 year.

85.20 Subd. 5. **Employer partnerships.** The foundation and Minnesota State Colleges and
85.21 Universities must establish partnerships with qualified local employers to ensure that 25
85.22 percent of the Shakopee area workforce development scholarship is matched with employer
85.23 or foundation funds.

85.24 Subd. 6. **Scholarship awards.** (a) The foundation must coordinate available funds and
85.25 award scholarships to Minnesota state colleges and universities with programs approved
85.26 by the Dakota-Scott Workforce Development Board. Scholarships must be coordinated by
85.27 the individual colleges approved by the Dakota-Scott Workforce Development Board and
85.28 applied only after all other available tuition waivers and grant and scholarship funding
85.29 through a last dollar in model. Scholarships are intended to supplement all other tuition
85.30 waivers and grant and scholarship opportunities and to cover the full cost of attendance to
85.31 the eligible students.

85.32 (b) If the appropriated grant is insufficient to award scholarships to all eligible applicants,
85.33 priority must first be given to applicants that are program continuing applicants. Priority
85.34 must then be given to employer-sponsored applicants.

86.1 Subd. 7. **Renewal; cap.** A student who has been awarded a scholarship may apply in
86.2 subsequent academic years until the student completes a qualifying program. A student who
86.3 successfully completes an eligible program and the subsequent work period requirement is
86.4 eligible for a scholarship for a second program, but total lifetime awards must not exceed
86.5 scholarships for two programs.

86.6 Subd. 8. **Report required.** The foundation must submit an annual report by December
86.7 31 of each year regarding the scholarship program to the chairs and ranking minority
86.8 members of the legislative committees with jurisdiction over employment and economic
86.9 development policy. The first report is due no later than December 31, 2025. The annual
86.10 report must describe the following:

86.11 (1) the number of students receiving a scholarship at each participating college during
86.12 the previous calendar year;

86.13 (2) the number of scholarships awarded for each program and definition of type of
86.14 program during the previous calendar year;

86.15 (3) the number of scholarship recipients who completed a program of study or
86.16 certification;

86.17 (4) the number of scholarship recipients who secured employment by their graduation
86.18 date and those who secured employment within three months of their graduation date;

86.19 (5) a list of the colleges that received funding, the amount of funding each institution
86.20 received, and whether all withheld funds were distributed;

86.21 (6) a list of occupations scholarship recipients are entering;

86.22 (7) the number of students who were denied a scholarship;

86.23 (8) a list of participating local employers and amounts of any applicable employer
86.24 contributions; and

86.25 (9) a list of recommendations to the legislature regarding potential program improvements.

86.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

86.27 **Sec. 12. BROOKLYN PARK BIOTECH INNOVATION DISTRICT.**

86.28 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
86.29 the meanings given.

86.30 (b) "Authority" means the Brooklyn Park Economic Development Authority.

87.1 (c) "Biotech innovation district" means a geographic area in the city identified in the
87.2 development plan.

87.3 (d) "City" means the city of Brooklyn Park.

87.4 (e) "Development plan" means the plan adopted under subdivision 2.

87.5 (f) "Project" means a project to implement the development plan.

87.6 (g) "Public infrastructure project" means a project financed at least partially with public
87.7 money to:

87.8 (1) acquire or remediate real property, including site improvement;

87.9 (2) demolish, repair, or rehabilitate buildings;

87.10 (3) install, construct, or reconstruct public infrastructure necessary for the biotech
87.11 innovation district;

87.12 (4) acquire, construct, reconstruct, develop, or equip parking facilities and other
87.13 transit-related facilities; and

87.14 (5) acquire, install, construct, reconstruct, develop, or equip recreational, social, cultural,
87.15 or tourism facilities.

87.16 Subd. 2. **Development plan.** (a) The authority must prepare a plan for the development
87.17 of a biotech innovation district within the city. At least 60 days prior to a hearing on adopting
87.18 the proposed development plan, the economic development authority must provide copies
87.19 of the proposed development plan to the city, which the city must make available to the
87.20 public in its offices and on the city's website. At least ten days before the hearing, the
87.21 authority must publish notice of the hearing in a newspaper selected by the city for
87.22 publication of the notice. At the hearing, the authority may only adopt the plan if it finds
87.23 that:

87.24 (1) the plan provides an outline for the development of the city as a site of biotech
87.25 innovation;

87.26 (2) the plan identifies the location of the proposed biotech innovation district;

87.27 (3) the plan is sufficiently complete, including the identification of planned and
87.28 anticipated projects, to indicate its relationship to definite state and local objectives;

87.29 (4) the proposed development affords maximum opportunity, consistent with the needs
87.30 of the city, county, and state, for the development of the city by private enterprise as a
87.31 biotech innovation district;

- 88.1 (5) the plan conforms to the general plan for the development of the city; and
- 88.2 (6) the plan includes:
- 88.3 (i) strategic planning consistent with a biotech innovation district;
- 88.4 (ii) a framework to identify and prioritize short- and long-term public investment and
- 88.5 public infrastructure project development and to facilitate private investment and
- 88.6 development;
- 88.7 (iii) land use planning;
- 88.8 (iv) multimodal transportation planning;
- 88.9 (v) goals, objectives, and strategies to increase racial equity and to create community
- 88.10 wealth for city residents, local businesses, and businesses owned by women and people of
- 88.11 color, guided by the city's racial equity principles; and
- 88.12 (vi) ongoing market research plans.
- 88.13 (b) In identifying planned and anticipated projects under paragraph (a), clause (2), the
- 88.14 authority must prioritize projects that will pay a wage covering the cost of living for Hennepin
- 88.15 County, calculated using the most recent report completed pursuant to Minnesota Statutes,
- 88.16 section 116J.013.
- 88.17 (c) The city must adopt the development plan within 60 days following its adoption by
- 88.18 the authority and may incorporate the development plan into the city's comprehensive plan.
- 88.19 Minnesota Statutes, section 15.99, does not apply to review and approval of the development
- 88.20 plan.
- 88.21 (d) The authority may modify the development plan at any time and must modify the
- 88.22 plan at least once every five years. To modify the development plan, the authority must
- 88.23 follow the same procedures set out in paragraph (a) for the development plan.
- 88.24 (e) When preparing the proposed development plan, the authority must seek input from
- 88.25 the community and other partners such as biotech trade associations, the City of Brooklyn
- 88.26 Park Planning Commission, the City of Brooklyn Park Community Long-Range Improvement
- 88.27 Committee, skilled trades, and other regional partners.
- 88.28 Subd. 3. **Special powers; requirements; limitations.** (a) In implementing the
- 88.29 development plan, the city may exercise the powers of a port authority under Minnesota
- 88.30 Statutes, sections 469.048 to 469.068.

89.1 (b) The city must provide financial and administrative support to the authority and may
89.2 appropriate city funds to the authority for its work in developing and implementing the
89.3 development plan.

89.4 (c) The city may issue general obligation bonds, revenue bonds, or other obligations to
89.5 finance the development and implementation of the development project. Debt undertaken
89.6 pursuant to this paragraph is not subject to the net debt limit in Minnesota Statutes, section
89.7 475.53. Approval of the electors is not necessary to issue bonds or other obligations under
89.8 this paragraph. The city may pledge any of its revenues, including property taxes and state
89.9 aid issued pursuant to Minnesota Statutes, section 469.47, to the obligations issued pursuant
89.10 to this paragraph. The city must not issue obligations that are only payable from or secured
89.11 by state aid issued pursuant to Minnesota Statutes, section 469.47.

