ARTICLE 3

EMPLOYMENT AND ECONOMIC DEVELOPMENT POLICY

Section 1. Minnesota Statutes 2024, section 116J.431, subdivision 2, is amended to read:

Subd. 2. **Eligible projects.** (a) An economic development project for which a county or city may be eligible to receive a grant under this section includes:

(1) manufacturing;

(2) technology;

(3) warehousing and distribution;

(4) research and development;

(5) agricultural processing, defined as transforming, packaging, sorting, or grading livestock or livestock products or plants and plant-based products into goods that are used for intermediate or final consumption, including goods for nonfood use; or

(6) industrial park development that would be used by any other business listed in this subdivision even if no business has committed to locate in the industrial park at the time the grant application is made.

(b) Up to 15 percent of the development of a project may be for a purpose that is not included under this subdivision as an eligible project. A city or county must provide notice to the commissioner for the commissioner's approval of the proposed project.

EFFECTIVE DATE. This section is effective July 1, 2027.

ARTICLE 3

DEED POLICY

Section 1. Minnesota Statutes 2024, section 116J.431, subdivision 2, is amended to read:

Subd. 2. **Eligible projects.** (a) An economic development project for which a county or city may be eligible to receive a grant under this section includes:

(1) manufacturing;

(2) technology;

(3) warehousing and distribution;

(4) research and development;

(5) agricultural processing, defined as transforming, packaging, sorting, or grading livestock or livestock products or plants and plant-based products into goods that are used for intermediate or final consumption, including goods for nonfood use; or

(6) industrial park development that would be used by any other business listed in this subdivision even if no business has committed to locate in the industrial park at the time the grant application is made.

(b) Up to 15 percent of the development of a project may be for a purpose that is not included under this subdivision as an eligible project. A city or county must provide notice to the commissioner for the commissioner's approval of the proposed project.

Sec. 2. Minnesota Statutes 2024, section 116J.682, subdivision 2, is amended to read:

Subd. 2. **Establishment.** The commissioner shall establish the small business assistance partnerships program to make grants to local and regional community-based organizations to provide small business development and technical assistance services to entrepreneurs and small business owners, or to revitalize or strengthen downtown and neighborhood commercial districts.

Sec. 3. Minnesota Statutes 2024, 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, or to revitalize or strengthen downtown and neighborhood commercial districts. The commissioner must prioritize applications that provide services to underserved populations and geographies.

Sec. 2. Minnesota Statutes 2024, section 116J.8733, subdivision 4, is amended to read:

Subd. 4. **~~Revolving loan fund~~ Minnesota expanding opportunity account.** (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.~~ A Minnesota expanding opportunity account is created in the special revenue fund in the state treasury. Money in the account is appropriated to the commissioner for revolving loans to nonprofit corporations for the purpose of increasing nonprofit corporation 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.

(c) All loan repayments must be paid into the Minnesota expanding opportunity account created in this section to fund additional loans.

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

Sec. 3. Minnesota Statutes 2024, section 116J.8752, subdivision 2, is amended to read:

Subd. 2. **Purpose.** The Minnesota forward fund account is created to increase the state's competitiveness by providing the state the authority and flexibility to facilitate private investment. The fund serves as a closing fund to allow the authority and flexibility to negotiate incentives to better compete with other states for business retention, expansion and attraction of projects in existing and new industries, and develop properties for business use~~, and leverage to meet matching requirements of federal funding~~ for resiliency in economic security and economic enhancement opportunities that provide the public high-quality employment opportunities.

(b) Grantees shall use the grant funds to provide high-quality, free 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. 4. Minnesota Statutes 2024, section 116J.8733, subdivision 4, is amended to read:

Subd. 4. **~~Revolving loan fund~~ Minnesota expanding opportunity account.** (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.~~ A Minnesota expanding opportunity account is created in the special revenue fund in the state treasury. Money in the account is appropriated to the commissioner for revolving loans to nonprofit corporations for the purpose of increasing nonprofit corporation 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.

(c) All loan repayments must be paid into the Minnesota expanding opportunity account created in this section to fund additional loans.

Sec. 5. Minnesota Statutes 2024, section 116J.8752, subdivision 2, is amended to read:

Subd. 2. **Purpose.** The Minnesota forward fund account is created to increase the state's competitiveness by providing the state the authority and flexibility to facilitate private investment. The fund serves as a closing fund to allow the authority and flexibility to negotiate incentives to better compete with other states for business retention, expansion and attraction of projects in existing and new industries, and develop properties for business use~~, and leverage to meet matching requirements of federal funding~~ for resiliency in economic security and economic enhancement opportunities that provide the public high-quality employment opportunities.

Sec. 6. Minnesota Statutes 2024, section 116L.03, subdivision 2, is amended to read:

Subd. 2. **Appointment.** The Minnesota Job Skills Partnership Board consists of: seven members appointed by the governor, the commissioner of employment and economic development or the commissioner's designee, the chancellor, or the chancellor's designee, of the Minnesota State Colleges and Universities, the president, or the president's designee, Sec. 4. **[116J.9927] PREPARE MINNESOTA.**

Subdivision 1. **Establishment.** (a) The commissioner must establish and administer a comprehensive test and professional licensure pilot program that must be provided at no cost to students at one University of Minnesota system campus, students at one Minnesota State Colleges and Universities system campus, and dislocated workers as defined in section 116L.17.

of the University of Minnesota, and two nonlegislator members, one appointed by the Subcommittee on Committees of the senate Committee on Rules and Administration and one appointed by the speaker of the house. If the chancellor or the president of the university makes a designation under this subdivision, the designee must have experience in technical education. Four of the appointed members must be members of the governor's Workforce Development Board, of whom two must represent organized labor and two must represent business and industry. One of the appointed members must be a representative of a nonprofit organization that provides workforce development or job training services.

Sec. 10. Minnesota Statutes 2024, section 116L.562, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** The commissioner shall award grants to eligible organizations for the purpose of providing workforce development and training opportunities or preemployment services and mentorship opportunities to economically disadvantaged or at-risk youth ages 14 to 24.

Sec. 11. Minnesota Statutes 2024, section 116L.562, subdivision 3, is amended to read:

Subd. 3. **Competitive grant awards.** (a) In awarding competitive grants, priority shall be given to programs that:

(1) provide students with information about education and training requirements for careers in high-growth, in-demand occupations;

(2) serve youth from communities of color who are underrepresented in the workforce; or

(3) serve youth with disabilities.

(b) Eligible organizations must have demonstrated effectiveness in administering youth ~~workforce~~ programs and must leverage nonstate or private sector funds.

(c) New eligible applicants must be youth-serving organizations with significant capacity and demonstrable youth development experience and outcomes to operate ~~a youth workforce development~~ an eligible project.

(d) If a program is not operated by a local unit of government or a workforce development board, the grant recipient must coordinate the program with the local workforce development board.

(b) The pilot program must, at a minimum, offer students and dislocated workers test preparation services for the Medical College Admission Test, Law School Admission Test, Graduate Record Examination, Graduate Management Admission Test, and other preparation programs for professional exams, including but not limited to the areas of nursing, teaching, real estate, securities, and law. The pilot program must, at a minimum, also provide preparation for the Securities Industry Essentials exam, a Financial Paraplanner Qualified Professional exam, and a Wealth Management Specialist exam.

Subd. 2. **Vendors.** The commissioner must procure and contract with a vendor to provide comprehensive test and professional licensure preparation services.

Subd. 3. **Priority of recipients.** If money is insufficient to provide comprehensive test and professional licensure preparation to all students or dislocated workers seeking to participate in the program, the commissioner may prioritize offering the services to recipients of a state grant under section 136A.121.

Subd. 4. **Reporting.** By February 15 of each year, the commissioner must submit a report on the details of the pilot program under this section to the legislative committees with jurisdiction over workforce development finance and policy. The report must include the following information:

(1) research and analysis on the effectiveness and impact of the program that considers the following:

(i) aggregate and deidentified demographic data including the race and ethnicity, age, and gender;

(ii) federal Pell grant eligibility; and

(iii) the long-term value the program offers to students; and

(2) the number of students who participated in the program in the prior academic year, including identifying the number of each exam type for which preparation was provided.

Sec. 5. Minnesota Statutes 2024, section 116L.04, subdivision 1, is amended to read:

Subdivision 1. **Partnership program.** (a) The partnership program may provide grants-in-aid to educational or other nonprofit educational institutions using the following guidelines:

(1) the educational or other nonprofit educational institution is a provider of training within the state in either the public or private sector;

(2) the program involves skills training that is an area of employment need; and

(3) preference will be given to educational or other nonprofit training institutions which serve economically disadvantaged people, minorities, or those who are victims of economic dislocation and to businesses located in rural areas.

Sec. 7. Minnesota Statutes 2024, section 116L.04, subdivision 1, is amended to read:

Subdivision 1. **Partnership program.** (a) The partnership program may provide grants-in-aid to educational or other nonprofit educational institutions using the following guidelines:

(1) the educational or other nonprofit educational institution is a provider of training within the state in either the public or private sector;

(2) the program involves skills training that is an area of employment need; and

(3) preference will be given to educational or other nonprofit training institutions which serve economically disadvantaged people, minorities, or those who are victims of economic dislocation and to businesses located in rural areas.

(b) A single grant to any one institution shall not exceed ~~$400,000~~ $500,000. A portion of a grant may be used for preemployment training.

(c) Each institution must provide for the dissemination of summary results of a grant-funded project, including, but not limited to, information about curriculum and all supporting materials developed in conjunction with the grant. Results of projects developed by any Minnesota State Colleges and Universities system institution must be disseminated throughout the system.

(d) At the discretion of the board, higher education institutions may charge up to a 30-percent increase on the direct project costs, not including equipment costs.

Sec. 6. Minnesota Statutes 2024, section 116L.04, subdivision 1a, is amended to read:

Subd. 1a. **Pathways program.** (a) The pathways program may provide grants-in-aid for developing programs which assist in the transition of persons from welfare to work and assist individuals at or below 200 percent of the federal poverty guidelines. The program is to be operated by the board. The board shall consult and coordinate with program administrators at the Department of Employment and Economic Development to design and provide services for temporary assistance for needy families recipients.

(b) Pathways grants-in-aid may be awarded to educational or other nonprofit training institutions or to workforce development intermediaries for education and training programs and services supporting education and training programs that serve eligible recipients.

Preference shall be given to projects that:

(1) provide employment with benefits paid to employees;

(2) provide employment where there are defined career paths for trainees;

(3) pilot the development of an educational pathway that can be used on a continuing basis for transitioning persons from welfare to work; and

(4) demonstrate the active participation of Department of Employment and Economic Development workforce centers, Minnesota State College and University institutions and other educational institutions, and local welfare agencies.

(c) Pathways projects must demonstrate the active involvement and financial commitment of a participating business. Pathways projects must be matched with cash or in-kind contributions on at least a one-half-to-one ratio by a participating business.

(d) A single grant to any one institution shall not exceed ~~$400,000~~ $500,000. A portion of a grant may be used for preemployment training.

(e) At the discretion of the board, higher education institutions may charge up to a 30-percent increase on the direct project costs, not including equipment costs.

(b) A single grant to any one institution shall not exceed ~~$400,000~~ $500,000. A portion of a grant may be used for preemployment training.

(c) Each institution must provide for the dissemination of summary results of a grant-funded project, including, but not limited to, information about curriculum and all supporting materials developed in conjunction with the grant. Results of projects developed by any Minnesota State Colleges and Universities system institution must be disseminated throughout the system.

(d) At the discretion of the board, higher education institutions may charge up to a 15-percent increase on the direct project costs, not including equipment costs.

Sec. 8. Minnesota Statutes 2024, section 116L.04, subdivision 1a, is amended to read:

Subd. 1a. **Pathways program.** (a) The pathways program may provide grants-in-aid for developing programs which assist in the transition of persons from welfare to work and assist individuals at or below 200 percent of the federal poverty guidelines. The program is to be operated by the board. The board shall consult and coordinate with program administrators at the Department of Employment and Economic Development to design and provide services for temporary assistance for needy families recipients.

(b) Pathways grants-in-aid may be awarded to educational or other nonprofit training institutions or to workforce development intermediaries for education and training programs and services supporting education and training programs that serve eligible recipients.

Preference shall be given to projects that:

(1) provide employment with benefits paid to employees;

(2) provide employment where there are defined career paths for trainees;

(3) pilot the development of an educational pathway that can be used on a continuing basis for transitioning persons from welfare to work; and

(4) demonstrate the active participation of Department of Employment and Economic Development workforce centers, Minnesota State College and University institutions and other educational institutions, and local welfare agencies.

(c) Pathways projects must demonstrate the active involvement and financial commitment of a participating business. Pathways projects must be matched with cash or in-kind contributions on at least a one-half-to-one ratio by a participating business.

(d) A single grant to any one institution shall not exceed ~~$400,000~~ $500,000. A portion of a grant may be used for preemployment training.

(e) At the discretion of the board, higher education institutions may charge up to a 15-percent increase on the direct project costs, not including equipment costs.

Senate Language S1832-4

Sec. 7. Minnesota Statutes 2024, section 116L.98, subdivision 2, is amended to read:

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

(b) "Credential" means ~~postsecondary~~ degrees, diplomas, licenses, and certificates awarded in recognition of an individual's attainment of measurable technical or occupational skills necessary to obtain employment or advance with an occupation. This definition does not include certificates awarded by workforce investment boards or work-readiness certificates.

(c) "Exit" means to have not received service under a workforce program for 90 consecutive calendar days. The exit date is the last date of service.

(d) "Net impact" means the use of matched control groups and regression analysis to estimate the impacts attributable to program participation net of other factors, including observable personal characteristics and economic conditions.

(e) "Pre-enrollment" means the period of time before an individual was enrolled in a workforce program.

Sec. 8. Minnesota Statutes 2024, section 116M.18, subdivision 3, is amended to read:

Subd. 3. ~~**Revolving loan fund**~~ **Minnesota emerging entrepreneur program account.** (a) ~~The department shall establish a revolving loan fund~~ A Minnesota emerging entrepreneur program account is created in the special revenue fund in the state treasury. Money in the account is appropriated to the commissioner for revolving loans to make grants to nonprofit corporations, Tribal economic development entities, and community development financial institutions for the purpose of making loans to businesses owned by minority or low-income persons, women, veterans, or people with disabilities, and to support minority business enterprises and job creation for minority and low-income persons.

