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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 2615

03/06/2023 Authored by Finke and Kozlowski

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

1.1 A bill for an act
1.2 relating to economic development; establishing an accessibility for the arts and
1.3 cultural economy capital grant program; requiring a report; appropriating money.

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

1.5 Section 1. ACCESSIBILITY FOR ARTS AND CULTURAL ECONOMY CAPITAL
1.6 GRANTS.

1.7 Subdivision 1. Grant program established. The commissioner of employment and
1.8 economic development shall establish an arts and cultural economy capital grant program.
1.9 The commissioner shall make a grant to one or more intermediary organizations, to be
1.10 identified by the commissioner, to make grants to eligible grantees to fund necessary arts
1.11 or cultural facility building accessibility renovations to comply with Americans with
1.12 Disabilities Act (ADA) requirements and for capital projects at an arts or cultural facility.

1.13 Subd. 2. Definitions. (a) For the purposes of this section, the terms in this subdivision
1.14 have the meanings given.

1.15 (b) "Arts or cultural facility" means a theater, performing arts venue, art gallery, cultural
1.16 center, place of worship, or other facility located in Minnesota and operated for artistic
1.17 purposes by a nonprofit or Tribal entity for at least ten days in the previous calendar year.

1.18 (c) "Commissioner" means the commissioner of employment and economic development.

1.19 Subd. 3. Grant to intermediary organization. (a) The commissioner shall make a grant
1.20 to one or more community development financial institutions (CDFI), foundations, regional
1.21 development agencies, and Tribal governments to act as intermediary organizations to

2.1 provide capital projects grants using an application developed by the commissioner and the
 2.2 criteria in paragraph (b).

2.3 (b) In identifying the appropriate intermediary organizations, the commissioner shall
 2.4 consider the organization's:

2.5 (1) knowledge of Minnesota's arts and cultural community;

2.6 (2) knowledge of building accessibility requirements under the ADA;

2.7 (3) previous experience with grantmaking and capital projects;

2.8 (4) experience working across the geographic regions of Minnesota or within a specific
 2.9 region; and

2.10 (5) record of service in and with Minnesota's diverse communities.

2.11 (c) Up to 18 percent of a grant under this subdivision may be used by the CDFI
 2.12 intermediary organization for administration, outreach, contract management, and monitoring
 2.13 of the program.

2.14 Subd. 4. **Eligible grantees; grant process.** (a) An owner or operator of an arts or cultural
 2.15 facility is eligible to receive a grant under this section if the entity operating the facility:

2.16 (1) is a 501(c)(3) or equivalent not-for-profit arts or cultural organization;

2.17 (2) is located in the state of Minnesota; and

2.18 (3) has organizational revenue for fiscal year 2019 of equal to or less than \$1,500,000,
 2.19 as reported by the nonprofit on the federal IRS Form 990 or was founded after April 1,
 2.20 2020.

2.21 (b) Grants shall be awarded by the intermediary through a request for proposal process
 2.22 and may be awarded on a rolling basis. Selection shall be based on the significance of the
 2.23 project, financial need of the organization, available matching funds, and number of people
 2.24 served by the improvements. Projects to achieve compliance with the requirements of the
 2.25 ADA shall be given priority. Geographic balance in awarding grants throughout Minnesota
 2.26 shall also be a priority.

2.27 (c) The maximum grant to an eligible grantee under this section is \$2,000,000.

2.28 Subd. 5. **Report to the legislature.** By January 15, 2024, the intermediary organization
 2.29 must submit an initial report to the chairs and ranking minority members of the legislative
 2.30 committees with jurisdiction over economic development on the use of funds under this
 2.31 section and grant outcomes. A final report, with metrics to gauge geographic and diverse

3.1 impacts, is due to the legislature by the intermediary organization upon full expenditure of
3.2 the funds appropriated in section 2.

3.3 Sec. 2. **APPROPRIATION.**

3.4 \$50,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner
3.5 of employment and economic development for accessibility for arts and cultural economy
3.6 grants under section 1. Of this amount, 0.1 percent is for the commissioner of employment
3.7 and economic development to administer the program. This is a onetime appropriation and
3.8 is available until December 31, 2026.