89.12 (d) Notwithstanding Minnesota Statutes, section 469.068, the city and its authority need
89.13 not require competitive bidding on a parking facility or other public improvement constructed
89.14 to implement the development plan.

89.15 (e) Except as otherwise specified, all activities to develop and implement the development
89.16 plan must comply with applicable state law and regulations and city ordinances, zoning,
89.17 and planning requirements.

89.18 Subd. 4. **Report.** Beginning in 2025, by February 15 of each year, the city and authority
89.19 must submit a joint report to the chairs and ranking minority members of the legislative
89.20 committees and divisions with jurisdiction over jobs and economic development. The report
89.21 must include:

89.22 (1) the development plan and any proposed changes to the development plan;

89.23 (2) information on the progress of projects identified in the development plan;

89.24 (3) costs and financing sources for the costs, including the amount paid with state aid
89.25 and local contributions of projects completed in the previous two years;

89.26 (4) estimated costs and financing sources for projects anticipated to start in the next two
89.27 years; and

89.28 (5) debt service schedules for all outstanding obligations of the city and authority for
89.29 debt issued for projects identified in the plan.

90.1 **Sec. 13. REVISOR INSTRUCTION.**

90.2 The revisor of statutes shall codify Laws 2023, chapter 53, article 21, section 6, paragraph
90.3 (d), as Minnesota Statutes, section 116J.8752, subdivision 4a. The revisor may make any
90.4 technical, grammatical, or cross-reference changes necessary to effectuate this recodification.

90.5 **Sec. 14. REPEALER.**

90.6 Minnesota Statutes 2022, section 116J.439, is repealed.

90.7	ARTICLE 3
90.8	MISCELLANEOUS

90.9 Section 1. Minnesota Statutes 2022, section 155A.27, subdivision 2, is amended to read:

90.10 Subd. 2. **Qualifications.** (a) Qualifications for licensing in each classification shall be
90.11 determined by the board and established by rule, and shall include educational and
90.12 experiential prerequisites.

90.13 (b) A person applying for an individual license to practice as a cosmetologist, hair
90.14 technician, manager, or instructor must: (1) successfully complete training on the properties
90.15 of the hair and all hair types and textures, including coil, curl, or wave patterns, hair strand
90.16 thicknesses, and volumes of hair; and (2) have experience providing services to individuals
90.17 with hair of all types and textures, including coil, curl, or wave patterns, hair strand
90.18 thicknesses, and volumes of hair.

90.19 (c) The rules shall require a demonstrated knowledge of procedures necessary to protect
90.20 the health and safety of the practitioner and the consumer of cosmetology services, including
90.21 but not limited to infection control, use of implements, apparatuses and other appliances,
90.22 and the use of chemicals.

90.23 **EFFECTIVE DATE.** This section is effective July 1, 2025.

90.24 Sec. 2. Minnesota Statutes 2023 Supplement, section 155A.2705, subdivision 3, is amended

90.25 to read:

90.26 Subd. 3. **Training.** Hair technician training must be completed at a Minnesota-licensed
90.27 cosmetology school. The training must consist of 900 hours of coursework and planned
90.28 clinical instruction and experience that includes:

90.29 (1) the first 300 hours of the hair technology course that includes:

90.30 (i) student orientation;

- 91.1 (ii) preclinical instruction in the theory of sciences, including:
- 91.2 (A) muscle and bone structure and function;
- 91.3 (B) properties of the hair, a study of all hair types and textures, including coil, curl, or
- 91.4 wave patterns, hair strand thicknesses, and volumes of hair, and scalp;
- 91.5 (C) disorders and diseases of the hair and scalp;
- 91.6 (D) chemistry as related to hair technology; and
- 91.7 (E) electricity and light related to the practice of hair technology;
- 91.8 (iii) theory and preclinical instruction on client and service safety prior to students
- 91.9 offering services;
- 91.10 (iv) introductory service skills that are limited to the observation of an instructor
- 91.11 demonstration, student use of mannequins, or student-to-student application of basic services
- 91.12 related to hair technology;
- 91.13 (v) Minnesota statutes and rules pertaining to the regulation of hair technology;
- 91.14 (vi) health and safety instruction that includes:
- 91.15 (A) chemical safety;
- 91.16 (B) safety data sheets;
- 91.17 (C) personal protective equipment (PPE);
- 91.18 (D) hazardous substances; and
- 91.19 (E) laws and regulations related to health and public safety; and
- 91.20 (vii) infection control to protect the health and safety of the public and technician that
- 91.21 includes:
- 91.22 (A) disinfectants;
- 91.23 (B) disinfectant procedures;
- 91.24 (C) cleaning and disinfection;
- 91.25 (D) single use items;
- 91.26 (E) storage of tools, implements, and linens; and
- 91.27 (F) other implements and equipment used in salons and schools;
- 91.28 (2) 300 hours in hair cutting and styling that includes hair and scalp analysis; providing
- 91.29 services to individuals who have all hair types and textures, including coil, curl, or wave

92.1 patterns, hair strand thicknesses, and volumes of hair; cleaning; scalp and hair conditioning;
92.2 hair design and shaping; drying; arranging; curling; dressing; waving; and nonchemical
92.3 straightening; and

92.4 (3) 300 hours in chemical hair services that includes hair and scalp analysis; providing
92.5 services to individuals with all hair types and textures, including coil, curl, or wave patterns,
92.6 hair strand thicknesses, and volumes of hair; dying; bleaching; reactive chemicals; keratin;
92.7 hair coloring; permanent straightening; permanent waving; predisposition and strand
92.8 tests; safety precautions; chemical mixing; color formulation; and the use of dye removers.

92.9 **EFFECTIVE DATE.** This section is effective August 1, 2025.

92.10 Sec. 3. Minnesota Statutes 2022, section 326.10, subdivision 8, is amended to read:

92.11 Subd. 8. **Expiration and renewal.** (a) All licenses and certificates, other than in-training
92.12 certificates, issued by the board expire at midnight on June 30 of each even-numbered
92.13 calendar year if not renewed. A holder of a license or certificate issued by the board may
92.14 renew it by completing and filing with the board an application for renewal consisting of a
92.15 fully completed form provided by the board and the fee specified in section 326.105. Both
92.16 the fee and the application must be submitted at the same time and by June 30 of each
92.17 even-numbered calendar year. The form must be signed by the applicant, contain all of the
92.18 information requested, and clearly show that the licensee or certificate holder has completed
92.19 the minimum number of required professional development hours or has been granted an
92.20 exemption under section 326.107, subdivision 4. An application for renewal that does not
92.21 comply with the requirements of this subdivision is an incomplete application and must not
92.22 be accepted by the board.

92.23 (b) No later than 30 days before the expiration of a license or certificate, the board must
92.24 send the holder of the license or certificate a notice by email that the license or certificate
92.25 is about to expire. The notice must include information on the process and requirements for
92.26 renewal. The application form for a new or renewed license or certificate issued by the
92.27 board must request that the applicant provide an email address for the purpose of providing
92.28 this notice. If the board does not have a record of a license or certificate holder's email
92.29 address, the board must send the notice to the holder by standard mail.

92.30 **EFFECTIVE DATE.** This section is effective August 1, 2024, and applies to licenses
92.31 and renewals scheduled to expire on or after that date.

93.1 **ARTICLE 4**

93.2 **STATE DISLOCATED WORKER PROGRAM**

93.3 Section 1. Minnesota Statutes 2023 Supplement, section 116L.17, subdivision 1, is amended
93.4 to read:

93.5 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
93.6 the meanings given them in this subdivision.

93.7 (b) "Commissioner" means the commissioner of employment and economic development.