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

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

(d) Loan applications given preliminary approval by the nonprofit corporation, Tribal economic development entity, or community development financial institution must be forwarded to the department. Nonprofit corporations, Tribal economic development entities, and community development financial institutions designated as preferred partners do not need final approval by the commissioner. All other loans must be approved by the commissioner and the commissioner must make approval decisions within 20 days of receiving a loan application unless the application contains insufficient information to make an approval decision. The amount of the state funds contributed to any loan may not exceed

House Language UES1832-2

Sec. 12. Minnesota Statutes 2024, section 116L.98, subdivision 2, is amended to read:

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

(b) "Credential" means ~~postsecondary~~ degrees, diplomas, licenses, and certificates awarded in recognition of an individual's attainment of measurable technical or occupational skills necessary to obtain employment or advance with an occupation. This definition does not include certificates awarded by workforce investment boards or work-readiness certificates.

(c) "Exit" means to have not received service under a workforce program for 90 consecutive calendar days. The exit date is the last date of service.

(d) "Net impact" means the use of matched control groups and regression analysis to estimate the impacts attributable to program participation net of other factors, including observable personal characteristics and economic conditions.

(e) "Pre-enrollment" means the period of time before an individual was enrolled in a workforce program.

Senate Language S1832-4

50 percent of each loan. The commissioner must develop the criteria necessary to receive loan forgiveness.

Sec. 9. Minnesota Statutes 2024, section 469.54, subdivision 4, is amended to read:

Subd. 4. **Credit for parking revenue.** (a) By March 1 of the year following the year in which the parking facilities or structures are constructed within the district, the city must certify to the commissioner:

(1) the total amount of revenue generated by the parking facilities and structures in the preceding year; and

(2) the total amount necessary for operational and maintenance expenses of the facilities or structures in the ~~current~~ preceding year.

(b) By July 1 of each year thereafter, for a period of 25 years, the commissioner must confirm or revise the amounts as reported. An amount equal to 50 percent of the amount of revenue received by the city by the parking structures and facilities in the ~~previous~~ preceding year that is greater than the amount necessary for operational and maintenance expenses of the facilities or structures in the ~~current~~ preceding year must be paid by the city to the commissioner of employment and economic development by September 1 for deposit into the general fund.

Sec. 10. Laws 2023, chapter 53, article 15, section 33, subdivision 4, as amended by Laws 2024, chapter 120, article 9, section 5, 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~~ $10,000 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;

House Language UES1832-2

Sec. 20. Minnesota Statutes 2024, section 469.54, subdivision 4, is amended to read:

Subd. 4. **Credit for parking revenue.** (a) By March 1 of the year following the year in which the parking facilities or structures are constructed within the district, the city must certify to the commissioner:

(1) the total amount of revenue generated by the parking facilities and structures in the preceding year; and

(2) the total amount necessary for operational and maintenance expenses of the facilities or structures in the ~~current~~ preceding year.

(b) By July 1 of each year thereafter, for a period of 25 years, the commissioner must confirm or revise the amounts as reported. An amount equal to 50 percent of the amount of revenue received by the city by the parking structures and facilities in the ~~previous~~ preceding year that is greater than the amount necessary for operational and maintenance expenses of the facilities or structures in the ~~current~~ preceding year must be paid by the city to the commissioner of employment and economic development by September 1 for deposit into the general fund.

(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;

(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.

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

Sec. 11. Laws 2023, chapter 53, article 20, section 2, subdivision 2, as amended by Laws 2024, chapter 120, article 1, section 6, is amended to read:

Subd. 2. **Business and Community Development**			195,061,000	139,104,000
Appropriations by Fund				
General	193,011,000	137,054,000		
Remediation	700,000	700,000		
Workforce Development	1,350,000	1,350,000		

(a) $2,287,000 each year is for the greater Minnesota business development public infrastructure grant program under Minnesota Statutes, section 116J.431. This appropriation is available until June 30, 2027.

(b) $500,000 each year is for grants to small business development centers under Minnesota Statutes, section 116J.68. Money made available under this paragraph may be used to match funds under the federal Small Business Development Center (SBDC) program under United States Code, title 15, section 648, to provide consulting and technical services or to build additional SBDC network capacity to serve entrepreneurs and small businesses.

Section 1. Laws 2023, chapter 53, article 20, section 2, subdivision 2, as amended by Laws 2024, chapter 120, article 1, section 6, is amended to read:

Subd. 2. **Business and Community Development**			195,061,000	139,104,000
Appropriations by Fund				
General	193,011,000	137,054,000		
Remediation	700,000	700,000		
Workforce Development	1,350,000	1,350,000		

(a) $2,287,000 each year is for the greater Minnesota business development public infrastructure grant program under Minnesota Statutes, section 116J.431. This appropriation is available until June 30, 2027.

(b) $500,000 each year is for grants to small business development centers under Minnesota Statutes, section 116J.68. Money made available under this paragraph may be used to match funds under the federal Small Business Development Center (SBDC) program under United States Code, title 15, section 648, to provide consulting and technical services or to build additional SBDC network capacity to serve entrepreneurs and small businesses.

Senate Language S1832-4	House Language UES1832-2
(c) $2,500,000 the first year is for Launch Minnesota. This is a onetime appropriation. Of this amount:	(c) $2,500,000 the first year is for Launch Minnesota. This is a onetime appropriation. Of this amount:
(1) $1,500,000 is for innovation grants to eligible Minnesota entrepreneurs or start-up businesses to assist with their operating needs;	(1) $1,500,000 is for innovation grants to eligible Minnesota entrepreneurs or start-up businesses to assist with their operating needs;
(2) $500,000 is for administration of Launch Minnesota; and	(2) $500,000 is for administration of Launch Minnesota; and
(3) $500,000 is for grantee activities at Launch Minnesota.	(3) $500,000 is for grantee activities at Launch Minnesota.
(d)(1) $500,000 each year is for grants to MNSBIR, Inc., to support moving scientific excellence and technological innovation from the lab to the market for start-ups and small businesses by securing federal research and development funding. The purpose of the grant is to build a strong Minnesota economy and stimulate the creation of novel products, services, and solutions in the private sector; strengthen the role of small business in meeting federal research and development needs; increase the commercial application of federally supported research results; and develop and increase the Minnesota workforce, especially by fostering and encouraging participation by small businesses owned by women and people who are Black, Indigenous, or people of color. This is a onetime appropriation.	(d)(1) $500,000 each year is for grants to MNSBIR, Inc., to support moving scientific excellence and technological innovation from the lab to the market for start-ups and small businesses by securing federal research and development funding. The purpose of the grant is to build a strong Minnesota economy and stimulate the creation of novel products, services, and solutions in the private sector; strengthen the role of small business in meeting federal research and development needs; increase the commercial application of federally supported research results; and develop and increase the Minnesota workforce, especially by fostering and encouraging participation by small businesses owned by women and people who are Black, Indigenous, or people of color. This is a onetime appropriation.
(2) MNSBIR, Inc., shall use the grant money to be the dedicated resource for federal research and development for small businesses of up to 500 employees statewide to support research and commercialization of novel ideas, concepts, and projects into cutting-edge products and services for worldwide economic impact. MNSBIR, Inc., shall use grant money to:	(2) MNSBIR, Inc., shall use the grant money to be the dedicated resource for federal research and development for small businesses of up to 500 employees statewide to support research and commercialization of novel ideas, concepts, and projects into cutting-edge products and services for worldwide economic impact. MNSBIR, Inc., shall use grant money to:
(i) assist small businesses in securing federal research and development funding, including	(i) assist small businesses in securing federal research and development funding, including

Senate Language S1832-4	House Language UES1832-2
the Small Business Innovation Research and Small Business Technology Transfer programs and other federal research and development funding opportunities;	the Small Business Innovation Research and Small Business Technology Transfer programs and other federal research and development funding opportunities;
(ii) support technology transfer and commercialization from the University of Minnesota, Mayo Clinic, and federal laboratories;	(ii) support technology transfer and commercialization from the University of Minnesota, Mayo Clinic, and federal laboratories;
(iii) partner with large businesses;	(iii) partner with large businesses;
(iv) conduct statewide outreach, education, and training on federal rules, regulations, and requirements;	(iv) conduct statewide outreach, education, and training on federal rules, regulations, and requirements;
(v) assist with scientific and technical writing;	(v) assist with scientific and technical writing;
(vi) help manage federal grants and contracts; and	(vi) help manage federal grants and contracts; and
(vii) support cost accounting and sole-source procurement opportunities.	(vii) support cost accounting and sole-source procurement opportunities.
(e) $10,000,000 the first year is ~~for~~ transferred from the general fund to the Minnesota Expanding Opportunity Fund Program special revenue account under Minnesota Statutes, section 116J.8733. This is a onetime ~~appropriation~~ transfer and is available until June 30, 2025.	(e) $10,000,000 the first year is for transfer to the Minnesota Expanding Opportunity Fund Program special revenue account under Minnesota Statutes, section 116J.8733. This is a onetime ~~appropriation~~ transfer and is available until June 30, 2025.
(f) $6,425,000 each year is for the small business assistance partnerships program under Minnesota Statutes, section 116J.682. All grant awards shall be for two consecutive years. Grants shall be awarded in the first year. The department may use up to five percent of the appropriation for administrative purposes. The base for this appropriation is $2,725,000 in fiscal year 2026 and each year thereafter.	(f) $6,425,000 each year is for the small business assistance partnerships program under Minnesota Statutes, section 116J.682. All grant awards shall be for two consecutive years. Grants shall be awarded in the first year. The department may use up to five percent of the appropriation for administrative purposes. The base for this appropriation is $2,725,000 in fiscal year 2026 and each year thereafter.
(g) $350,000 each year is for administration of the community energy transition office.	(g) $350,000 each year is for administration of the community energy transition office.
(h) $5,000,000 each year is transferred from the general fund to the community energy transition account for grants under Minnesota	(h) $5,000,000 each year is transferred from the general fund to the community energy transition account for grants under Minnesota

Senate Language S1832-4	House Language UES1832-2
Statutes, section 116J.55. This is a onetime transfer.	Statutes, section 116J.55. This is a onetime transfer.
(i) $1,772,000 each year is for contaminated site cleanup and development grants under Minnesota Statutes, sections 116J.551 to 116J.558. This appropriation is available until expended.	(i) $1,772,000 each year is for contaminated site cleanup and development grants under Minnesota Statutes, sections 116J.551 to 116J.558. This appropriation is available until expended.
(j) $700,000 each year is from the remediation fund for contaminated site cleanup and development grants under Minnesota Statutes, sections 116J.551 to 116J.558. This appropriation is available until expended.	(j) $700,000 each year is from the remediation fund for contaminated site cleanup and development grants under Minnesota Statutes, sections 116J.551 to 116J.558. This appropriation is available until expended.
(k) $389,000 each year is for the Center for Rural Policy and Development. The base for this appropriation is $139,000 in fiscal year 2026 and each year thereafter.	(k) $389,000 each year is for the Center for Rural Policy and Development. The base for this appropriation is $139,000 in fiscal year 2026 and each year thereafter.
(l) $25,000 each year is for the administration of state aid for the Destination Medical Center under Minnesota Statutes, sections 469.40 to 469.47.	(l) $25,000 each year is for the administration of state aid for the Destination Medical Center under Minnesota Statutes, sections 469.40 to 469.47.
(m) $875,000 each year is for the host community economic development program established in Minnesota Statutes, section 116J.548.	(m) $875,000 each year is for the host community economic development program established in Minnesota Statutes, section 116J.548.
(n) $6,500,000 each year is for grants to local communities to increase the number of quality child care providers to support economic development. Fifty percent of grant money must go to communities located outside the seven-county metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2. The base for this appropriation is $1,500,000 in fiscal year 2026 and each year thereafter.	(n) $6,500,000 each year is for grants to local communities to increase the number of quality child care providers to support economic development. Fifty percent of grant money must go to communities located outside the seven-county metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2. The base for this appropriation is $1,500,000 in fiscal year 2026 and each year thereafter.
Grant recipients must obtain a 50 percent nonstate match to grant money in either cash or in-kind contribution, unless the commissioner waives the requirement. Grant money available under this subdivision must	Grant recipients must obtain a 50 percent nonstate match to grant money in either cash or in-kind contribution, unless the commissioner waives the requirement. Grant money available under this subdivision must

be used to implement projects to reduce the child care shortage in the state, including but not limited to funding for child care business start-ups or expansion, training, facility modifications, direct subsidies or incentives to retain employees, or improvements required for licensing, and assistance with licensing and other regulatory requirements. In awarding grants, the commissioner must give priority to communities that have demonstrated a shortage of child care providers.

Within one year of receiving grant money, grant recipients must report to the commissioner on the outcomes of the grant program, including but not limited to the number of new providers, the number of additional child care provider jobs created, the number of additional child care openings, and the amount of cash and in-kind local money invested. Within one month of all grant recipients reporting on program outcomes, the commissioner must report the grant recipients' outcomes to the chairs and ranking members of the legislative committees with jurisdiction over early learning and child care and economic development.

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

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

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

(p) $3,500,000 each year is for grants in equal amounts to each of the Minnesota Initiative Foundations. This appropriation is available until June 30, 2027. The base for this appropriation is $1,000,000 in fiscal year 2026 and each year thereafter. The Minnesota

be used to implement projects to reduce the child care shortage in the state, including but not limited to funding for child care business start-ups or expansion, training, facility modifications, direct subsidies or incentives to retain employees, or improvements required for licensing, and assistance with licensing and other regulatory requirements. In awarding grants, the commissioner must give priority to communities that have demonstrated a shortage of child care providers.

Within one year of receiving grant money, grant recipients must report to the commissioner on the outcomes of the grant program, including but not limited to the number of new providers, the number of additional child care provider jobs created, the number of additional child care openings, and the amount of cash and in-kind local money invested. Within one month of all grant recipients reporting on program outcomes, the commissioner must report the grant recipients' outcomes to the chairs and ranking members of the legislative committees with jurisdiction over early learning and child care and economic development.

