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State of Minnesota
HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 425

01/17/2023

Authored by Quam

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 a business expansion low-interest
1.3 loan program; appropriating money.

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

1.5 Section 1. **BUSINESS EXPANSION LOW-INTEREST LOAN PROGRAM.**

1.6 Subdivision 1. **Loan program.** The commissioner of employment and economic
1.7 development may make low-interest loans to an eligible business for the purpose of
1.8 expanding businesses whose products are sold primarily outside of the state. The
1.9 commissioner shall allocate funds between each of 11 regional development commissions
1.10 in the development regions described in Minnesota Statutes, section 462.385. The 11 regional
1.11 development commissions are responsible for distributing and monitoring loan funds. To
1.12 be eligible for a loan under this section, a business must generate at least 50 percent of
1.13 revenue from products sold outside of the state. The regional development commissions
1.14 may determine merit criteria to facilitate the distribution of funds.

1.15 Subd. 2. **Revolving loan account.** The commissioner shall use money appropriated for
1.16 the purposes of this section to establish a revolving loan account. All repayments of loans
1.17 made under this section must be deposited into this account. Interest earned on money in
1.18 the account accrues to the account. Money in the account is appropriated to the commissioner
1.19 for the purposes of this section.

1.20 Sec. 2. **APPROPRIATION.**

1.21 \$80,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner
1.22 of employment and economic development for the purposes of the business expansion

- 2.1 low-interest loan program under section 1. Of this appropriation, no more than \$20,000,000
2.2 may be allocated to any one regional development commission, and each of the 11 regional
2.3 development commissions must receive at least \$5,000,000 in low-interest loan funds. This
2.4 is a onetime appropriation and is available until spent.