93.8 (c) "Dislocated worker" means an individual who is a resident of Minnesota at the time
93.9 employment ceased or was working in the state at the time employment ceased and:

93.10 (1) has been permanently separated or has received a notice of permanent separation
93.11 from public or private sector employment and is eligible for or has exhausted entitlement
93.12 to unemployment benefits, and is unlikely to return to the previous industry or occupation;

93.13 (2) has been long-term unemployed and has limited opportunities for employment or
93.14 reemployment in the same or a similar occupation in the area in which the individual resides,
93.15 including older individuals who may have substantial barriers to employment by reason of
93.16 age;

93.17 (3) has been terminated or has received a notice of termination of employment as a result
93.18 of a plant closing or a substantial layoff at a plant, facility, or enterprise;

93.19 (4) has been self-employed, including farmers and ranchers, and is unemployed as a
93.20 result of general economic conditions in the community in which the individual resides or
93.21 because of natural disasters;

93.22 (5) is a veteran as defined by section 197.447, has been discharged or released from
93.23 active duty under honorable conditions within the last 36 months, and (i) is unemployed or
93.24 (ii) is employed in a job verified to be below the skill level and earning capacity of the
93.25 veteran;

93.26 (6) is an individual determined by the United States Department of Labor to be covered
93.27 by trade adjustment assistance under United States Code, title 19, sections 2271 to 2331,
93.28 as amended; ~~or~~

93.29 (7) is a displaced homemaker. A "displaced homemaker" is an individual who has spent
93.30 a substantial number of years in the home providing homemaking service and (i) has been
93.31 dependent upon the financial support of another; and due to divorce, separation, death, or
93.32 disability of that person, must now find employment to self support; or (ii) derived the

substantial share of support from public assistance on account of dependents in the home and no longer receives such support. To be eligible under this clause, the support must have ceased while the worker resided in Minnesota;

(8) is the spouse of a member of the United States armed forces who is on active duty and who meets at least one of the following: (i) has lost employment as a direct result of relocation to accommodate a permanent change in the service member's duty station; or (ii) is unemployed or underemployed and facing barriers to obtaining or upgrading employment;

(9) is an individual with non-work-related injuries or illnesses who does not have a workers' compensation case but needs support to reenter or remain in the workforce; or

(10) is an adult with a low income, is a recipient of public assistance, or is deficient in basic skills.

For the purposes of this section, "dislocated worker" does not include an individual who was an employee, at the time employment ceased, of a political committee, political fund, principal campaign committee, or party unit, as those terms are used in chapter 10A, or an organization required to file with the federal elections commission.

(d) "Eligible organization" means a state or local government unit, nonprofit organization, community action agency, business organization or association, or labor organization.

(e) "Plant closing" means the announced or actual permanent shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment.

(f) "Substantial layoff" means a permanent reduction in the workforce, which is not a result of a plant closing, and which results in an employment loss at a single site of employment during any 30-day period for at least 50 employees excluding those employees that work less than 20 hours per week.

Sec. 2. **REPEALER.**

Minnesota Statutes 2022, section 116L.17, subdivision 5, is repealed.

95.1 **ARTICLE 5**

95.2 **JOB CREATION FUND**

95.3 Section 1. Minnesota Statutes 2022, section 116J.8731, subdivision 10, is amended to
95.4 read:

95.5 Subd. 10. **Transfer.** The commissioner may transfer up to ~~\$2,000,000~~ \$5,000,000 of a
95.6 fiscal year's appropriation between the Minnesota job creation fund program and Minnesota
95.7 investment fund to meet business demand.

95.8 Sec. 2. Minnesota Statutes 2022, section 116J.8748, subdivision 1, is amended to read:

95.9 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
95.10 the meanings given.

95.11 (b) "Agreement" or "business subsidy agreement" means a business subsidy agreement
95.12 under section 116J.994 that must include, but is not limited to: specification of the duration
95.13 of the agreement, job goals and a timeline for achieving those goals over the duration of
95.14 the agreement, construction and other investment goals and a timeline for achieving those
95.15 goals over the duration of the agreement, and the value of benefits the firm may receive
95.16 following achievement of capital investment and employment goals. The local government
95.17 and business must report to the commissioner on the business performance using the forms
95.18 developed by the commissioner.

95.19 (c) "Business" means an individual, corporation, partnership, limited liability company,
95.20 association, or other entity.

95.21 (d) "Capital investment" means money that is expended for the purpose of building or
95.22 improving real fixed property where employees under paragraphs (g) and (h) are or will be
95.23 employed and also includes construction materials, services, and supplies, and the purchase
95.24 and installation of equipment and machinery as provided under subdivision 4, paragraph
95.25 (b), clause (5).

95.26 (e) "Commissioner" means the commissioner of employment and economic development.

95.27 (f) "Minnesota job creation fund business" means a business that is designated by the
95.28 commissioner under subdivision 3.

95.29 (g) "Minority person" means a person belonging to a racial or ethnic minority as defined
95.30 in Code of Federal Regulations, title 49, section 23.5.

95.31 (h) "New full-time equivalent employee" means an employee who:

(1) begins work at a Minnesota job creation fund business facility noted in a business subsidy agreement and following the designation as a job creation fund business; and

(2) has expected work hours of at least 2,080 hours annually or the equivalent of annualized expected hours of work equal to 2,080 hours of one or more employees.

(i) "Persons with disabilities" means an individual with a disability, as defined under the Americans with Disabilities Act, United States Code, title 42, section 12102.

(j) "Retained job equivalent" means a full-time equivalent position:

(1) that existed at the facility prior to the designation as a job creation fund business; and

(2) has expected work hours of at least 2,080 hours annually or the equivalent of annualized expected hours of work equal to 2,080 hours of one or more employees.

(k) "Veteran" means a veteran as defined in section 197.447.

(l) "Wages" has the meaning given in section 290.92, subdivision 1, clause (1).

Sec. 3. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 3, is amended to read:

Subd. 3. **Minnesota job creation fund business designation; requirements.** (a) To receive designation as a Minnesota job creation fund business, a business must satisfy all of the following conditions:

(1) the business is or will be engaged in, within Minnesota, one of the following as its primary business activity:

(i) manufacturing;

(ii) warehousing;

(iii) distribution;

(iv) information technology;

(v) finance;

(vi) insurance; or

(vii) professional or technical services;

(2) the business must not be primarily engaged in lobbying; gambling; entertainment; professional sports; political consulting; leisure; hospitality; or professional services provided by attorneys, accountants, business consultants, physicians, or health care consultants, or

97.1 primarily engaged in making retail sales to purchasers who are physically present at the
97.2 business's location;

97.3 (3) the business must enter into a binding construction and job creation business subsidy
97.4 agreement with the commissioner to expend directly, or ensure expenditure by or in
97.5 partnership with a third party constructing or managing the project, at least \$500,000 in
97.6 capital investment in a capital investment project that includes a new, expanded, or remodeled
97.7 facility within one year following designation as a Minnesota job creation fund business or
97.8 \$250,000 if the project is located outside the metropolitan area as defined in section 200.02,
97.9 subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans,
97.10 women, or persons with a disability; and:

97.11 (i) create at least ten new full-time equivalent employee positions within two years of
97.12 the benefit date following the designation as a Minnesota job creation fund business or five
97.13 new full-time equivalent employee positions within two years of the benefit date if the
97.14 project is located outside the metropolitan area as defined in section 200.02, subdivision
97.15 24, or if 51 percent of the business is cumulatively owned by minorities, veterans, women,
97.16 or persons with a disability; or

97.17 (ii) expend at least \$25,000,000, which may include the installation and purchase of
97.18 machinery and equipment, in capital investment and retain at least 100 full-time equivalent
97.19 employees for projects located in the metropolitan area as defined in section 200.02,
97.20 subdivision 24, or expend at least \$10,000,000, which may include the installation and
97.21 purchase of machinery and equipment, in capital investment and retain at least 50 full-time
97.22 equivalent employees for projects located outside the metropolitan area;

97.23 (4) positions or employees moved or relocated from another Minnesota location of the
97.24 Minnesota job creation fund business must not be included in any calculation or determination
97.25 of job creation or new positions under this paragraph; and

97.26 (5) a Minnesota job creation fund business must not terminate, lay off, or reduce the
97.27 working hours of an employee for the purpose of hiring an individual to satisfy job creation
97.28 goals under this subdivision.