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

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

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

(p) $3,500,000 each year is for grants in equal amounts to each of the Minnesota Initiative Foundations. This appropriation is available until June 30, 2027. The base for this appropriation is $1,000,000 in fiscal year 2026 and each year thereafter. The Minnesota

Initiative Foundations must use grant money under this section to:	Initiative Foundations must use grant money under this section to:
(1) facilitate planning processes for rural communities resulting in a community solution action plan that guides decision making to sustain and increase the supply of quality child care in the region to support economic development;	(1) facilitate planning processes for rural communities resulting in a community solution action plan that guides decision making to sustain and increase the supply of quality child care in the region to support economic development;
(2) engage the private sector to invest local resources to support the community solution action plan and ensure quality child care is a vital component of additional regional economic development planning processes;	(2) engage the private sector to invest local resources to support the community solution action plan and ensure quality child care is a vital component of additional regional economic development planning processes;
(3) provide locally based training and technical assistance to rural business owners individually or through a learning cohort. Access to financial and business development assistance must prepare child care businesses for quality engagement and improvement by stabilizing operations, leveraging funding from other sources, and fostering business acumen that allows child care businesses to plan for and afford the cost of providing quality child care; and	(3) provide locally based training and technical assistance to rural business owners individually or through a learning cohort. Access to financial and business development assistance must prepare child care businesses for quality engagement and improvement by stabilizing operations, leveraging funding from other sources, and fostering business acumen that allows child care businesses to plan for and afford the cost of providing quality child care; and
(4) recruit child care programs to participate in quality rating and improvement measurement programs. The Minnesota Initiative Foundations must work with local partners to provide low-cost training, professional development opportunities, and continuing education curricula. The Minnesota Initiative Foundations must fund, through local partners, an enhanced level of coaching to rural child care providers to obtain a quality rating through measurement programs.	(4) recruit child care programs to participate in quality rating and improvement measurement programs. The Minnesota Initiative Foundations must work with local partners to provide low-cost training, professional development opportunities, and continuing education curricula. The Minnesota Initiative Foundations must fund, through local partners, an enhanced level of coaching to rural child care providers to obtain a quality rating through measurement programs.
(q) $8,000,000 each year is for the Minnesota job creation fund under Minnesota Statutes, section 116J.8748. Of this amount, the commissioner of employment and economic development may use up to three percent for administrative expenses. This appropriation	(q) $8,000,000 each year is for the Minnesota job creation fund under Minnesota Statutes, section 116J.8748. Of this amount, the commissioner of employment and economic development may use up to three percent for administrative expenses. This appropriation

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

(r) $12,370,000 each year is for the Minnesota investment fund under Minnesota Statutes, section 116J.8731. Of this amount, the commissioner of employment and economic development may use up to three percent for administration and monitoring of the program. This appropriation is available until expended. Notwithstanding Minnesota Statutes, section 116J.8731, money appropriated to the commissioner for the Minnesota investment fund may be used for the redevelopment program under Minnesota Statutes, sections 116J.575 and 116J.5761, at the discretion of the commissioner. Grants under this paragraph are not subject to the grant amount limitation under Minnesota Statutes, section 116J.8731.

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

(t) $1,000,000 each year is for the Minnesota emerging entrepreneur loan program under Minnesota Statutes, section 116M.18. Money available under this paragraph is for transfer into the emerging entrepreneur program special revenue fund account created under Minnesota Statutes, chapter 116M, and are available until expended. Of this amount, up to four percent is for administration and monitoring of the program.

(u) $325,000 the first year is for the Minnesota Film and TV Board. The appropriation is available only upon receipt by the board of $1

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

(r) $12,370,000 each year is for the Minnesota investment fund under Minnesota Statutes, section 116J.8731. Of this amount, the commissioner of employment and economic development may use up to three percent for administration and monitoring of the program. This appropriation is available until expended. Notwithstanding Minnesota Statutes, section 116J.8731, money appropriated to the commissioner for the Minnesota investment fund may be used for the redevelopment program under Minnesota Statutes, sections 116J.575 and 116J.5761, at the discretion of the commissioner. Grants under this paragraph are not subject to the grant amount limitation under Minnesota Statutes, section 116J.8731.

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

(t) $1,000,000 each year is for the Minnesota emerging entrepreneur loan program under Minnesota Statutes, section 116M.18. Money available under this paragraph is for transfer into the emerging entrepreneur program special revenue fund account created under Minnesota Statutes, chapter 116M, and are available until expended. Of this amount, up to four percent is for administration and monitoring of the program.

(u) $325,000 the first year is for the Minnesota Film and TV Board. The appropriation is available only upon receipt by the board of $1

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in matching contributions of money or in-kind contributions from nonstate sources for every $3 provided by this appropriation, except that up to $50,000 is available on July 1 even if the required matching contribution has not been received by that date. This is a onetime appropriation.	in matching contributions of money or in-kind contributions from nonstate sources for every $3 provided by this appropriation, except that up to $50,000 is available on July 1 even if the required matching contribution has not been received by that date. This is a onetime appropriation.
(v) $12,000 each year is for a grant to the Upper Minnesota Film Office.	(v) $12,000 each year is for a grant to the Upper Minnesota Film Office.
(w) $500,000 the first year is for a grant to the Minnesota Film and TV Board for the film production jobs program under Minnesota Statutes, section 116U.26. This appropriation is available until June 30, 2027. This is a onetime appropriation.	(w) $500,000 the first year is for a grant to the Minnesota Film and TV Board for the film production jobs program under Minnesota Statutes, section 116U.26. This appropriation is available until June 30, 2027. This is a onetime appropriation.
(x) $4,195,000 each year is for the Minnesota job skills partnership program under Minnesota Statutes, sections 116L.01 to 116L.17. If the appropriation for either year is insufficient, the appropriation for the other year is available. This appropriation is available until expended.	(x) $4,195,000 each year is for the Minnesota job skills partnership program under Minnesota Statutes, sections 116L.01 to 116L.17. If the appropriation for either year is insufficient, the appropriation for the other year is available. This appropriation is available until expended.
(y) $1,350,000 each year from the workforce development fund is for jobs training grants under Minnesota Statutes, section 116L.41.	(y) $1,350,000 each year from the workforce development fund is for jobs training grants under Minnesota Statutes, section 116L.41.
(z) $47,475,000 the first year and $50,475,000 the second year are for the PROMISE grant program. This is a onetime appropriation and is available until June 30, 2027. Any unencumbered balance remaining at the end of the first year does not cancel but is available the second year. Of this amount:	(z) $47,475,000 the first year and $50,475,000 the second year are for the PROMISE grant program. This is a onetime appropriation and is available until June 30, 2027. Any unencumbered balance remaining at the end of the first year does not cancel but is available the second year. Of this amount:
(1) $475,000 each year is for administration of the PROMISE grant program;	(1) $475,000 each year is for administration of the PROMISE grant program;
(2) $7,500,000 each year is for grants in equal amounts to each of the Minnesota Initiative Foundations to serve businesses in greater Minnesota. Of this amount, $600,000 each	(2) $7,500,000 each year is for grants in equal amounts to each of the Minnesota Initiative Foundations to serve businesses in greater Minnesota. Of this amount, $600,000 each

Senate Language S1832-4	House Language UES1832-2
year is for grants to businesses with less than $100,000 in revenue in the prior year; and	year is for grants to businesses with less than $100,000 in revenue in the prior year; and
(3) $39,500,000 the first year and $42,500,000 the second year are for grants to the Neighborhood Development Center. Of this amount, the following amounts are designated for the following areas:	(3) $39,500,000 the first year and $42,500,000 the second year are for grants to the Neighborhood Development Center. Of this amount, the following amounts are designated for the following areas:
(i) $16,000,000 each year is for North Minneapolis' West Broadway, Camden, ~~or~~ and other Northside neighborhoods. Of this amount, $1,000,000 each year is for grants to businesses with less than $100,000 in revenue in the prior year;	(i) $16,000,000 each year is for North Minneapolis' West Broadway, Camden, or other Northside neighborhoods. Of this amount, $1,000,000 each year is for grants to businesses with less than $100,000 in revenue in the prior year;
(ii) ~~$13,500,000 each year is~~ $12,500,000 the first year and $13,500,000 the second year are for South Minneapolis' Lake Street, 38th and Chicago, Franklin, Nicollet, and Riverside corridors. Of this amount, $750,000 each year is for grants to businesses with less than $100,000 in revenue in the prior year;	(ii) ~~$13,500,000~~ $12,500,000 each year is for South Minneapolis' Lake Street, 38th and Chicago, Franklin, Nicollet, and Riverside corridors. Of this amount, $750,000 each year is for grants to businesses with less than $100,000 in revenue in the prior year;
(iii) $10,000,000 each year is for St. Paul's University Avenue, Midway, Eastside, or other St. Paul neighborhoods. Of this amount, $750,000 each year is for grants to businesses with less than $100,000 in revenue in the prior year;	(iii) $10,000,000 each year is for St. Paul's University Avenue, Midway, Eastside, or other St. Paul neighborhoods. Of this amount, $750,000 each year is for grants to businesses with less than $100,000 in revenue in the prior year;
(iv) $1,000,000 the first year is for South Minneapolis' Hennepin Avenue Commercial corridor, South Hennepin Community corridor, and Uptown Special Service District; and	(iv) $1,000,000 the first year is for South Minneapolis' Hennepin Avenue Commercial corridor, South Hennepin Community corridor, and Uptown Special Service District; and
(v) $3,000,000 the second year is for grants to businesses in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, excluding the cities of Minneapolis and St. Paul.	(v) $3,000,000 the second year is for grants to businesses in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, excluding the cities of Minneapolis and St. Paul.
(aa) $15,150,000 each year is for the PROMISE loan program. This is a onetime	(aa) $15,150,000 each year is for the PROMISE loan program. This is a onetime

Senate Language S1832-4	House Language UES1832-2
appropriation and is available until June 30, 2027. Of this amount:	appropriation and is available until June 30, 2027. Of this amount:
(1) $150,000 each year is for administration of the PROMISE loan program;	(1) $150,000 each year is for administration of the PROMISE loan program;
(2) $3,000,000 each year is for grants in equal amounts to each of the Minnesota Initiative Foundations to serve businesses in greater Minnesota; and	(2) $3,000,000 each year is for grants in equal amounts to each of the Minnesota Initiative Foundations to serve businesses in greater Minnesota; and
(3) $12,000,000 each year is for grants to the Metropolitan Economic Development Association (MEDA). Of this amount, the following amounts are designated for the following areas:	(3) $12,000,000 each year is for grants to the Metropolitan Economic Development Association (MEDA). Of this amount, the following amounts are designated for the following areas:
(i) $4,500,000 each year is for North Minneapolis' West Broadway, Camden, ~~or~~ and other Northside neighborhoods;	(i) $4,500,000 each year is for North Minneapolis' West Broadway, Camden, or other Northside neighborhoods;
(ii) $4,500,000 each year is for South Minneapolis' Lake Street, 38th and Chicago, Franklin, Nicollet, and Riverside corridors; and	(ii) $4,500,000 each year is for South Minneapolis' Lake Street, 38th and Chicago, Franklin, Nicollet, and Riverside corridors; and
(iii) $3,000,000 each year is for St. Paul's University Avenue, Midway, Eastside, or other St. Paul neighborhoods.	(iii) $3,000,000 each year is for St. Paul's University Avenue, Midway, Eastside, or other St. Paul neighborhoods.
(bb) $1,500,000 each year is for a grant to the Metropolitan Consortium of Community Developers for the community wealth-building grant program pilot project. Of this amount, up to two percent is for administration and monitoring of the community wealth-building grant program pilot project. This is a onetime appropriation.	(bb) $1,500,000 each year is for a grant to the Metropolitan Consortium of Community Developers for the community wealth-building grant program pilot project. Of this amount, up to two percent is for administration and monitoring of the community wealth-building grant program pilot project. This is a onetime appropriation.
(cc) $250,000 each year is for the publication, dissemination, and use of labor market information under Minnesota Statutes, section 116J.401.	(cc) $250,000 each year is for the publication, dissemination, and use of labor market information under Minnesota Statutes, section 116J.401.
(dd) $5,000,000 the first year is for a grant to the Bloomington Port Authority to provide funding for the Expo 2027 host organization.	(dd) $5,000,000 the first year is for a grant to the Bloomington Port Authority to provide funding for the Expo 2027 host organization.

The Bloomington Port Authority must enter into an agreement with the host organization over the use of money, which may be used for activities, including but not limited to finalizing the community dossier and staffing the host organization and for infrastructure design and planning, financial modeling, development planning and coordination of both real estate and public private partnerships, and reimbursement of costs the Bloomington Port Authority incurred. In selecting vendors and exhibitors for Expo 2027, the host organization shall prioritize outreach to, collaboration with, and inclusion of businesses that are majority owned by people of color, women, and people with disabilities. The host organization and Bloomington Port Authority may be reimbursed for expenses 90 days prior to encumbrance. This appropriation is contingent on approval of the project by the Bureau International des Expositions. If the project is not approved by the Bureau International des Expositions, the money shall transfer to the Minnesota investment fund under Minnesota Statutes, section 116J.8731. Any unencumbered balance remaining at the end of the first year does not cancel but is available for the second year.

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

The Bloomington Port Authority must enter into an agreement with the host organization over the use of money, which may be used for activities, including but not limited to finalizing the community dossier and staffing the host organization and for infrastructure design and planning, financial modeling, development planning and coordination of both real estate and public private partnerships, and reimbursement of costs the Bloomington Port Authority incurred. In selecting vendors and exhibitors for Expo 2027, the host organization shall prioritize outreach to, collaboration with, and inclusion of businesses that are majority owned by people of color, women, and people with disabilities. The host organization and Bloomington Port Authority may be reimbursed for expenses 90 days prior to encumbrance. This appropriation is contingent on approval of the project by the Bureau International des Expositions. If the project is not approved by the Bureau International des Expositions, the money shall transfer to the Minnesota investment fund under Minnesota Statutes, section 116J.8731. Any unencumbered balance remaining at the end of the first year does not cancel but is available for the second year.

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

(ff) $5,000,000 the first year is for transfer to the emerging developer fund account in the special revenue fund. Of this amount, up to five percent is for administration and monitoring of the emerging developer fund program under Minnesota Statutes, section 116J.9926, and the remainder is for a grant to the Local Initiatives Support Corporation - Twin Cities to serve as a partner organization under the program. This is a onetime appropriation.

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

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

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

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

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

(ff) $5,000,000 the first year is for transfer to the emerging developer fund account in the special revenue fund. Of this amount, up to five percent is for administration and monitoring of the emerging developer fund program under Minnesota Statutes, section 116J.9926, and the remainder is for a grant to the Local Initiatives Support Corporation - Twin Cities to serve as a partner organization under the program. This is a onetime appropriation.

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

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

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

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

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

(1) $750,000 each year is to assist, support, finance, and launch microentrepreneurs by delivering training, workshops, and one-on-one consultations to businesses; and

(2) $750,000 each year is to guide prospective entrepreneurs in their start-up process by introducing them to key business concepts, including business start-up readiness. Grant proceeds must be used to offer workshops on a variety of topics throughout the year, including finance, customer service, food-handler training, and food-safety certification. Grant proceeds may also be used to provide lending to business startups.