97.29 (b) Prior to approving the proposed designation of a business under this subdivision, the
97.30 commissioner shall consider the following:

97.31 (1) the economic outlook of the industry in which the business engages;

97.32 (2) the projected sales of the business that will be generated from outside the state of
97.33 Minnesota;

98.1 (3) how the business will build on existing regional, national, and international strengths
98.2 to diversify the state's economy;

98.3 (4) whether the business activity would occur without financial assistance;

98.4 (5) whether the business is unable to expand at an existing Minnesota operation due to
98.5 facility or land limitations;

98.6 (6) whether the business has viable location options outside Minnesota;

98.7 (7) the effect of financial assistance on industry competitors in Minnesota;

98.8 (8) financial contributions to the project made by local governments; and

98.9 (9) any other criteria the commissioner deems necessary.

98.10 (c) Upon receiving notification of local approval under subdivision 2, the commissioner
98.11 shall review the determination by the local government and consider the conditions listed
98.12 in paragraphs (a) and (b) to determine whether it is in the best interests of the state and local
98.13 area to designate a business as a Minnesota job creation fund business.

98.14 (d) If the commissioner designates a business as a Minnesota job creation fund business,
98.15 the business subsidy agreement shall include the performance outcome commitments and
98.16 the expected financial value of any Minnesota job creation fund benefits.

98.17 (e) The commissioner may amend an agreement once, upon request of a local government
98.18 on behalf of a business, only if the performance is expected to exceed thresholds stated in
98.19 the original agreement.

98.20 (f) A business may apply to be designated as a Minnesota job creation fund business at
98.21 the same location more than once only if all goals under a previous Minnesota job creation
98.22 fund agreement have been met and the agreement is completed.

98.23 Sec. 4. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 4, is amended
98.24 to read:

98.25 Subd. 4. **Certification; benefits.** (a) The commissioner may certify a Minnesota job
98.26 creation fund business as eligible to receive a specific value of benefit under paragraphs (b)
98.27 and (c) when the business has achieved its job creation and capital investment goals noted
98.28 in its agreement under subdivision 3.

98.29 (b) A qualified Minnesota job creation fund business may be certified eligible for the
98.30 benefits in this paragraph for up to five years for projects located in the metropolitan area
98.31 as defined in section 200.02, subdivision 24, and seven years for projects located outside

the metropolitan area, as determined by the commissioner when considering the best interests of the state and local area. Notwithstanding section 16B.98, subdivision 5, paragraph (a), clause (3), or 16B.98, subdivision 5, paragraph (b), grant agreements for projects located outside the metropolitan area may be for up to seven years in length. The eligibility for the following benefits begins the date the commissioner certifies the business as a qualified Minnesota job creation fund business under this subdivision:

(1) up to five percent rebate for projects located in the metropolitan area as defined in section 200.02, subdivision 24, and 7.5 percent for projects located outside the metropolitan area, on capital investment on qualifying purchases as provided in subdivision 5 with the total rebate for a project not to exceed \$500,000;

(2) an award of up to \$500,000 based on full-time job creation and wages paid as provided in subdivision 6 with the total award not to exceed \$500,000;

(3) up to \$1,000,000 in capital investment rebates and \$1,000,000 in job creation awards are allowable for projects that have at least \$25,000,000 in capital investment and 100 new full-time equivalent employees in the metropolitan area as defined in section 200.02, subdivision 24, or at least \$10,000,000 in capital investment and 50 new full-time equivalent employees for projects located outside the metropolitan area;

(4) up to \$1,000,000 in capital investment rebates and up to \$1,000,000 in job creation awards are allowable for projects that have at least \$25,000,000 in capital investment, which may include the installation and purchase of machinery and equipment, and 100 retained full-time equivalent employees for projects located in the metropolitan area as defined in section 200.02, subdivision 24, or at least \$10,000,000 in capital investment, which may include the installation and purchase of machinery and equipment, and 50 retained full-time equivalent employees for projects located outside the metropolitan area; and

(5) for clauses (3) and (4) only, the capital investment expenditure requirements may include the installation and purchases of machinery and equipment. These expenditures are not eligible for the capital investment rebate provided under subdivision 5.

(c) The job creation award may be provided in multiple years as long as the qualified Minnesota job creation fund business continues to meet the job creation goals provided for in its agreement under subdivision 3 and the total award does not exceed \$500,000 except as provided under paragraph (b), clauses (3) and (4). Under paragraph (b), clause (4), a job creation award of \$2,000 per full-time equivalent job retained ~~job~~ may be provided one time if the qualified Minnesota job creation fund business meets the minimum capital investment

100.1 and retained employee requirement as provided in paragraph (b), clause (4), for at least two
100.2 years.

100.3 (d) No rebates or award may be provided until the Minnesota job creation fund business
100.4 or a third party constructing or managing the project has at least \$500,000 in capital
100.5 investment in the project and at least ten full-time equivalent jobs have been created and
100.6 maintained for at least one year or the retained employees, as provided in paragraph (b),
100.7 clause (4), remain for at least one year. The agreement may require additional performance
100.8 outcomes that need to be achieved before rebates and awards are provided. If fewer retained
100.9 jobs are maintained, but still above the minimum under this subdivision, the capital
100.10 investment award shall be reduced on a proportionate basis.

100.11 (e) The forms needed to be submitted to document performance by the Minnesota job
100.12 creation fund business must be in the form and be made under the procedures specified by
100.13 the commissioner. The forms shall include documentation and certification by the business
100.14 that it is in compliance with the business subsidy agreement, sections 116J.871 and 116L.66,
100.15 and other provisions as specified by the commissioner.

100.16 (f) Minnesota job creation fund businesses must pay each new full-time equivalent
100.17 employee added pursuant to the agreement total compensation, including benefits not
100.18 mandated by law, that on an annualized basis is equal to at least 110 percent of the federal
100.19 poverty level for a family of four.

100.20 (g) A Minnesota job creation fund business must demonstrate reasonable progress on
100.21 capital investment expenditures within six months following designation as a Minnesota
100.22 job creation fund business to ensure that the capital investment goal in the agreement under
100.23 subdivision 1 will be met. Businesses not making reasonable progress will not be eligible
100.24 for benefits under the submitted application and will need to work with the local government
100.25 unit to resubmit a new application and request to be a Minnesota job creation fund business.
100.26 Notwithstanding the goals noted in its agreement under subdivision 1, this action shall not
100.27 be considered a default of the business subsidy agreement.

100.28 Sec. 5. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 6, is amended
100.29 to read:

100.30 Subd. 6. **Job creation award.** (a) A qualified Minnesota job creation fund business is
100.31 eligible for an annual award for each new full-time equivalent job created and maintained
100.32 under subdivision 4, paragraph (b), clauses (2) and (3), by the business using the following
100.33 schedule: \$1,000 for each job position paying annual wages at least \$26,000 but less than
100.34 \$35,000; \$2,000 for each job position paying at least \$35,000 but less than \$45,000; \$3,000

for each job position paying at least \$45,000 but less than \$55,000; and \$4,000 for each job position paying at least \$55,000; and as noted in the goals under the agreement provided under subdivision 1. These awards are increased by \$1,000 if the business is located outside the metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans, women, or persons with a disability.