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

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

(1) support child care providers through business training and shared services programs and to create materials that could be used, free of charge, for start-up, expansion, and operation of child care businesses statewide,

(1) $750,000 each year is to assist, support, finance, and launch microentrepreneurs by delivering training, workshops, and one-on-one consultations to businesses; and

(2) $750,000 each year is to guide prospective entrepreneurs in their start-up process by introducing them to key business concepts, including business start-up readiness. Grant proceeds must be used to offer workshops on a variety of topics throughout the year, including finance, customer service, food-handler training, and food-safety certification. Grant proceeds may also be used to provide lending to business startups.

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

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

(1) support child care providers through business training and shared services programs and to create materials that could be used, free of charge, for start-up, expansion, and operation of child care businesses statewide,

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with the goal of helping new and existing child care businesses in underserved areas of the state become profitable and sustainable; and

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

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

(i) leasehold improvements;

(ii) additions, alterations, remodeling, or renovations to rented space;

(iii) inventory or supplies;

(iv) machinery or equipment purchases;

(v) working capital; and

(vi) debt refinancing.

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

By December 15, 2026, WomenVenture must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture and employment and economic development. The report must include a summary of the uses of the appropriation, including the amount of the appropriation used for administration. The report must also provide a breakdown of the amount of funding used for loans, forgivable

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with the goal of helping new and existing child care businesses in underserved areas of the state become profitable and sustainable; and

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

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

(i) leasehold improvements;

(ii) additions, alterations, remodeling, or renovations to rented space;

(iii) inventory or supplies;

(iv) machinery or equipment purchases;

(v) working capital; and

(vi) debt refinancing.

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

By December 15, 2026, WomenVenture must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture and employment and economic development. The report must include a summary of the uses of the appropriation, including the amount of the appropriation used for administration. The report must also provide a breakdown of the amount of funding used for loans, forgivable

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loans, and grants; information about the terms of the loans issued; a discussion of how money from repaid loans will be used; the number of entrepreneurs assisted; and a breakdown of how many entrepreneurs received assistance in each county.	loans, and grants; information about the terms of the loans issued; a discussion of how money from repaid loans will be used; the number of entrepreneurs assisted; and a breakdown of how many entrepreneurs received assistance in each county.
(ll) $2,000,000 the first year is for a grant to African Career, Education, and Resource, Inc., for operational infrastructure and technical assistance to small businesses. This appropriation is available until June 30, 2025.	(ll) $2,000,000 the first year is for a grant to African Career, Education, and Resource, Inc., for operational infrastructure and technical assistance to small businesses. This appropriation is available until June 30, 2025.
(mm) $5,000,000 the first year is for a grant to the African Development Center to provide loans to purchase commercial real estate and to expand organizational infrastructure. This appropriation is available until June 30, 2025. Of this amount:	(mm) $5,000,000 the first year is for a grant to the African Development Center to provide loans to purchase commercial real estate and to expand organizational infrastructure. This appropriation is available until June 30, 2025. Of this amount:
(1) $2,800,000 is for loans to purchase commercial real estate targeted at African immigrant small business owners;	(1) $2,800,000 is for loans to purchase commercial real estate targeted at African immigrant small business owners;
(2) $364,000 is for loan loss reserves to support loan volume growth and attract additional capital;	(2) $364,000 is for loan loss reserves to support loan volume growth and attract additional capital;
(3) $836,000 is for increasing organizational capacity;	(3) $836,000 is for increasing organizational capacity;
(4) $300,000 is for the safe 2 eat project of inclusive assistance with required restaurant licensing examinations; and	(4) $300,000 is for the safe 2 eat project of inclusive assistance with required restaurant licensing examinations; and
(5) $700,000 is for a center for community resources for language and technology assistance for small businesses.	(5) $700,000 is for a center for community resources for language and technology assistance for small businesses.
(nn) $7,000,000 the first year is for grants to the Minnesota Initiative Foundations to capitalize their revolving loan funds, which address unmet financing needs of for-profit business start-ups, expansions, and ownership transitions; nonprofit organizations; and developers of housing to support the	(nn) $7,000,000 the first year is for grants to the Minnesota Initiative Foundations to capitalize their revolving loan funds, which address unmet financing needs of for-profit business start-ups, expansions, and ownership transitions; nonprofit organizations; and developers of housing to support the

Senate Language S1832-4	House Language UES1832-2
construction, rehabilitation, and conversion of housing units. Of the amount appropriated:	construction, rehabilitation, and conversion of housing units. Of the amount appropriated:
(1) $1,000,000 is for a grant to the Southwest Initiative Foundation;	(1) $1,000,000 is for a grant to the Southwest Initiative Foundation;
(2) $1,000,000 is for a grant to the West Central Initiative Foundation;	(2) $1,000,000 is for a grant to the West Central Initiative Foundation;
(3) $1,000,000 is for a grant to the Southern Minnesota Initiative Foundation;	(3) $1,000,000 is for a grant to the Southern Minnesota Initiative Foundation;
(4) $1,000,000 is for a grant to the Northwest Minnesota Foundation;	(4) $1,000,000 is for a grant to the Northwest Minnesota Foundation;
(5) $2,000,000 is for a grant to the Initiative Foundation of which $1,000,000 is for redevelopment of the St. Cloud Youth and Family Center; and	(5) $2,000,000 is for a grant to the Initiative Foundation of which $1,000,000 is for redevelopment of the St. Cloud Youth and Family Center; and
(6) $1,000,000 is for a grant to the Northland Foundation.	(6) $1,000,000 is for a grant to the Northland Foundation.
(oo) $500,000 each year is for a grant to Enterprise Minnesota, Inc., to reach and deliver talent, leadership, employee retention, continuous improvement, strategy, quality management systems, revenue growth, and manufacturing peer-to-peer advisory services to small manufacturing companies employing 35 or fewer full-time equivalent employees. This is a onetime appropriation. No later than February 1, 2025, and February 1, 2026, Enterprise Minnesota, Inc., must provide a report to the chairs and ranking minority members of the legislative committees with jurisdiction over economic development that includes:	(oo) $500,000 each year is for a grant to Enterprise Minnesota, Inc., to reach and deliver talent, leadership, employee retention, continuous improvement, strategy, quality management systems, revenue growth, and manufacturing peer-to-peer advisory services to small manufacturing companies employing 35 or fewer full-time equivalent employees. This is a onetime appropriation. No later than February 1, 2025, and February 1, 2026, Enterprise Minnesota, Inc., must provide a report to the chairs and ranking minority members of the legislative committees with jurisdiction over economic development that includes:
(1) the grants awarded during the past 12 months;	(1) the grants awarded during the past 12 months;
(2) the estimated financial impact of the grants awarded to each company receiving services under the program;	(2) the estimated financial impact of the grants awarded to each company receiving services under the program;
(3) the actual financial impact of grants awarded during the past 24 months; and	(3) the actual financial impact of grants awarded during the past 24 months; and

Senate Language S1832-4	House Language UES1832-2
(4) the total amount of federal funds leveraged from the Manufacturing Extension Partnership at the United States Department of Commerce.	(4) the total amount of federal funds leveraged from the Manufacturing Extension Partnership at the United States Department of Commerce.
(pp) $375,000 each year is for a grant to PFund Foundation to provide grants to LGBTQ+-owned small businesses and entrepreneurs. Of this amount, up to five percent may be used for PFund Foundation's technical assistance and administrative costs. This is a onetime appropriation and is available until June 30, 2026. To the extent practicable, money must be distributed by PFund Foundation as follows:	(pp) $375,000 each year is for a grant to PFund Foundation to provide grants to LGBTQ+-owned small businesses and entrepreneurs. Of this amount, up to five percent may be used for PFund Foundation's technical assistance and administrative costs. This is a onetime appropriation and is available until June 30, 2026. To the extent practicable, money must be distributed by PFund Foundation as follows:
(1) at least 33.3 percent to businesses owned by members of racial minority communities; and	(1) at least 33.3 percent to businesses owned by members of racial minority communities; and
(2) at least 33.3 percent to businesses outside of the seven-county metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2.	(2) at least 33.3 percent to businesses outside of the seven-county metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2.
(qq) $125,000 each year is for a grant to Quorum to provide business support, training, development, technical assistance, and related activities for LGBTQ+-owned small businesses that are recipients of a PFund Foundation grant. Of this amount, up to five percent may be used for Quorum's technical assistance and administrative costs. This is a onetime appropriation and is available until June 30, 2026.	(qq) $125,000 each year is for a grant to Quorum to provide business support, training, development, technical assistance, and related activities for LGBTQ+-owned small businesses that are recipients of a PFund Foundation grant. Of this amount, up to five percent may be used for Quorum's technical assistance and administrative costs. This is a onetime appropriation and is available until June 30, 2026.
(rr) $5,000,000 the first year is for a grant to the Metropolitan Economic Development Association (MEDA) for statewide business development and assistance services to minority-owned businesses. This is a onetime appropriation. Any unencumbered balance remaining at the end of the first year does not cancel but is available the second year. Of this amount:	(rr) $5,000,000 the first year is for a grant to the Metropolitan Economic Development Association (MEDA) for statewide business development and assistance services to minority-owned businesses. This is a onetime appropriation. Any unencumbered balance remaining at the end of the first year does not cancel but is available the second year. Of this amount:

Senate Language S1832-4	House Language UES1832-2
(1) $3,000,000 is for a revolving loan fund to provide additional minority-owned businesses with access to capital; and	(1) $3,000,000 is for a revolving loan fund to provide additional minority-owned businesses with access to capital; and
(2) $2,000,000 is for operating support activities related to business development and assistance services for minority business enterprises.	(2) $2,000,000 is for operating support activities related to business development and assistance services for minority business enterprises.
By February 1, 2025, MEDA shall report to the commissioner and the chairs and ranking minority members of the legislative committees with jurisdiction over economic development policy and finance on the loans and operating support activities, including outcomes and expenditures, supported by the appropriation under this paragraph.	By February 1, 2025, MEDA shall report to the commissioner and the chairs and ranking minority members of the legislative committees with jurisdiction over economic development policy and finance on the loans and operating support activities, including outcomes and expenditures, supported by the appropriation under this paragraph.
(ss) $2,500,000 each year is for a grant to a Minnesota-based automotive component manufacturer and distributor specializing in electric vehicles and sensor technology that manufactures all of their parts onshore to expand their manufacturing. The grant recipient under this paragraph shall submit reports on the uses of the money appropriated, the number of jobs created due to the appropriation, wage information, and the city and state in which the additional manufacturing activity was located to the chairs and ranking minority members of the legislative committees with jurisdiction over economic development. An initial report shall be submitted by December 15, 2023, and a final report is due by December 15, 2025. This is a onetime appropriation.	(ss) $2,500,000 each year is for a grant to a Minnesota-based automotive component manufacturer and distributor specializing in electric vehicles and sensor technology that manufactures all of their parts onshore to expand their manufacturing. The grant recipient under this paragraph shall submit reports on the uses of the money appropriated, the number of jobs created due to the appropriation, wage information, and the city and state in which the additional manufacturing activity was located to the chairs and ranking minority members of the legislative committees with jurisdiction over economic development. An initial report shall be submitted by December 15, 2023, and a final report is due by December 15, 2025. This is a onetime appropriation.
(tt)(1) $125,000 each year is for grants to the Latino Chamber of Commerce Minnesota to support the growth and expansion of small businesses statewide. Funds may be used for the cost of programming, outreach, staffing, and supplies. This is a onetime appropriation.	(tt)(1) $125,000 each year is for grants to the Latino Chamber of Commerce Minnesota to support the growth and expansion of small businesses statewide. Funds may be used for the cost of programming, outreach, staffing, and supplies. This is a onetime appropriation.
(2) By January 15, 2026, the Latino Chamber of Commerce Minnesota must submit a report	(2) By January 15, 2026, the Latino Chamber of Commerce Minnesota must submit a report

Senate Language S1832-4

to the legislative committees with jurisdiction over economic development that details the use of grant funds and the grant's economic impact.

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

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

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

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

(2) By January 15, 2026, the Center for Economic Inclusion shall submit a report on the use of grant funds, including any loans made, to the legislative committees with jurisdiction over economic development.

(yy) $500,000 the first year is for a grant to the Asian Economic Development Association

House Language UES1832-2

to the legislative committees with jurisdiction over economic development that details the use of grant funds and the grant's economic impact.

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

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

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

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

(2) By January 15, 2026, the Center for Economic Inclusion shall submit a report on the use of grant funds, including any loans made, to the legislative committees with jurisdiction over economic development.

(yy) $500,000 the first 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.

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

EFFECTIVE DATE. This section is effective retroactively from July 1, 2023, except that the amendment in paragraph (z), clause (3), item (ii), is effective retroactively from July 1, 2024.

Sec. 12. Laws 2023, chapter 53, article 21, section 7, as amended by Laws 2024, chapter 120, article 1, section 12; and Laws 2024, chapter 125, article 8, section 9, is amended to read:

Sec. 7. **APPROPRIATIONS.**

(a) $50,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund account to the commissioner of employment and economic development ~~for providing businesses with matching funds required by federal programs~~. Money awarded under this program is made retroactive to February 1, 2023, for applications and projects. The commissioner may use up to two percent of this appropriation for administration. This is a onetime appropriation and is available until June 30, ~~2027~~ 2030. Any funds that remain unspent are canceled to the general fund.

(b) $100,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund account to the commissioner of employment and economic development to match existing federal funds made available in the Consolidated Appropriations Act, Public Law 117-328. This appropriation must be used to (1) construct and operate a bioindustrial manufacturing pilot innovation facility, biorefinery, or commercial campus utilizing agricultural feedstocks or (2) for a Minnesota aerospace center for research, development, and testing, or both (1) and (2). This appropriation is not subject to the grant limit requirements of Minnesota Statutes, section 116J.8752, subdivisions 4, paragraph (b), and 5. Notwithstanding Minnesota Statutes, section 116J.8752, subdivision 4, paragraph (a), this appropriation may include land acquisition as an eligible use to construct a bioindustrial manufacturing pilot innovation facility, a biorefinery, and an aerospace center for research, development, and testing. The

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.

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

EFFECTIVE DATE. This section is effective retroactively to July 1, 2023.