(b) A qualified Minnesota job creation fund business is eligible for a onetime \$2,000 award for each full-time equivalent job retained and maintained under subdivision 4, paragraph (b), clause (4), provided that each retained job pays total compensation, including benefits not mandated by law, that on an annualized basis is equal to at least 150 percent of the federal poverty level for a family of four.

(c) The job creation award schedule must be adjusted annually using the percentage increase in the federal poverty level for a family of four.

(d) Minnesota job creation fund businesses seeking an award credit provided under subdivision 4 must submit forms and applications to the Department of Employment and Economic Development as prescribed by the commissioner.

ARTICLE 6

INNOVATIVE BUSINESS DEVELOPMENT PUBLIC INFRASTRUCTURE GRANT PROGRAM

Section 1. Minnesota Statutes 2022, section 116J.435, subdivision 3, is amended to read:

Subd. 3. **Grant program established.** (a) The commissioner shall make ~~competitive~~ grants to local governmental units to acquire and prepare land on which public infrastructure required to support an eligible project will be located, ~~including demolition of structures and remediation of any hazardous conditions on the land, or to predesign, design, acquire, and to construct, furnish, and equip public infrastructure required to support an eligible project.~~ The local governmental unit receiving a grant must provide for the remainder of the public infrastructure costs from other sources. ~~The commissioner may waive the requirements related to an eligible project under subdivision 2 if a project would be eligible under this section but for the fact that its location requires infrastructure improvements to residential development.~~

(b) The amount of a grant may not exceed ~~the lesser of the cost of the public infrastructure or 50 percent of the sum of the cost of the public infrastructure plus the cost of the completed eligible project.~~

(c) The purpose of the program is to keep or enhance jobs in the area, increase the tax base, or to expand or create new economic development through the growth of new innovative businesses and organizations.

Sec. 2. Minnesota Statutes 2022, section 116J.435, subdivision 4, is amended to read:

Subd. 4. **Application.** (a) The commissioner must develop forms and procedures for soliciting and reviewing applications for grants under this section. At a minimum, a local governmental unit must include ~~the following information~~ in its application a resolution certifying that the money required to be supplied by the local governmental unit to complete the public infrastructure project is available and committed. The commissioner must evaluate complete applications for eligible projects using the following criteria:

(1) ~~a resolution of its governing body certifying that the money required to be supplied by the local governmental unit to complete the public infrastructure is available and committed~~ the project is an eligible project as defined under subdivision 2;

(2) ~~a detailed estimate, along with necessary supporting evidence, of the total development costs for the public infrastructure and eligible project~~ the project is expected to result in or will attract substantial public and private capital investment and provide substantial economic benefit to the county or city in which the project would be located;

(3) ~~an assessment of the potential or likely use of the site for innovative business activities after completion of the public infrastructure and eligible project~~ the project is not relocating substantially the same operation from another location in the state, unless the commissioner determines the project cannot be reasonably accommodated within the county or city in which the business is currently located, or the business would otherwise relocate to another state; and

(4) ~~a timeline indicating the major milestones of the public infrastructure and eligible project and their anticipated completion dates;~~ the project is expected to create or retain full-time jobs.

(5) ~~a commitment from the governing body to repay the grant if the milestones are not realized by the completion date identified in clause (4); and~~

~~(6) any additional information or material the commissioner prescribes.~~

(b) The determination of whether to make a grant ~~under subdivision 3~~ for a site is within the discretion of the commissioner, subject to this section. The commissioner's decisions and application of the ~~priorities~~ criteria are not subject to judicial review, except for abuse of discretion.

103.1 Sec. 3. **REPEALER.**

103.2 Minnesota Statutes 2022, section 116J.435, subdivision 5, is repealed.

103.3 **ARTICLE 7**

103.4 **ENERGY TRANSITION ADVISORY COMMITTEE**

103.5 Section 1. Minnesota Statutes 2022, section 116J.5492, subdivision 2, is amended to read:

103.6 Subd. 2. **Membership.** (a) The advisory committee consists of ~~18~~ 19 voting members
103.7 and eight ex officio nonvoting members.

103.8 (b) The voting members of the advisory committee are appointed by the commissioner
103.9 of employment and economic development, except as specified below:

103.10 (1) two members of the senate, one appointed by the majority leader of the senate and
103.11 one appointed by the minority leader of the senate;

103.12 (2) two members of the house of representatives, one appointed by the speaker of the
103.13 house of representatives and one appointed by the minority leader of the house of
103.14 representatives;

103.15 (3) one representative of the Prairie Island Indian community;

103.16 (4) four representatives of impacted communities, of which two must represent counties
103.17 and two must represent municipalities, and, to the extent possible, of the impacted facilities
103.18 in those communities, at least one must be a coal plant, at least one must be a nuclear plant,
103.19 and at least one must be a natural gas plant;

103.20 (5) three representatives of impacted workers at impacted facilities;

103.21 (6) one representative of impacted workers employed by companies that, under contract,
103.22 regularly perform construction, maintenance, or repair work at an impacted facility;

103.23 (7) one representative with professional economic development or workforce retraining
103.24 experience;

103.25 (8) two representatives of utilities that operate an impacted facility;

103.26 (9) one representative from a nonprofit organization with expertise and experience
103.27 delivering energy efficiency and conservation programs; ~~and~~

103.28 (10) one representative of a school district facing revenue loss due to energy transition;
103.29 and

103.30 ~~(10)~~ (11) one representative from the Coalition of Utility Cities.

- 104.1 (c) The ex officio nonvoting members of the advisory committee consist of:
- 104.2 (1) the governor or the governor's designee;
- 104.3 (2) the commissioner of employment and economic development or the commissioner's
- 104.4 designee;
- 104.5 (3) the commissioner of commerce or the commissioner's designee;
- 104.6 (4) the commissioner of labor and industry or the commissioner's designee;
- 104.7 (5) the commissioner of revenue or the commissioner's designee;
- 104.8 (6) the executive secretary of the Public Utilities Commission or the secretary's designee;
- 104.9 (7) the commissioner of the Pollution Control Agency or the commissioner's designee;
- 104.10 and
- 104.11 (8) the chancellor of the Minnesota State Colleges and Universities or the chancellor's
- 104.12 designee.

104.13 ARTICLE 8

104.14 TECHNICAL CHANGES

104.15 Section 1. Laws 2023, chapter 53, article 15, section 32, subdivision 6, is amended to

104.16 read:

104.17 Subd. 6. **Administrative costs.** The commissioner of employment and economic

104.18 development may use up to one percent of the appropriation made for this section for

104.19 administrative expenses of the department. The Northland Foundation may use up to five

104.20 percent of the appropriation made for this section for administrative expenses.

104.21 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2023.

104.22 ARTICLE 9

104.23 SMALL BUSINESS PROGRAM MODIFICATIONS

104.24 Section 1. Minnesota Statutes 2023 Supplement, section 116J.682, subdivision 1, is

104.25 amended to read:

104.26 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms in this

104.27 subdivision have the meanings given.

104.28 (b) "Commissioner" means the commissioner of employment and economic development.

104.29 (c) "Partner organizations" or "partners" means:

(1) nonprofit organizations or public entities, including higher education institutions, engaged in business development or economic development;

(2) community development financial institutions; ~~or~~

(3) community development corporations; and

(4) Tribal economic development entities.