Sec. 3. Laws 2023, chapter 53, article 21, section 7, as amended by Laws 2024, chapter 120, article 1, section 12; and Laws 2024, chapter 125, article 8, section 9, is amended to read:

Sec. 7. **APPROPRIATIONS.**

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

(b) $100,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund account to the commissioner of employment and economic development to match existing federal funds made available in the Consolidated Appropriations Act, Public Law 117-328. This appropriation must be used to (1) construct and operate a bioindustrial manufacturing pilot innovation facility, biorefinery, or commercial campus utilizing agricultural feedstocks or (2) for a Minnesota aerospace center for research, development, and testing, or both (1) and (2). This appropriation is not subject to the grant limit requirements of Minnesota Statutes, section 116J.8752, subdivisions 4, paragraph (b), and 5. Notwithstanding Minnesota Statutes, section 116J.8752, subdivision 4, paragraph (a), this appropriation may include land acquisition as an eligible use to construct a bioindustrial manufacturing pilot innovation facility, a biorefinery, and an aerospace center for research, development, and testing. The commissioner may use up to two percent of this appropriation for administration. This is a onetime appropriation and is available until June 30, ~~2027~~ 2030. Any funds that remain unspent are canceled to the general fund.

(c) $240,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund account to the commissioner of employment and economic development to match federal funds made available in the Chips and Science Act, Public Law 117-167. Money awarded under this program is made retroactive to February 1, 2023, for applications and projects. This appropriation is not subject to Minnesota Statutes, section 116J.8752, subdivision 5. The commissioner may use up two percent for administration. This is a onetime appropriation and is available until June 30, ~~2027~~ 2030. Any funds that remain unspent are canceled to the general fund.

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

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

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

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

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

commissioner may use up to two percent of this appropriation for administration. This is a onetime appropriation and is available until ~~June 30, 2027~~ spent. ~~Any funds that remain unspent are canceled to the general fund.~~

(c) $240,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund account to the commissioner of employment and economic development to match federal funds made available in the Chips and Science Act, Public Law 117-167. Money awarded under this program is made retroactive to February 1, 2023, for applications and projects. This appropriation is not subject to Minnesota Statutes, section 116J.8752, subdivision 5. The commissioner may use up two percent for administration. This is a onetime appropriation and is available until ~~June 30, 2027~~ spent. ~~Any funds that remain unspent are canceled to the general fund.~~

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

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

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

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

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

ARTICLE 2

APPROPRIATION MODIFICATIONS

Sec. 2. Laws 2023, chapter 53, article 20, section 2, subdivision 3, as amended by Laws 2024, chapter 120, article 1, section 7, is amended to read:

Subd. 3. **Employment and Training Programs**	112,038,000	104,499,000

Appropriations by Fund

	2024	2025
General	91,036,000	83,497,000
Workforce Development	21,002,000	21,002,000

(a) $500,000 each year from the general fund and $500,000 each year from the workforce development fund are for rural career counseling coordinators in the workforce service areas and for the purposes specified under Minnesota Statutes, section 116L.667.

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

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

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

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

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

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

(d) $10,000,000 each year is for the Drive for Five Initiative to conduct outreach and provide job skills training, career counseling, case management, and supportive services for careers in (1) technology, (2) labor, (3) the caring professions, (4) manufacturing, and (5) educational and professional services. This is a onetime appropriation.

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

(1) student tutoring and testing support services;

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

(3) assistance in obtaining industry-specific certifications;

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

(5) real-time work experience;

(6) career and educational counseling;

(7) work experience and internships; and

(8) supportive services.

(f) Of the amount appropriated in paragraph (d), $2,000,000 each year must be awarded through competitive grants made to trade associations or chambers of commerce for job placement services. Grant awards must be used to encourage workforce training efforts to ensure that efforts are aligned with employer demands and that graduates are connected with employers that are currently hiring. Trade associations or chambers must partner with employers with current or anticipated employment opportunities and nonprofit workforce training partners participating in this program. The trade associations or chambers must work closely with the industry sector training providers in the five industries identified in paragraph (d). Grant awards may be used for:

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

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

(3) industry-specific training.

(g) Of the amount appropriated in paragraph (d), $1,000,000 each year is to hire, train, and deploy business services representatives in local workforce development areas throughout the state. Business services representatives must work with an assigned local workforce development area to address the hiring needs of Minnesota's businesses by connecting job seekers and program participants in the

CareerForce system. Business services representatives serve in the classified service of the state and operate as part of the agency's Employment and Training Office. The commissioner shall develop and implement training materials and reporting and evaluation procedures for the activities of the business services representatives. The business services representatives must:

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

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

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

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

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

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

(k) $1,000,000 each year is for a competitive grant program to provide grants to organizations that provide support services for individuals, such as job training, employment preparation, internships, job assistance to parents, financial literacy, academic and behavioral interventions for low-performing students, and youth intervention. Grants made under this section must focus on low-income communities, young adults from families with a history of intergenerational poverty, and communities of color. Of this amount, up to five percent is for administration and monitoring of the program.

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

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

(n) $4,511,000 each year from the general fund and $4,050,000 each year from the workforce development fund are for the Minnesota youth program under Minnesota Statutes, sections 116L.56 and 116L.561. The base for this appropriation is $0 from the general fund and $4,050,000 from the workforce development fund in fiscal year 2026 and each year thereafter.

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

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

(q) $750,000 each year is for grants to the Minneapolis Park and Recreation Board's Teen Teamworks youth employment and training programs. This is a onetime appropriation and available until June 30, 2027. Any unencumbered balance remaining at the end of the first year does not cancel but is available in the second year.

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

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

(t) $400,000 each year is for a grant to the nonprofit 30,000 Feet to fund youth apprenticeship jobs, wraparound services, after-school programming, and summer learning loss prevention efforts targeted at African American youth. This is a onetime appropriation.

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

(1) $313,000 is to fund one year of free full-service programming for a new program in Waite Park that will employ part-time youth development staff and provide community volunteer opportunities for people of all ages. Career exploration and life skills programming

will be a significant dimension of programming at this new site; and

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

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

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

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

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

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

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

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

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

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

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

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

(bb) $500,000 each year is for a grant to Comunidades Organizando el Poder y la Acción Latina (COPAL) for worker center programming that supports primarily low-income, migrant, and Latinx workers with career planning, workforce training and education, workers' rights advocacy, health resources and navigation, and wealth creation resources. This is a onetime appropriation.

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

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

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

(3) creating or expanding partnerships with existing organizations that have specialized expertise in order to increase capacity of the

grantee organization to improve services to the community.

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

(dd) $1,000,000 each year is for a grant to Goodwill Easter Seals Minnesota and its partners. The grant must be used to continue the FATHER Project in Rochester, St. Cloud, St. Paul, Minneapolis, and the surrounding areas to assist fathers in overcoming barriers that prevent fathers from supporting their children economically and emotionally, including with community re-entry following confinement. This is a onetime appropriation.

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

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

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

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

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

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

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

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

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

(nn) $1,000,000 each year is for a grant to the Hmong American Partnership to expand job training and placement programs primarily serving the Southeast Asian community. This is a onetime appropriation.

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

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

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

(rr) $500,000 each year is for a grant to Greater Twin Cities United Way to make grants to partner organizations to provide workforce training using the career pathways model that helps students gain work experience, earn experience in high-demand fields, and transition into family-sustaining careers. This is a onetime appropriation.

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

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

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

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

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

(vv) $400,000 each year from the workforce development fund is for a grant to Hired to expand their career pathway job training and placement program that connects lower-skilled job seekers to entry-level and gateway jobs in high-growth sectors. This is a onetime appropriation.

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

(xx) $500,000 each year from the workforce development fund is for a grant to the Hmong

Chamber of Commerce to train ethnically Southeast Asian business owners and operators in better business practices. Of this amount, up to $5,000 may be used for administrative costs. This is a onetime appropriation.

(yy) $275,000 each year is for a grant to Southeast Minnesota Workforce Development Area 8 and Workforce Development, Inc., to provide career planning, career pathway training and education, wraparound support services, and job skills advancement in high-demand careers to individuals with barriers to employment in Steele County, and to help families build secure pathways out of poverty and address worker shortages in the Owatonna and Steele County area, as well as supporting Employer Outreach Services that provide solutions to workforce challenges and direct connections to workforce programming. Money may be used for program expenses, including but not limited to hiring instructors and navigators; space rental; and supportive services to help participants attend classes, including assistance with course fees, child care, transportation, and safe and stable housing. Up to five percent of grant money may be used for Workforce Development, Inc.'s administrative costs. This is a onetime appropriation and is available until June 30, 2027.

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

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

Abijahs on the Backside must report to the commissioner of employment and economic development and the chairs and ranking minority members of the legislative committees with jurisdiction over employment and economic development policy and finance on the equine experiential mental health therapy provided to first responders under this paragraph. The report must include an overview of the program's budget, a detailed explanation of program expenditures, the number of first responders served by the program, and a list and explanation of the services provided to and benefits received by program participants. An initial report is due by January 15, 2024, and a final report is due by January 15, 2026. This is a onetime appropriation.

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

(ccc) $500,000 each year is for a grant to Ramsey County for a technology training pathway program focused on intergenerational community tech work for residents who are at least 18 years old and no more than 24 years old and whose household income is at or below 200 percent of the federal poverty level.

Grant money may be used for program administration, training, training stipends, wages, and support services. This is a onetime appropriation and is available until December 31, 2027.

(ddd) $200,000 each year is for a grant to Project Restore Minnesota for the Social Kitchen project, a pathway program for careers in the culinary arts. This is a onetime appropriation and is available until June 30, 2027.

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

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

(ggg) $750,000 each year is for a grant to Bridges to Healthcare to provide career education, wraparound support services, and job skills training in high-demand health care fields to low-income parents, nonnative speakers of English, and other hard-to-train individuals, helping families build secure pathways out of poverty while also addressing worker shortages in one of Minnesota's most innovative industries. Grants may be used for program expenses, including but not limited to hiring instructors and navigators; space rental; and supportive services to help participants attend classes, including assistance with course fees, child care, transportation, and safe and stable housing. In addition, up to five percent of grant money may be used for Bridges to Healthcare's administrative costs. This is a onetime appropriation.

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

(iii) $3,000,000 each year is for a grant to Youthprise to provide economic development services designed to enhance long-term economic self-sufficiency in communities with concentrated African populations ~~statewide. Of these amounts, 50 percent is for subgrants to Ka Joog and 50 percent is for competitive subgrants to community organizations~~ by offering subgrants to community organizations. This is a onetime appropriation and money is available until June 30, 2026.

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

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

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

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

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

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

(ooo) $300,000 each year is for a grant to YMCA of the North to provide career exploration, job training, and workforce development services for underserved youth and young adults. This is a onetime appropriation.

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

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

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

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

(ttt) $400,000 each year is for a grant to Building Strong Communities, Inc, for a statewide apprenticeship readiness program to prepare women, BIPOC community members, and veterans to enter the building and construction trades. This is a onetime appropriation.

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

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

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

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

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

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

(www)(1) $250,000 each year is for a grant to Greater Rochester Advocates for Universities and Colleges (GRAUC), a collaborative organization representing health care, business, workforce development, and higher education institutions, for expenses relating to starting up a state-of-the-art simulation center for training health care workers in southeast Minnesota. Once established, this center must be self-sustaining through user fees. Eligible expenses include leasing costs, developing and providing training, and operational costs. This is a onetime appropriation.

(2) By January 15, 2025, GRAUC must submit a report, including an independent financial audit of the use of grant money, to the chairs and ranking minority members of the legislative committees having jurisdiction over higher education and economic development. This report must include details on the training provided at the simulation center, including the names of all organizations that use the

center for training, the number of individuals each organization trained, and the type of training provided.

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

(2) The program must:

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

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

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

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

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

(i) student scholarships;

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

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

(iv) hiring staff for the program.

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

(yyy) $2,000,000 the first year is for a grant to the Power of People Leadership Institute (POPLI) to expand pre- and post-release personal development and leadership training and community reintegration services, to reduce recidivism, and increase access to employment. This is a onetime appropriation and is available until June 30, 2025.

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

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

Sec. 4. Laws 2023, chapter 64, article 15, section 30, is amended to read:

Sec. 30. **APPROPRIATION; CITY OF MINNEAPOLIS; GRANT.**

(a) $10,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of employment and economic development for a grant to the city of Minneapolis. This is a onetime appropriation. ~~The grant must be paid by July 15, 2023.~~ The city of Minneapolis may use up to one percent of the grant for administrative costs. This appropriation is available until June 30, 2027.

(b) Of the amount granted to the city of Minneapolis under paragraph (a), $8,000,000 must be used for a grant to a foundation that provides business advising, branding and marketing support, and real estate consulting to businesses located on Lake Street in Minneapolis, between 30th Avenue South and Nicollet Avenue. The organization must use the funds for direct business support or direct corridor support, including assistance with marketing, placemaking, and public relations services.

(c) Of the amount granted to the city of Minneapolis under paragraph (a), $2,000,000 must be used for property acquisition in the city of Minneapolis at 1860 28th Street East and 2717 Longfellow Avenue.

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

Sec. 5. Laws 2024, chapter 120, article 1, section 2, subdivision 3, is amended to read:

Subd. 3. **Employment and Training Programs** $ -0- $ 12,207,000

Appropriations by Fund		
	2024	2025
General	-0-	50,000
Workforce Development	-0-	12,157,000

(a) $400,000 the second year is from the workforce development fund for a grant to Sabathani Community Center for specialized community outreach and engagement, a marketing and communication plan, program evaluation, personal empowerment training for men, empowerment and truancy curriculum for youth, wellness training for seniors, a workforce strategies mentorship and jobs training program, a 15-passenger van, and service kiosks for the Sabathani Community Center, including a onetime paid internship to support these programs. This is a onetime appropriation.

(b) $700,000 the second year is from the workforce development fund for a grant to the Shakopee Chamber Foundation for the Shakopee area workforce development scholarship pilot program. This is a onetime appropriation and is available until June 30,

2027. The commissioner of employment and economic development may enter into an interagency agreement with the Office of Higher Education, including agreements to transfer funds and to administer the program.

(c) $100,000 the second year is from the workforce development fund for a grant to Inspire Change Clinic for their health care fellowship program designed to create pathways to medicine for high school and college students interested in pursuing a career in the health care workforce. The health care fellowship program is intended to remove barriers for minority students, foster inclusivity and diversity in the health care sector, and provide valuable opportunities for students, including mentorship programs, access to renowned health institutions in the state of Minnesota, and hands-on work experience. In addition to the reporting requirements in section 14, the commissioner must include the number of participants served by the grant and provide information about program outcomes. This is a onetime appropriation.

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

(e) $1,000,000 the second year is from the workforce development fund for a grant to Change Starts With Community for a violence prevention program. Grant money must be used to establish a comprehensive workforce development initiative, specifically tailored for at-risk youth and adults, located on site at Shiloh Cares Food Shelf in the city of Minneapolis. This is a onetime appropriation.

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

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

(h) $350,000 the second year is from the workforce development fund for a grant to the city of Austin to develop and implement training programs for water operators and wastewater operators. Riverland Community College must offer the training programs. This is a onetime appropriation and is available until June 30, 2027. Of this amount, the city of Austin may use up to five percent for administration of the program. The commissioner must provide an annual report by January 5 of each year until January 5, 2028, regarding the use of grant funds under this paragraph to the chairs and ranking minority members of the legislative committees with jurisdiction over economic development and higher education. The report must include the number of students enrolled and number of students who have completed courses funded by this appropriation.

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

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

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

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

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

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

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

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

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

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

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

(t) $171,000 the second year is from the workforce development fund and is for a grant to Independent School District No. 704, Proctor, to develop a regional career and technical education program to serve Independent School District No. 704, Proctor, Independent School District No. 700, Hermantown, and Independent School District No. 99, Esko. This is a onetime appropriation.

(u) $1,000,000 the second year is from the workforce development fund and is for a grant to the city of Brooklyn Park for the Brooklyn Park Small Business Center and for the city to expand the workforce development programming of Brooklyn Park and Brooklyn Center through workforce development programs serving primarily underrepresented populations, including such programs as

Brooklynk, Career Pathways, Youth Entrepreneurship, and Community Partnership. This is a onetime appropriation and is available until June 30, 2027.

(v) $500,000 the second year is from the workforce development fund and is for a grant to Riverside Plaza Tenant Association to address employment, economic, and technology access disparities for low-income unemployed or underemployed individuals through training in health care, technology, and construction or skilled trades industries. This is a onetime appropriation.

(w) $300,000 the second year is from the workforce development fund and is for a grant to African Career, Education, and Resources, Inc., to develop a program for health care skills training and computer skills training in collaboration with the Organization of Liberians in Minnesota. This is a onetime appropriation.

(x) $75,000 the second year is from the workforce development fund and is for a grant to Equitable Development Action for it to fund programs and provide technical assistance to underserved businesses. This is a onetime appropriation.

(y) $50,000 the second year is from the workforce development fund and is for a grant to HIRPHA International for use on youth apprenticeships, entrepreneurship training, computer skills, and work readiness training. This is a onetime appropriation.

(z) $200,000 the second year is from the workforce development fund and is for a grant to YWCA St. Paul for a strategic intervention program designed to target and connect program participants to meaningful, sustainable living wage employment. This is a onetime appropriation.

(aa) $50,000 the second year is from the workforce development fund and is for a grant to United Senior Lao American Association to provide job and skills training for an underserved population. This is a onetime appropriation.

(bb) $100,000 the second year is from the workforce development fund and is for a grant to Hmong American Farmers Association for workforce readiness, employment exploration, and skills development. This is a onetime appropriation.

(cc) $240,000 the second year is from the workforce development fund and is for a grant to MN Zej Zog for workforce readiness, employment exploration, and skills development. This is a onetime appropriation.

(dd) $100,000 the second year is from the workforce development fund and is for a grant to Ramsey County for a Justice Impact Navigator to support Ramsey County residents who have a justice impact or who are reentering the community after incarceration to connect to resources with a focus on employment and training supports. Funds must be used for a navigator pilot and other administrative expenses such as outreach, marketing, and resources for residents. This is a onetime appropriation.

(ee) $100,000 the second year is from the workforce development fund and is for a grant to Ramsey County for a Digital Equity Specialist to support Ramsey County residents with digital literacy resources and skills to connect to employment and training supports. Funds must be used for a digital navigator pilot serving in Ramsey County Career Labs and community-based locations and other administrative expenses, such as outreach, marketing, and resources for residents. This is a onetime appropriation.

(ff) $100,000 the second year is from the workforce development fund for a grant to Film North to attract a film festival. This is a onetime appropriation. The commissioner of employment and economic development may enter into an interagency agreement with Explore Minnesota, including agreements to transfer funds and administer the grant.

(gg) $400,000 the second year is from the workforce development fund for a grant to the Twin Cities Urban League for support, capacity building, and expansion of the Work Readiness Program. This is a onetime appropriation.

(hh) $500,000 the second year is from the workforce development fund for a grant to Arrowhead Opportunity Agency for the purposes of expanding workforce development opportunities ~~in the region~~ through the creation of a regional hub building where services can be provided. Money may be used for the costs of acquiring and refurbishing a building to serve as the hub. This is a onetime appropriation and is available until June 30, 2026.

(ii) $597,000 the second year is from the workforce development fund for a grant to the Minneapolis Downtown Council for infrastructure and associated costs for the Taste of Minnesota event, including but not limited to buildout, permits, garbage services, staffing, security, equipment rentals, signage, and insurance. This is a onetime appropriation. The commissioner of employment and economic development may enter into an interagency agreement with Explore Minnesota, including agreements to transfer funds and administer the grant.

(jj) $50,000 the second year is from the general fund for a grant to Block Builders Foundation. This appropriation must be used for programming targeted toward at-risk youth coaching, financial literacy education, juvenile offender diversion programming, and community outreach. This is a onetime appropriation.

EFFECTIVE DATE. This section is effective the day after final enactment.

Sec. 6. Laws 2024, chapter 120, article 1, section 4, is amended to read:

Sec. 4. **EXPLORE MINNESOTA**	**$**	**-0-**	**$**	**4,475,000**

(a) $825,000 the second year is for Explore Minnesota Film. This appropriation is added to the Explore MN base in fiscal year 2026 and each year thereafter.

(b) $400,000 the second year is for ~~a grant to Ka Joog for~~ Somali community and cultural festivals and events, including festivals and events in greater Minnesota. This is a onetime appropriation and is available until June 30, 2026.

(c) $2,000,000 the second year is for a grant to the 2026 Special Olympics USA Games to expend on providing food and housing to 2026 Special Olympics USA Games athletes. This is a onetime appropriation.

(d) $1,250,000 the second year is for a grant to the Minneapolis Downtown Council for infrastructure and associated costs for the Taste of Minnesota event, including but not limited to buildout, permits, garbage services, staffing, security, equipment rentals, signage, and insurance. This is a onetime appropriation.

EFFECTIVE DATE. The section is effective the day following final enactment.

Sec. 13. **CHANGE STARTS WITH COMMUNITY VIOLENCE PREVENTION PROGRAM.**

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

(1) develop and implement year-round job training programs for at-risk youth and adults and provide trusted adult mentorship for at-risk Black, Indigenous, and People of Color youth, providing them with the skills needed for gainful employment and career opportunities; and

(2) create on-site job opportunities at Shiloh Cares Food Shelf - Northside Community Safety Resource Center, promoting community engagement and economic development.

Subd. 2. **Partnership.** Change Starts With Community shall partner with the Cargill Foundation to support at-risk youth educational career exposure field trips and exposing participants to the Change Starts With Community Agrihood garden and preventing further trauma through field trips for youth.

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

Subd. 4. **Report.** Beginning in fiscal year 2026, Change Starts With Community shall report to the commissioner of employment and economic development outlining the use of grant money, program outcomes, and the impact on the targeted population. The report must be submitted no later than six months after the end of each fiscal year.

Sec. 14. **APPLICABILITY OF CERTAIN REQUIREMENTS TO APPROPRIATION.**

The appropriation in Laws 2023, chapter 53, article 20, section 2, subdivision 3, paragraph (ee), is not subject to Minnesota Statutes, section 116L.98.

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

Sec. 15. **RELOCATION GRANTS.**

The commissioner of employment and economic development must reissue a request for proposal for relocation grants under Laws 2024, chapter 120, article 1, section 2, paragraph (i). The commissioner must make best efforts to conduct outreach and provide technical assistance to businesses eligible for the grants. The appropriation under Laws 2024, chapter 120, article 1, section 2, paragraph (i), is available until June 30, 2026.

Sec. 16. **REVISOR INSTRUCTION.**

The revisor of statutes shall change the term "small business growth acceleration program" to "Made in Minnesota program" wherever it appears in Minnesota Statutes, section 116O.115.

Senate Language S1832-4

ARTICLE 4

EXPLORE MINNESOTA

Section 1. Minnesota Statutes 2024, section 116U.05, is amended to read:

116U.05 EXPLORE MINNESOTA; ESTABLISHMENT.

Explore Minnesota is an office in the executive branch with a director appointed by the governor. The director is under the supervision of the commissioner of employment and economic development and oversees Explore Minnesota Tourism ~~and~~, Explore Minnesota for Business, and Explore Minnesota Film divisions. The director serves in the unclassified service and must be qualified by experience and training in related fields.

Sec. 2. Minnesota Statutes 2024, section 116U.06, is amended to read:

116U.06 EXPLORE MINNESOTA TOURISM.

Explore Minnesota Tourism ~~is a division of Explore Minnesota and~~ exists to support Minnesota's economy through promotion and facilitation of travel to and within the state of Minnesota.

Sec. 3. Minnesota Statutes 2024, section 116U.15, is amended to read:

116U.15 MISSION.

(a) The mission of Explore Minnesota is to ~~promote and facilitate increased travel to and within the state of Minnesota, promote overall livability, and promote workforce and economic opportunity in Minnesota~~ support the growth of Minnesota's economy through the management of the state's tourism, livability and economic opportunity, outdoor recreation, film, and other statewide promotion efforts as directed. To further the mission of Explore Minnesota, the office is advised by various advisory councils ~~focused on tourism and talent attraction and business marketing~~. Its goals are to:

(1) expand public and private partnerships through increased interagency efforts and increased tourism and business industry participation;

(2) increase productivity through enhanced flexibility and options; and

(3) use innovative fiscal and human resource practices to manage the state's resources and operate the office as efficiently as possible.

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Sec. 21. **REPEALER.**

Minnesota Statutes 2024, sections 116L.35; and 116L.98, subdivision 7, are repealed.

Sec. 13. Minnesota Statutes 2024, section 116U.05, is amended to read:

116U.05 EXPLORE MINNESOTA; ESTABLISHMENT.

Explore Minnesota is an office in the executive branch with a director appointed by the governor. The director is under the supervision of the commissioner of employment and economic development and oversees Explore Minnesota Tourism ~~and~~, Explore Minnesota for Business, and Explore Minnesota Film divisions. The director serves in the unclassified service and must be qualified by experience and training in related fields.

Sec. 14. Minnesota Statutes 2024, section 116U.06, is amended to read:

116U.06 EXPLORE MINNESOTA TOURISM.

Explore Minnesota Tourism ~~is a division of Explore Minnesota and~~ exists to support Minnesota's economy through promotion and facilitation of travel to and within the state of Minnesota.

Sec. 15. Minnesota Statutes 2024, section 116U.15, is amended to read:

116U.15 MISSION.

(a) The mission of Explore Minnesota is to ~~promote and facilitate increased travel to and within the state of Minnesota, promote overall livability, and promote workforce and economic opportunity in Minnesota~~ support the growth of Minnesota's economy through the management of the state's tourism, livability and economic opportunity, outdoor recreation, film, and other statewide promotion efforts as directed. To further the mission of Explore Minnesota, the office is advised by various advisory councils ~~focused on tourism and talent attraction and business marketing~~. Its goals are to:

(1) expand public and private partnerships through increased interagency efforts and increased tourism and business industry participation;

(2) increase productivity through enhanced flexibility and options; and

(3) use innovative fiscal and human resource practices to manage the state's resources and operate the office as efficiently as possible.

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(b) The director shall report to the legislature on the performance of the office's operations and the accomplishment of its goals in the office's biennial budget according to section 16A.10, subdivision 1.

Sec. 4. Minnesota Statutes 2024, section 116U.30, is amended to read:

116U.30 DUTIES OF DIRECTOR.

(a) The director shall:

(1) publish, disseminate, and distribute informational and promotional materials;

(2) promote and encourage the coordination of Explore Minnesota ~~travel, tourism, overall livability, and workforce and economic opportunity~~ promotion efforts with other state agencies and develop multiagency marketing strategies when appropriate;

(3) promote and encourage the expansion and development of ~~international tourism, trade, and Minnesota livability marketing~~ programs that support the mission of the office;

(4) advertise and disseminate information about ~~Minnesota travel, tourism, and workforce and economic development opportunities~~ Explore Minnesota and its activities that support the mission of the office;

(5) ~~aid various~~ provide local communities a reasonable level of support to improve their ~~travel, tourism, and overall livability~~ marketing programs as they relate to the mission of the office;

(6) coordinate and implement comprehensive state ~~travel, tourism, workforce and economic development, and overall livability~~ mission-driven marketing programs that take into consideration public and private businesses and attractions;

(7) contract, in accordance with section 16C.08, for professional services if the work or services cannot be satisfactorily performed by employees of the agency or by any other state agency;

(8) provide local, regional, and statewide organizations with information, ~~technical assistance~~ educational opportunities, training, and advice on ~~using state tourism and livability information and~~ promotional programs related to the office's mission; and

(9) generally gather, compile, and make available statistical information relating to ~~Minnesota travel, tourism, workforce and economic development, overall livability, and related areas in this state~~ the office's mission. The director has the authority to call upon other state agencies for statistical data and results obtained by them and to arrange and compile that statistical information.

(b) The director may:

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(b) The director shall report to the legislature on the performance of the office's operations and the accomplishment of its goals in the office's biennial budget according to section 16A.10, subdivision 1.

Sec. 16. Minnesota Statutes 2024, section 116U.30, is amended to read:

116U.30 DUTIES OF DIRECTOR.

(a) The director shall:

(1) publish, disseminate, and distribute informational and promotional materials;

(2) promote and encourage the coordination of Explore Minnesota ~~travel, tourism, overall livability, and workforce and economic opportunity~~ promotion efforts with other state agencies and develop multiagency marketing strategies when appropriate;

(3) promote and encourage the expansion and development of ~~international tourism, trade, and Minnesota livability marketing~~ programs that support the mission of the office;

(4) advertise and disseminate information about ~~Minnesota travel, tourism, and workforce and economic development opportunities~~ Explore Minnesota and its activities that support the mission of the office;

(5) ~~aid various~~ provide local communities a reasonable level of support to improve their ~~travel, tourism, and overall livability~~ marketing programs as they relate to the mission of the office;

(6) coordinate and implement comprehensive state ~~travel, tourism, workforce and economic development, and overall livability~~ mission-driven marketing programs that take into consideration public and private businesses and attractions;

(7) contract, in accordance with section 16C.08, for professional services if the work or services cannot be satisfactorily performed by employees of the agency or by any other state agency;

(8) provide local, regional, and statewide organizations with information, ~~technical assistance~~ educational opportunities, training, and advice on ~~using state tourism and livability information and~~ promotional programs related to the office's mission; and

(9) generally gather, compile, and make available statistical information relating to ~~Minnesota travel, tourism, workforce and economic development, overall livability, and related areas in this state~~ the office's mission. The director has the authority to call upon other state agencies for statistical data and results obtained by them and to arrange and compile that statistical information.