(d) "Small business" has the meaning given in section 3 of the Small Business Act, United States Code, title 15, section 632.

(e) "Underserved populations and geographies" means individuals who are Black, Indigenous, people of color, veterans, people with disabilities, people who are LGBTQ+, and low-income individuals and includes people from rural Minnesota.

Sec. 2. Minnesota Statutes 2023 Supplement, section 116J.682, subdivision 3, is amended to read:

Subd. 3. **Small business assistance partnerships grants.** (a) The commissioner shall make small business assistance partnerships grants to local and regional community-based organizations to provide small business development and technical assistance services to entrepreneurs and small business owners. The commissioner must prioritize applications that provide services to underserved populations and geographies.

(b) Grantees shall use the grant funds to provide high-quality, free ~~or low-cost~~ professional business development and technical assistance services that support the start-up, growth, and success of Minnesota's entrepreneurs and small business owners.

(c) Grantees may use up to 15 percent of grant funds for expenses incurred while administering the grant, including but not limited to expenses related to technology, utilities, legal services, training, accounting, insurance, financial management, benefits, reporting, servicing of loans, and audits.

Sec. 3. Minnesota Statutes 2023 Supplement, section 116J.8733, is amended to read:

116J.8733 MINNESOTA EXPANDING OPPORTUNITY FUND PROGRAM.

Subdivision 1. **Establishment.** The Minnesota Expanding Opportunity Fund Program is established to capitalize Minnesota nonprofit corporations, Tribal economic development entities, and community development financial institutions to increase lending activities with Minnesota small businesses.

Subd. 2. **Long-term loans.** The department may make long-term loans of ten to 12 years at 0.5 percent or lower interest rates to nonprofit corporations, Tribal economic development entities, and community development financial institutions to enable nonprofit corporations, Tribal economic development entities, and community development financial institutions to make more loans to Minnesota small businesses. The department may use the interest received to offset the cost of administering small business lending programs.

Subd. 3. **Loan eligibility; ~~nonprofit corporation~~.** (a) The eligible nonprofit corporation, Tribal economic development entity, or community development financial institution must not meet the definition of recipient under section 116J.993, subdivision 6.

(b) The commissioner may enter into loan agreements with Minnesota nonprofit corporations, Tribal economic development entities, and community development financial institutions that apply to participate in the Minnesota Expanding Opportunity Fund Program. The commissioner shall evaluate applications from applicant nonprofit corporations, Tribal economic development entities, and community development financial institutions. In evaluating applications, the department must consider, among other things, whether the nonprofit corporation, Tribal economic development entity, or community development financial institution:

(1) meets the statutory definition of a community development financial institution as defined in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994, United States Code, title 12, section 4702;

(2) has a board of directors or loan or credit committee that includes citizens experienced in small business services and community development;

(3) has the technical skills to analyze small business loan requests;

(4) is familiar with other available public and private funding sources and economic development programs;

(5) is enrolled in one or more eligible federally funded state programs; and

(6) has the administrative capacity to manage a loan portfolio.

Subd. 4. **Revolving loan fund.** (a) The commissioner shall establish a revolving loan fund to make loans to nonprofit corporations, Tribal economic development entities, and community development financial institutions for the purpose of increasing nonprofit corporation, Tribal economic development entity, and community development financial institution capital and lending activities with Minnesota small businesses.

(b) Nonprofit corporations, Tribal economic development entities, and community development financial institutions that receive loans from the commissioner under the program must establish appropriate accounting practices for the purpose of tracking eligible loans.

Subd. 5. **Loan portfolio administration.** (a) The fee or interest rate charged by a nonprofit corporation, Tribal economic development entity, or community development financial institution for a loan under this subdivision must not exceed the Wall Street Journal prime rate plus two percent, with a maximum of ten percent. A nonprofit corporation, Tribal economic development entity, or community development financial institution participating in the Minnesota Expanding Opportunity Fund Program may charge a loan closing fee equal to or less than two percent of the loan value.

(b) The nonprofit corporation, Tribal economic development entity, or community development financial institution may retain all earnings from fees and interest from loans to small businesses.

(c) The department must provide the nonprofit corporation, Tribal economic development entity, or community development financial institution making the loan with a fee equal to one percent of the loan value for every loan closed to offset related expenses for loan processing, loan servicing, legal filings, and reporting.

Subd. 6. **Cooperation.** A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program loan shall cooperate with other organizations, including but not limited to community development corporations, community action agencies, and the Minnesota small business development centers.

Subd. 7. **Reporting requirements.** (a) A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program loan must submit an annual report to the commissioner by February 15 of each year that includes:

(1) the number of businesses to which a loan was made;

(2) a description of businesses supported by the program;

(3) demographic information, as specified by the commissioner, regarding each borrower;

(4) an account of loans made during the calendar year;

(5) the program's impact on job creation and retention;

(6) the source and amount of money collected and distributed by the program;

(7) the program's assets and liabilities; and

(8) an explanation of administrative expenses.

(b) A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program loan must provide for an independent annual audit to be performed in accordance with generally accepted accounting practices and auditing standards and submit a copy of each annual audit report to the commissioner.

Sec. 4. Minnesota Statutes 2022, section 116M.18, is amended to read:

116M.18 MINNESOTA EMERGING ENTREPRENEUR PROGRAM.

Subdivision 1. **Establishment.** The Minnesota emerging entrepreneur program is established to award grants to nonprofit corporations, Tribal economic development entities, and community development financial institutions to fund loans to businesses owned by minority or low-income persons, women, veterans, or people with disabilities.

Subd. 1a. **Statewide loans.** To the extent there is sufficient eligible demand, loans shall be made so that an approximately equal dollar amount of loans are made to businesses in the metropolitan area as in the nonmetropolitan area. After March 31 of each fiscal year, the department may allow loans to be made anywhere in the state without regard to geographic area.

Subd. 1b. **Grants.** The department shall make grants to nonprofit corporations, Tribal economic development entities, and community development financial institutions to fund loans to businesses owned by minority or low-income persons, women, veterans, or people with disabilities to encourage private investment, to provide jobs for minority and low-income persons, to create and strengthen minority business enterprises, and to promote economic development in a low-income area.

Subd. 2. **Grant eligibility; ~~nonprofit corporation~~.** (a) The department may enter into agreements with nonprofit corporations, Tribal economic development entities, and community development financial institutions to fund loans the nonprofit corporation, Tribal economic development entity, or community development financial institution makes to businesses owned by minority or low-income persons, women, veterans, or people with disabilities. The department shall evaluate applications from nonprofit corporations, Tribal economic development entities, and community development financial institutions. In evaluating applications, the department must consider, among other things, whether the

109.1 nonprofit corporation, Tribal economic development entity, or community development
109.2 financial institution:

109.3 (1) has a board of directors that includes citizens experienced in business and community
109.4 development, minority business enterprises, addressing racial income disparities, and creating
109.5 jobs for low-income and minority persons;

109.6 (2) has the technical skills to analyze projects;

109.7 (3) is familiar with other available public and private funding sources and economic
109.8 development programs;

109.9 (4) can initiate and implement economic development projects;

109.10 (5) can establish and administer a revolving loan account or has operated a revolving
109.11 loan account;

109.12 (6) can work with job referral networks which assist minority and low-income persons;
109.13 and

109.14 (7) has established relationships with minority communities.

109.15 (b) The department shall review existing agreements with nonprofit corporations, Tribal
109.16 economic development entities, and community development financial institutions every
109.17 five years and may renew or terminate the agreement based on the review. In making its
109.18 review, the department shall consider, among other criteria, the criteria in paragraph (a).