(b) The director may:

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(1) apply for, receive, and spend money ~~for travel, tourism, workforce and economic development, and overall livability development and marketing~~, as it relates to the mission of the office, from other agencies, organizations, and businesses;

(2) apply for, accept, and disburse grants and other aids for ~~tourism~~ development and marketing from the federal government and other sources;

(3) enter into joint powers or cooperative agreements with agencies of the federal government, local governmental units, regional development commissions, other state agencies, the University of Minnesota and other educational institutions, other states, Canadian provinces, and local, statewide, and regional organizations as necessary to perform the director's duties;

(4) enter into interagency agreements and agree to share net revenues with the contributing agencies;

(5) make grants;

(6) conduct market research and analysis to improve marketing techniques ~~in the area of travel, tourism, workforce and economic development, and overall livability~~;

(7) monitor and study trends in the related industries and provide resources and training to address change;

(8) annually convene conferences of Minnesota providers for the purposes of exchanging information on tourism development, coordinating marketing activities, and formulating ~~tourism, overall livability, and workforce and economic opportunity~~ mission-related promotion development strategies; and

(9) enter into promotion contracts or other agreements with private persons and public entities, including agreements to establish and maintain offices and other types of representation in foreign countries to promote international travel and to implement this chapter.

(c) Contracts for goods and ~~nonprofessional~~ services and professional technical services made under paragraph (b), clauses (3) and (9), are not subject to the provisions of sections 16C.03, subdivision 3, and 16C.06 concerning competitive bidding and section 16C.055 concerning barter arrangements. Professional technical service contracts that promote Minnesota as a tourism travel destination or a talent attraction may be negotiated and are not subject to the provisions of chapter 16C relating to competitive bidding.

Sec. 5. Minnesota Statutes 2024, section 116U.35, is amended to read:

116U.35 PROMOTIONAL EXPENSES.

To promote ~~travel, tourism, workforce and economic development, and overall livability of the state~~ programs that align with Explore Minnesota's mission, the director may expend money appropriated by the legislature for these purposes in the same manner as private

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(1) apply for, receive, and spend money ~~for travel, tourism, workforce and economic development, and overall livability development and marketing~~, as it relates to the mission of the office, from other agencies, organizations, and businesses;

(2) apply for, accept, and disburse grants and other aids for ~~tourism~~ development and marketing from the federal government and other sources;

(3) enter into joint powers or cooperative agreements with agencies of the federal government, local governmental units, regional development commissions, other state agencies, the University of Minnesota and other educational institutions, other states, Canadian provinces, and local, statewide, and regional organizations as necessary to perform the director's duties;

(4) enter into interagency agreements and agree to share net revenues with the contributing agencies;

(5) make grants;

(6) conduct market research and analysis to improve marketing techniques ~~in the area of travel, tourism, workforce and economic development, and overall livability~~;

(7) monitor and study trends in the related industries and provide resources and training to address change;

(8) annually convene conferences of Minnesota providers for the purposes of exchanging information on tourism development, coordinating marketing activities, and formulating ~~tourism, overall livability, and workforce and economic opportunity~~ mission-related promotion development strategies; and

(9) enter into promotion contracts or other agreements with private persons and public entities, including agreements to establish and maintain offices and other types of representation in foreign countries to promote international travel and to implement this chapter.

(c) Contracts for goods and ~~nonprofessional~~ services and professional technical services made under paragraph (b), clauses (3) and (9), are not subject to the provisions of sections 16C.03, subdivision 3, and 16C.06 concerning competitive bidding and section 16C.055 concerning barter arrangements. Professional technical service contracts that promote Minnesota as a tourism travel destination or a talent attraction may be negotiated and are not subject to the provisions of chapter 16C relating to competitive bidding.

Sec. 17. Minnesota Statutes 2024, section 116U.35, is amended to read:

116U.35 PROMOTIONAL EXPENSES.

To promote ~~travel, tourism, workforce and economic development, and overall livability of the state~~ programs that align with Explore Minnesota's mission, the director may expend money appropriated by the legislature for these purposes in the same manner as private persons, firms, corporations, and associations make expenditures for these purposes. Policies on promotional expenses must be approved by the commissioner of administration. A policy for expenditures on food, lodging, and travel must be approved by the commissioner of management and budget. No money may be expended for the appearance in radio or television broadcasts by an elected public official.

ARTICLE 5

DEED CANNABIS PROGRAMS

Section 1. Minnesota Statutes 2024, section 116J.659, subdivision 4, is amended to read:

Subd. 4. **Loans to businesses.** (a) The criteria in this subdivision apply to loans made by nonprofit corporations under the program.

(b) Loans must be used to support a new cannabis microbusiness in the legal cannabis industry. Priority must be given to loans to businesses owned by individuals who are eligible to be social equity applicants and businesses located in communities where long-term residents are eligible to be social equity applicants.

(c) Loans must be made to cannabis microbusinesses that are not likely to undertake the project for which loans are sought without assistance from the program.

(d) The minimum state contribution to a loan is $2,500 and the maximum is either:

(1) ~~$50,000~~ $75,000; or

(2) ~~$150,000~~ $200,000, if state contributions are matched by ~~an equal or greater amount~~ at least 25 percent of new private investment.

(e) Loan applications given preliminary approval by the nonprofit corporation must be forwarded to the commissioner for approval. The commissioner must ~~give final approval for each loan made by the nonprofit corporation under the program~~ make approval decisions within 30 days of receiving a loan application. If the application contains insufficient information to make an approval decision, the nonprofit corporation must be notified within 14 days with all information that needs to be provided.

(f) A cannabis microbusiness that receives a loan may apply ~~to renew the~~ for a subsequent loan. ~~Renewal applications must be made on an annual basis and~~ A cannabis microbusiness may ~~receive loans for up to six consecutive years~~ have a maximum of two program loans. A nonprofit corporation may ~~renew~~ originate a loan to a cannabis microbusiness that is no longer a new business provided the business would otherwise qualify for an initial loan and is in good standing with the nonprofit corporation and the commissioner. A nonprofit corporation may ~~adjust the amount of a renewed loan, or not renew a loan,~~ decline to originate a subsequent loan if the nonprofit corporation determines that the cannabis microbusiness is financially stable and is substantially likely to continue the project for which the loan ~~renewal~~ is sought. Refinancing of existing debt is prohibited.

persons, firms, corporations, and associations make expenditures for these purposes. Policies on promotional expenses must be approved by the commissioner of administration. A policy for expenditures on food, lodging, and travel must be approved by the commissioner of management and budget. No money may be expended for the appearance in radio or television broadcasts by an elected public official.

(g) If a borrower has met lender criteria, including being current with all payments for a minimum of three years, the commissioner may approve either full or partial forgiveness of interest or principal amounts.

Sec. 2. Minnesota Statutes 2024, section 116J.659, subdivision 5, is amended to read:

Subd. 5. **Revolving loan account administration.** (a) The commissioner shall establish a minimum interest rate for loans or guarantees to ensure that necessary loan administration costs are covered. The interest rate or fee equivalent charged by a nonprofit corporation for a loan under this section must not exceed the Wall Street Journal prime rate. For a loan under this section, the nonprofit corporation may charge a loan origination fee equal to or less than one percent of the loan value. The nonprofit corporation may retain the amount of the origination fee.

(b) Loan repayment of principal must be paid to the commissioner for deposit in the CanStartup revolving loan account. Loan interest payments ~~must be deposited in a revolving loan account created by the nonprofit corporation originating the loan being repaid for further distribution or use, consistent with the criteria of this section~~ may be retained by the nonprofit corporation originating the loan to help cover expenses for loan servicing and origination.

(c) Administrative expenses of the nonprofit corporations with whom the commissioner enters into agreements, including expenses incurred by a nonprofit corporation in providing technology, insurance, legal, audit and accounting, reporting, financial, technical, managerial, and marketing assistance to a business receiving a loan under this section, are eligible program expenses the commissioner may agree to pay under the grant agreement.

(d) Average interest rates charged by the nonprofit corporations must be reported biannually and publicly published by both the agency and the nonprofit corporation.

ARTICLE 6

PROMISE ACT MODIFICATIONS

Section 1. Laws 2023, chapter 53, article 18, section 2, subdivision 1, is amended to read:

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

(b) "Business" means both for-profit businesses and nonprofit organizations that earn revenue in ways similar to businesses.

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

(d) "Partner organization" or "partner" means the Minnesota Initiative Foundations and nonprofit corporations receiving grants to provide grants to businesses under this section.

(e) "Prior taxable year" means the most recently completed tax year to the calendar year that an application is submitted.

(f) "Program" means the PROMISE grant program under this section.

(g) "Taxpayer" has the meaning given in Minnesota Statutes, section 290.01, subdivision 6.

Sec. 2. Laws 2023, chapter 53, article 18, section 2, subdivision 4, is amended to read:

Subd. 4. **Grants to businesses.** (a) Partners shall make grants to businesses using criteria, forms, applications, and reporting requirements developed by the partner organization and approved by the commissioner.

(b) To be eligible for a grant under this subdivision, a business must:

(1) have primary business operations located in the state of Minnesota;

(2) be located in a community that has been adversely affected by structural racial discrimination, civil unrest, lack of access to capital, a loss of population or an aging population, or a lack of regional economic diversification; and

(3) have a gross annual revenue of $750,000 or less based on ~~2021 taxes~~ the prior taxable year.

(c) In addition to the requirements under paragraph (a), if a taxpayer's business meets requirements of paragraph (b), clause (2), and the business location is the taxpayer's residence, the taxpayer must have been eligible for the deduction allowed under section 280A(c)(1) of the Internal Revenue Code, in the prior taxable year.

~~(c)~~ (d) Preference shall be given to businesses that did not receive previous assistance of more than $10,000 cumulatively from the state under:

(1) the governor's Executive Order No. 20-15;

(2) Laws 2020, First Special Session chapter 1, section 4;

(3) Laws 2020, Seventh Special Session chapter 2, article 4 or 5; or

(4) Laws 2021, First Special Session chapter 10, article 2, section 22.

~~(d)~~ (e) Preference shall be given to businesses that are able to demonstrate financial hardship.

~~(e)~~ (f) Preference shall be given to businesses that were in operation in 2021 and had revenue of $750,000 or less based on the prior year tax documentation submitted under paragraph (b), clause (3).

(g) Grants under this subdivision must not exceed:

(1) $10,000 for businesses with a gross revenue in the prior year of $100,000 or less;

(2) $25,000 for businesses with a gross revenue in the prior year of more than $100,000 but no more than $350,000; and

(3) $50,000 for businesses with a gross revenue in the prior year of more than $350,000 but no more than $750,000.

~~(f)~~ (h) No business or individual may receive more than one grant under this section.

~~(g)~~ (i) Grant money may be used for working capital to support payroll expenses, rent or mortgage payments, utility bills, equipment, and other similar expenses that occur in the regular course of business.

Sec. 3. Laws 2023, chapter 53, article 18, section 3, subdivision 1, is amended to read:

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

(b) "Borrower" means an eligible recipient receiving a loan under this section.

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

(d) "Eligible project" means the development, redevelopment, demolition, site preparation, predesign, design, engineering, repair, land acquisition, relocation, or renovation of real property or capital improvements. Eligible project includes but is not limited to construction of buildings, equipment purchases, infrastructure, related site amenities, landscaping, and street-scaping.

(e) "Eligible recipient" means a:

(1) business;

(2) nonprofit organization; or

(3) developer that is seeking funding to complete an eligible project. Eligible recipient does not include a partner organization or a local unit of government.

Eligible recipients must: (i) have primary operations located in the state of Minnesota; (ii) have gross annual revenue of less than ~~$1,000,000~~ $1,500,000 based on ~~2021 taxes~~ the prior taxable year; and (iii) be located in a community that has been adversely affected by structural racial discrimination, civil unrest, lack of access to capital, a loss of population or an aging population, or a lack of regional economic diversification.

(f) "Partner organization" or "Partner" means the Minnesota Initiative Foundations and nonprofit corporations receiving grants to provide loans under this section.

(g) "Program" means the PROMISE loan program under this section.

(h) "Redevelopment" means the acquisition of real property; site preparation; predesign, design, engineering, repair, or renovation of facilities facade improvements, and construction of buildings, infrastructure, and related site amenities; landscaping; street-scaping; land-banking for future development or redevelopment; or financing any of these activities taken on by a private party pursuant to an agreement with the city. Redevelopment does not include project costs that have received compensation or assistance available through insurance policies or from other organizations or government agencies.

Sec. 4. Laws 2023, chapter 53, article 18, section 3, subdivision 4, is amended to read:

Subd. 4. **Loans to eligible recipients.** (a) A partner organization may make loans to eligible recipients for eligible projects. A loan to an eligible recipient for an eligible project must:

(1) be for no more than ~~$1,000,000~~ $1,500,000;

(2) be for a term of no more than ~~ten~~ 20 years; and

(3) not charge an interest rate of more than three percent.

(b) Loans must not be used for working capital or inventory; consolidating~~,~~ or repaying~~, or refinancing~~ debt; or speculation or investment in rental real estate.

(c) All payments of interest on a loan under this section are the property of the partner organization ~~and shall be used for its administrative and operating expenses under the program~~.

(d) A partner organization may:

(1) charge a loan origination fee of no more than one percent per loan; and

(2) charge a monthly fee in lieu of interest.

Sec. 5. Laws 2023, chapter 53, article 18, section 3, subdivision 5, is amended to read:

Subd. 5. **Revolving loan fund.** Partner organizations that receive grants from the commissioner under the program must establish a commissioner-certified revolving loan fund for the purpose of making eligible loans. All loan payments shall be deposited in the partner organization's revolving loan fund. Funds repaid to the partner organization are not limited in their uses by the language in this section, except that funds repaid may not be used for loans for speculation or investment in rental real estate.

Sec. 6. **EFFECTIVE DATE.**

Sections 1 to 5 are effective the day following final enactment.