109.19 Subd. 3. **Revolving loan fund.** (a) The department shall establish a revolving loan fund
109.20 to make grants to nonprofit corporations, Tribal economic development entities, and
109.21 community development financial institutions for the purpose of making loans to businesses
109.22 owned by minority or low-income persons, women, veterans, or people with disabilities,
109.23 and to support minority business enterprises and job creation for minority and low-income
109.24 persons.

109.25 (b) Nonprofit corporations, Tribal economic development entities, and community
109.26 development financial institutions that receive grants from the department under the program
109.27 must establish a commissioner-certified revolving loan fund for the purpose of making
109.28 eligible loans.

109.29 (c) Eligible business enterprises include, but are not limited to, technologically innovative
109.30 industries, value-added manufacturing, and information industries.

109.31 (d) Loan applications given preliminary approval by the nonprofit corporation, Tribal
109.32 economic development entity, or community development financial institution must be

110.1 forwarded to the department for approval. ~~The commissioner must give final approval for~~
110.2 ~~each loan made by the nonprofit corporation.~~ Nonprofit corporations, Tribal economic
110.3 development entities, and community development financial institutions designated as
110.4 preferred partners do not need final approval by the commissioner. All other loans must be
110.5 approved by the commissioner and the commissioner must make approval decisions within
110.6 20 days of receiving a loan application unless the application contains insufficient information
110.7 to make an approval decision. The amount of the state funds contributed to any loan may
110.8 not exceed 50 percent of each loan. The commissioner must develop the criteria necessary
110.9 to receive loan forgiveness.

110.10 Subd. 4. **Business loan criteria.** (a) The criteria in this subdivision apply to loans made
110.11 by nonprofit corporations, Tribal economic development entities, and community
110.12 development financial institutions under the program.

110.13 (b) Loans must be made to businesses that are not likely to undertake a project for which
110.14 loans are sought without assistance from the program.

110.15 (c) A loan must be used to support a business owned by a minority or a low-income
110.16 person, woman, veteran, or a person with disabilities. Priority must be given for loans to
110.17 the lowest income areas.

110.18 (d) The minimum state contribution to a loan is \$5,000 and the maximum is \$150,000.

110.19 (e) The state contribution must be matched by at least an equal amount of new private
110.20 investment.

110.21 (f) A loan may not be used for a retail development project.

110.22 (g) The business must agree to work with job referral networks that focus on minority
110.23 and low-income applicants.

110.24 (h) Up to ten percent of a loan's principal amount may be forgiven if ~~the department~~
110.25 ~~approves and~~ the borrower has met lender and agency criteria, including being current with
110.26 all payments, for at least two years. The commissioner must develop the criteria for receiving
110.27 loan forgiveness.

110.28 Subd. 4a. **Microenterprise loan.** (a) Program grants may be used to make microenterprise
110.29 loans to small, beginning businesses, including a sole proprietorship. Microenterprise loans
110.30 are subject to this section except that:

110.31 (1) they may also be made to qualified retail businesses;

110.32 (2) they may be made for a minimum of \$5,000 and a maximum of ~~\$35,000~~ \$40,000;

(3) in a low-income area, they may be made for a minimum of \$5,000 and a maximum of ~~\$50,000~~ \$55,000; and

(4) they do not require a match.

(b) Up to ten percent of a loan's principal amount may be forgiven if ~~the department approves and~~ the borrower has met ~~lender~~ criteria developed by the lender and the commissioner, including being current with all payments, for at least two years.

Subd. 5. **Revolving fund administration.** (a) The department shall establish a minimum interest rate or fee for loans or guarantees to ensure that necessary loan administration costs are covered. The interest rate charged by a nonprofit corporation, Tribal economic development entity, or community development financial institution for a loan under this subdivision must not exceed the Wall Street Journal prime rate plus ~~four~~ two percent, with a maximum rate of ten percent. For a loan under this subdivision, the nonprofit corporation, Tribal economic development entity, or community development financial institution may charge a loan origination fee equal to or less than one percent of the loan value. The nonprofit corporation, Tribal economic development entity, or community development financial institution may retain the amount of the origination fee.

(b) Loan repayment of principal must be paid to the department for deposit in the revolving loan fund. Loan interest payments must be deposited in a revolving loan fund created by the nonprofit corporation, Tribal economic development entity, or community development financial institution originating the loan being repaid for further distribution or use, consistent with the criteria of this section.

(c) Administrative expenses of the nonprofit corporations, Tribal economic development entities, and community development financial institutions with whom the department enters into agreements, including expenses incurred by a nonprofit corporation, Tribal economic development entity, or community development financial institution in providing financial, technical, managerial, and marketing assistance to a business enterprise receiving a loan under subdivision 4, may be paid out of the interest earned on loans and out of interest earned on money invested by the state Board of Investment under section 116M.16, subdivision 2, as may be provided by the department.

(d) The department must provide the nonprofit corporation, Tribal economic development entity, or community development financial institution making the loan with a fee equal to one percent of the loan value for every loan closed to offset related expenses for loan processing, loan servicing, legal filings, and reporting.

Subd. 7. **Cooperation.** A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program grant shall cooperate with other organizations, including but not limited to, community development corporations, community action agencies, and the Minnesota small business development centers.

Subd. 8. **Reporting requirements.** (a) A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program grant shall:

(1) submit an annual report to the department by February 15 of each year that includes a description of businesses supported by the grant program, an account of loans made during the calendar year, the program's impact on minority business enterprises and job creation for minority persons and low-income persons, the source and amount of money collected and distributed by the program, the program's assets and liabilities, and an explanation of administrative expenses; and

(2) provide for an independent annual audit to be performed in accordance with generally accepted accounting practices and auditing standards and submit a copy of each annual audit report to the department.

(b) By March 1 of each year, the commissioner must provide a report compiling the information received from nonprofit corporations, Tribal economic development entities, and community development financial institutions under paragraph (a) to the chairs and ranking minority members of the legislative committees with jurisdiction over workforce development. The report must also specify any nonprofit corporations, Tribal economic development entities, or community development financial institutions that failed to provide the information required under paragraph (a).

Subd. 9. **Small business emergency loan account.** The small business emergency loan account is created as an account in the special revenue fund.

Sec. 5. Laws 2023, chapter 53, article 15, section 33, subdivision 4, is amended to read:

Subd. 4. **Loans to community businesses.** (a) A partner organization that receives a grant under subdivision 3 shall establish a plan for making low-interest loans to community businesses. The plan requires approval by the commissioner.

(b) Under the plan:

(1) the state contribution to each loan shall be no less than \$50,000 and no more than \$500,000;

(2) loans shall be made for projects that are unlikely to be undertaken unless a loan is received under the program;

(3) priority shall be given to loans to businesses in the lowest income areas;

(4) the fee or interest rate on a loan shall not be higher than the Wall Street Journal prime rate plus two percent, with a maximum of ten percent;

(5) 50 percent of all repayments of principal on a loan under the program shall be used to fund additional related lending. The partner organization may retain the remainder of loan repayments to service loans and provide further technical assistance;

(6) the partner organization may charge a loan origination fee of no more than one percent of the loan value and may retain that origination fee; ~~and~~

(7) a partner organization may not make a loan to a project in which it has an ownership interest; and

(8) up to 15 percent of a loan's principal amount may be forgiven by the partner organization if the borrower has met all lending criteria developed by the partner organization and the commissioner, including creating or retaining jobs and being current with all loan payments, for at least two years.

Sec. 6. Laws 2023, chapter 53, article 15, section 33, subdivision 5, is amended to read:

Subd. 5. **Reports.** (a) The partner organization shall submit a report to the commissioner by ~~January~~ December 31 of 2024, 2025, and 2026. The report shall include:

(1) an account of all loans made through the program the preceding calendar year and the impact of those loans on community businesses and job creation for targeted groups;

(2) information on the source and amount of money collected and distributed under the program, its assets and liabilities, and an explanation of administrative expenses; and

(3) an independent audit of grant funds performed in accordance with generally accepted accounting practices and auditing standards.

(b) By February 15 of ~~2024~~, 2025, ~~and 2026~~, and 2027, the commissioner shall submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over workforce and economic development on program outcomes, including copies of all reports received under paragraph (a).

114.1 **ARTICLE 10**

114.2 **INDEPENDENT LIVING SERVICES**

114.3 Section 1. Minnesota Statutes 2022, section 268A.11, is amended to read:

114.4 **268A.11 INDEPENDENT LIVING SERVICES.**

114.5 Subdivision 1. **Purposes and services.** The purposes of independent living services and
114.6 the services that are to be provided are those that are consistent with Code of Federal
114.7 Regulations, title 34, ~~parts 365 to 367~~ 45, part 1329.

114.8 Subd. 2. **Administration.** This section shall be administered by the Department of
114.9 Employment and Economic Development through the Vocational Rehabilitation Services
114.10 Program. The department may employ staff as reasonably required to administer this section
114.11 and may accept and receive funds from nonstate sources for the purpose of effectuating this
114.12 section.

114.13 Subd. 3. **Certification.** No applicant Center for Independent Living may receive funding
114.14 under this section unless it has received certification from the Vocational Rehabilitation
114.15 Services Program.

114.16 The Vocational Rehabilitation Services Program shall review the programs of Centers
114.17 for Independent Living receiving funds from under this section to determine ~~their adherence~~
114.18 ~~to compliance with the standards adopted by rule and if the standards are substantially met~~
114.19 defined in section 725(b) and assurances in section 725(c) of the Rehabilitation Act of 1973,
114.20 and, if fulfilled, shall issue appropriate certifications.

114.21 Subd. 4. **Application of Centers for Independent Living.** The Vocational Rehabilitation
114.22 Services Program shall require Centers for Independent Living to complete application
114.23 forms, expenditure reports, and proposed plans and budgets. These reports must be in the
114.24 manner and on the form prescribed by the Vocational Rehabilitation Services Program.
114.25 When applying, the Center for Independent Living shall agree to provide reports and records;
114.26 and make available records for audit as may be required by the Vocational Rehabilitation
114.27 Services Program.

114.28 The applicant Center for Independent Living shall be notified in writing by the Vocational
114.29 Rehabilitation Services Program concerning the approval of budgets and plans.

116J.435 INNOVATIVE BUSINESS DEVELOPMENT PUBLIC INFRASTRUCTURE GRANT PROGRAM.

Subd. 5. **Priorities.** (a) If applications for grants exceed the available appropriations, grants must be made for public infrastructure that, in the commissioner's judgment, provides the highest return in public benefits for the public costs incurred. "Public benefits" include job creation, environmental benefits to the state and region, efficient use of public transportation, efficient use of existing infrastructure, provision of affordable housing, multiuse development that constitutes community rebuilding rather than single-use development, crime reduction, blight reduction, community stabilization, and property tax base maintenance or improvement. In making this judgment, the commissioner shall give priority to eligible projects with one or more of the following characteristics:

- (1) the potential of the local governmental unit to attract viable innovative businesses;
- (2) proximity to public transit if located in a metropolitan county, as defined in section 473.121, subdivision 4;
- (3) multijurisdictional eligible projects that take into account the need for affordable housing, transportation, and environmental impact;
- (4) the eligible project is not relocating substantially the same operation from another location in the state, unless the commissioner determines the eligible project cannot be reasonably accommodated within the local governmental unit in which the business is currently located, or the business would otherwise relocate to another state or country; and
- (5) the number of jobs that will be created.

(b) The factors in paragraph (a) are not listed in a rank order of priority; rather, the commissioner may weigh each factor, depending upon the facts and circumstances, as the commissioner considers appropriate.

116J.439 AIRPORT INFRASTRUCTURE RENEWAL (AIR) GRANT PROGRAM.

Subdivision 1. **Grant program established; purpose.** (a) The commissioner shall make grants to counties, airport authorities, or cities to provide up to 50 percent of the capital costs of redevelopment of an existing facility or construction of a new facility; and for public or private infrastructure costs, including broadband infrastructure costs, necessary for an eligible airport infrastructure renewal economic development project.

(b) The purpose of the grants made under this section is to keep or enhance jobs in the area, increase the tax base, or expand or create new economic development.

(c) In awarding grants under this section, the commissioner must adhere to the criteria under subdivision 5.

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "City" means a statutory or home rule charter city located outside the metropolitan area as defined in section 473.121, subdivision 2.

(c) "County" means a county located outside the metropolitan area as defined in section 473.121, subdivision 2.

(d) "Airport authority" means an authority created pursuant to section 360.0426.

Subd. 3. **Eligible projects.** An economic development project for which a county, airport authority, or city may be eligible to receive a grant under this section includes: (1) manufacturing; (2) technology; (3) warehousing and distribution; or (4) research and development.

Subd. 4. **Ineligible projects.** The following projects are not eligible for a grant under this section: (1) retail development; or (2) office space development, except as incidental to an eligible purpose.

Subd. 5. **Application.** (a) The commissioner must develop forms and procedures for soliciting and reviewing applications for grants under this section. At a minimum, a county, airport authority, or city must include in its application a resolution of the governing body of the county, airport authority, or city certifying that half of the cost of the project is committed from nonstate sources. The commissioner must evaluate complete applications for eligible projects using the following criteria:

APPENDIX
Repealed Minnesota Statutes: S5289-4

(1) the project is an eligible project as defined under subdivision 3;

(2) the project is expected to result in or will attract substantial public and private capital investment and provide substantial economic benefit to the county, airport authority, or city in which the project would be located; and

(3) the project is expected to or will create or retain full-time jobs.

(b) The determination of whether to make a grant for a site is within the discretion of the commissioner, subject to this section. The commissioner's decisions and application of the criteria are not subject to judicial review except for abuse of discretion.

Subd. 6. **Maximum grant amount.** A county, airport authority, or city may receive no more than \$250,000 in two years for one or more projects.

Subd. 7. **Cancellation of grant; return of grant money.** If after five years the commissioner determines that a project has not proceeded in a timely manner and is unlikely to be completed, the commissioner must cancel the grant and require the grantee to return all grant money awarded for that project.

Subd. 8. **Appropriation.** Grant money returned to the commissioner is appropriated to the commissioner to make additional grants under this section.

116L.17 STATE DISLOCATED WORKER PROGRAM.

Subd. 5. **Cost limitations.** (a) Funds allocated to a grantee are subject to the following cost limitations:

(1) no more than ten percent may be allocated for administration;

(2) at least 50 percent must be allocated for training assistance as provided in subdivision 4, clause (4); and

(3) no more than 15 percent may be allocated for support services as provided in subdivision 4, clause (2).

(b) A waiver of the training assistance minimum in clause (4) may be sought, but no waiver shall allow less than 30 percent of the grant to be spent on training assistance. A waiver of the support services maximum in clause (2) may be sought, but no waiver shall allow more than 20 percent of the grant to be spent on support services. A waiver may be granted below the minimum and above the maximum otherwise allowed by this paragraph if funds other than state funds appropriated for the dislocated worker program are used to fund training assistance.