Senate Language S1832-4

ARTICLE 7

EMPLOYMENT AND ECONOMIC DEVELOPMENT MISCELLANEOUS

Section 1. Minnesota Statutes 2024, section 116L.05, subdivision 5, is amended to read:

Subd. 5. **Use of workforce development funds.** After March 1 of any fiscal year, the board may use workforce development funds for the purposes outlined in sections 116L.02 and 116L.04, or to provide incumbent worker training services under section 116L.18 if the following conditions have been met:

(1) the board examines relevant economic indicators, including the projected number of layoffs for the remainder of the fiscal year and the next fiscal year, evidence of declining and expanding industries, the number of initial applications for and the number of exhaustions of unemployment benefits, job vacancy data, county labor force participation rates, and any additional relevant information brought to the board's attention;

(2) the board accounts for all allocations made in section 116L.17, subdivision 2;

(3) based on the past expenditures and projected revenue, the board estimates future funding needs for services under section 116L.17 for the remainder of the current fiscal year and the next fiscal year;

(4) the board determines there will be unspent funds after meeting the needs of dislocated workers in the current fiscal year and there will be sufficient revenue to meet the needs of dislocated workers in the next fiscal year; and

(5) the board reports its findings in clauses (1) to (4) to the chairs of legislative committees with jurisdiction over the workforce development fund, to the commissioners of revenue and management and budget, and to the public.

Sec. 2. Minnesota Statutes 2024, section 248.07, subdivision 7, is amended to read:

Subd. 7. **Blind, vending ~~stands and machines~~ facilities on governmental property; liability limited.** (a) Notwithstanding any other law, for the rehabilitation of blind persons the commissioner shall have exclusive authority to establish and to operate vending ~~stands and vending machines~~ facilities in all buildings and properties owned or rented exclusively by the Minnesota State Colleges and Universities at a state university, a community college, a consolidated community technical college, or a technical college served by the commissioner before January 1, 1996, or by any department or agency of the state of Minnesota except the Department of Natural Resources properties operated directly by the Division of State Parks and not subject to private leasing. Vending ~~stands and machines~~ facilities authorized under this subdivision may dispense nonalcoholic beverages, food, candies, tobacco, souvenirs, notions, and related items and must be operated on the same basis as other vending ~~stands~~ facilities for the blind established and supervised by the commissioner under federal law. The commissioner shall waive this authority to displace any present private individual concessionaire in any state-owned or rented building or

House Language UES1832-2

Sec. 9. Minnesota Statutes 2024, section 116L.05, subdivision 5, is amended to read:

Subd. 5. **Use of workforce development funds.** After ~~March~~ September 1 of any fiscal year, the board may use workforce development funds for the purposes outlined in sections 116L.02 and 116L.04, or to provide incumbent worker training services under section 116L.18 if the following conditions have been met:

(1) the board examines relevant economic indicators, including the projected number of layoffs for the remainder of the fiscal year and the next fiscal year, evidence of declining and expanding industries, the number of initial applications for and the number of exhaustions of unemployment benefits, job vacancy data, and any additional relevant information brought to the board's attention;

(2) the board accounts for all allocations made in section 116L.17, subdivision 2;

(3) based on the past expenditures and projected revenue, the board estimates future funding needs for services under section 116L.17 for the remainder of the current fiscal year and the next fiscal year;

(4) the board determines there will be unspent funds after meeting the needs of dislocated workers in the current fiscal year and there will be sufficient revenue to meet the needs of dislocated workers in the next fiscal year; and

(5) the board reports its findings in clauses (1) to (4) to the chairs of legislative committees with jurisdiction over the workforce development fund, to the commissioners of revenue and management and budget, and to the public.

Sec. 18. Minnesota Statutes 2024, section 248.07, subdivision 7, is amended to read:

Subd. 7. **Blind, vending ~~stands and machines~~ facilities on governmental property; liability limited.** (a) Notwithstanding any other law, for the rehabilitation of blind persons the commissioner shall have exclusive authority to establish and to operate vending ~~stands and vending machines~~ facilities in all buildings and properties owned or rented exclusively by the Minnesota State Colleges and Universities at a state university, a community college, a consolidated community technical college, or a technical college served by the commissioner before January 1, 1996, or by any department or agency of the state of Minnesota except the Department of Natural Resources properties operated directly by the Division of State Parks and not subject to private leasing. Vending ~~stands and machines~~ facilities authorized under this subdivision may dispense nonalcoholic beverages, food, candies, tobacco, souvenirs, notions, and related items and must be operated on the same basis as other vending ~~stands~~ facilities for the blind established and supervised by the commissioner under federal law. The commissioner shall waive this authority to displace any present private individual concessionaire in any state-owned or rented building or property who is operating under a contract with a specific renewal or termination date, until the renewal or termination date. With the consent of the governing body of a governmental subdivision of the state, the commissioner may establish and supervise vending ~~stands and vending machines~~ facilities for the blind in any building or property exclusively owned or rented by the governmental subdivision.

(b) The Department of Employment and Economic Development is not liable under chapter 176 for any injury sustained by a blind vendor's employee or agent. The Department of Employment and Economic Development, its officers, and its agents are not liable for the acts or omissions of a blind vendor or of a blind vendor's employee or agent that may result in the blind vendor's liability to third parties. The Department of Employment and Economic Development, its officers, and its agents are not liable for negligence based on any theory of liability for claims arising from the relationship created under this subdivision with the blind vendor.

Sec. 3. Minnesota Statutes 2024, section 248.07, subdivision 8, is amended to read:

Subd. 8. **Use of revolving fund, licenses for operation of vending ~~stands~~ facilities.** (a) The revolving fund created by Laws 1947, chapter 535, section 5, is continued as provided in this subdivision and shall be known as the revolving fund for vocational rehabilitation of the blind. It shall be used for the purchase of equipment and supplies for establishing and operating of vending ~~stands~~ facilities by blind persons. All income, receipts, earnings, and federal vending ~~machine~~ facility income due to the operation of vending ~~stands~~ facilities operated under this subdivision shall also be paid into the fund. All interest earned on money accrued in the fund must be credited to the fund by the commissioner of management and budget. All equipment, supplies, and expenses for setting up these ~~stands~~ facilities shall be paid for from the fund.

(b) The commissioner is authorized to use the money available in the revolving fund that originated as operational charges to individuals licensed under this subdivision for the establishment, operation, and supervision of vending ~~stands~~ facilities by blind persons for the following purposes:

(1) purchase, upkeep and replacement of equipment;

(2) expenses incidental to the setting up of new ~~stands~~ facilities and improvement of old ~~stands~~ facilities;

(3) reimbursement under section 15.059 to individual blind vending operators for reasonable expenses incurred in attending supervisory meetings as called by the commissioner and other expenditures for management services consistent with federal law; and

(4) purchase of fringe benefits for blind vending operators and their employees such as group health insurance, retirement program, vacation or sick leave assistance provided that the purchase of any fringe benefit is approved by a majority vote of blind vending operators licensed pursuant to this subdivision after the commissioner provides to each blind vending operator information on all matters relevant to the fringe benefits. "Majority vote" means

property who is operating under a contract with a specific renewal or termination date, until the renewal or termination date. With the consent of the governing body of a governmental subdivision of the state, the commissioner may establish and supervise vending ~~stands and vending machines~~ facilities for the blind in any building or property exclusively owned or rented by the governmental subdivision.

(b) The Department of Employment and Economic Development is not liable under chapter 176 for any injury sustained by a blind vendor's employee or agent. The Department of Employment and Economic Development, its officers, and its agents are not liable for the acts or omissions of a blind vendor or of a blind vendor's employee or agent that may result in the blind vendor's liability to third parties. The Department of Employment and Economic Development, its officers, and its agents are not liable for negligence based on any theory of liability for claims arising from the relationship created under this subdivision with the blind vendor.

Sec. 19. Minnesota Statutes 2024, section 248.07, subdivision 8, is amended to read:

Subd. 8. **Use of revolving fund, licenses for operation of vending ~~stands~~ facilities.** (a) The revolving fund created by Laws 1947, chapter 535, section 5, is continued as provided in this subdivision and shall be known as the revolving fund for vocational rehabilitation of the blind. It shall be used for the purchase of equipment and supplies for establishing and operating of vending ~~stands~~ facilities by blind persons. All income, receipts, earnings, and federal vending ~~machine~~ facility income due to the operation of vending ~~stands~~ facilities operated under this subdivision shall also be paid into the fund. All interest earned on money accrued in the fund must be credited to the fund by the commissioner of management and budget. All equipment, supplies, and expenses for setting up these ~~stands~~ facilities shall be paid for from the fund.

(b) The commissioner is authorized to use the money available in the revolving fund that originated as operational charges to individuals licensed under this subdivision for the establishment, operation, and supervision of vending ~~stands~~ facilities by blind persons for the following purposes:

(1) purchase, upkeep and replacement of equipment;

(2) expenses incidental to the setting up of new ~~stands~~ facilities and improvement of old ~~stands~~ facilities;

(3) reimbursement under section 15.059 to individual blind vending operators for reasonable expenses incurred in attending supervisory meetings as called by the commissioner and other expenditures for management services consistent with federal law; and

(4) purchase of fringe benefits for blind vending operators and their employees such as group health insurance, retirement program, vacation or sick leave assistance provided that the purchase of any fringe benefit is approved by a majority vote of blind vending operators licensed pursuant to this subdivision after the commissioner provides to each blind vending operator information on all matters relevant to the fringe benefits. "Majority vote" means

a majority of blind vending operators voting. Fringe benefits shall be paid only from assessments of operators for specific benefits, gifts to the fund for fringe benefit purposes, and vending income which is not assignable to an individual ~~stand~~ facility.

(c) Money originally deposited as merchandise and supplies repayments by individuals licensed under this subdivision may be expended for initial and replacement stocks of supplies and merchandise. Money originally deposited from vending income on federal property must be spent consistent with federal law.

(d) All other deposits may be used for the purchase of general liability insurance or any other expense related to the operation and supervision of vending ~~stands~~ facilities.

(e) The commissioner shall issue each license for the operation of a vending ~~stand~~ facility or vending machine for an indefinite period but may terminate any license in the manner provided. In granting licenses for new or vacated ~~stands~~ facilities preference on the basis of seniority of experience in operating ~~stands~~ facilities under the control of the commissioner shall be given to capable operators who are deemed competent to handle the enterprise under consideration. Application of this preference shall not prohibit the commissioner from selecting an operator from the community in which the ~~stand~~ facility is located.

Sec. 4. Minnesota Statutes 2024, section 268.085, subdivision 15, is amended to read:

Subd. 15. **Available for suitable employment defined.** (a) "Available for suitable employment" means an applicant is ready, willing, and able to accept suitable employment. The attachment to the work force must be genuine. An applicant may restrict availability to suitable employment, but there must be no other restrictions, either self-imposed or created by circumstances, temporary or permanent, that prevent accepting suitable employment.

(b) Unless the applicant is in reemployment assistance training, to be "available for suitable employment," a student who has regularly scheduled classes must be willing to discontinue classes to accept suitable employment when:

(1) class attendance restricts the applicant from accepting suitable employment; and

(2) the applicant is unable to change the scheduled class or make other arrangements that excuse the applicant from attending class.

(c) Except for an active search that may be done remotely, an applicant who is absent from the labor market area for personal reasons, other than to search for work, is not "available for suitable employment." An applicant who is conducting an active work search remotely must be able to be physically present for an in-person interview, if scheduled, to be considered "available for suitable employment" under this paragraph.

(d) An applicant who has restrictions on the hours of the day or days of the week that the applicant can or will work, that are not normal for the applicant's usual occupation or other suitable employment, is not "available for suitable employment." An applicant must be available for daytime employment, if suitable employment is performed during the daytime, even though the applicant previously worked the night shift.

a majority of blind vending operators voting. Fringe benefits shall be paid only from assessments of operators for specific benefits, gifts to the fund for fringe benefit purposes, and vending income which is not assignable to an individual ~~stand~~ facility.

(c) Money originally deposited as merchandise and supplies repayments by individuals licensed under this subdivision may be expended for initial and replacement stocks of supplies and merchandise. Money originally deposited from vending income on federal property must be spent consistent with federal law.

(d) All other deposits may be used for the purchase of general liability insurance or any other expense related to the operation and supervision of vending ~~stands~~ facilities.

(e) The commissioner shall issue each license for the operation of a vending ~~stand~~ facility or vending machine for an indefinite period but may terminate any license in the manner provided. In granting licenses for new or vacated ~~stands~~ facilities preference on the basis of seniority of experience in operating ~~stands~~ facilities under the control of the commissioner shall be given to capable operators who are deemed competent to handle the enterprise under consideration. Application of this preference shall not prohibit the commissioner from selecting an operator from the community in which the ~~stand~~ facility is located.

Sec. 5. Minnesota Statutes 2024, section 268.184, subdivision 1, is amended to read:

Subdivision 1. **Misrepresentation; administrative penalties.** (a) The commissioner must penalize an employer if that employer or any employee, officer, or agent of that employer made a false statement or representation without a good faith belief as to correctness of the statement or representation or knowingly failed to disclose a material fact in order to:

(1) assist an applicant to receive unemployment benefits to which the applicant is not entitled;

(2) prevent or reduce the payment of unemployment benefits to an applicant; or

(3) avoid or reduce any payment required from an employer under this chapter or section 116L.20.

The penalty is the greater of $500 or ~~50~~ 100 percent of the following resulting from the employer's action:

(i) the amount of any overpaid unemployment benefits to an applicant;

(ii) the amount of unemployment benefits not paid to an applicant that would otherwise have been paid; or

(iii) the amount of any payment required from the employer under this chapter or section 116L.20 that was not paid.

(b) The commissioner must penalize an employer if that employer failed or refused to honor a subpoena issued under section 268.188. The penalty is $500 and any costs of enforcing the subpoena, including attorney fees.

(c) Penalties under this subdivision and under section 268.047, subdivision 4, paragraph (b), are in addition to any other penalties and subject to the same collection procedures that apply to past due taxes. Penalties must be paid within 30 calendar days of issuance of the determination of penalty and credited to the trust fund.

(d) The determination of penalty is final unless the employer files an appeal within 45 calendar days after the sending of the determination of penalty to the employer by mail or electronic transmission. Proceedings on the appeal are conducted in accordance with section 268.105.

EFFECTIVE DATE. This section is effective for penalties imposed on or after October 1, 2025.

Sec. 6. **IRON ORE MINING ADDITIONAL UNEMPLOYMENT BENEFITS PROGRAM.**

Subdivision 1. **Availability of additional benefits.** Additional unemployment benefits are available from the Minnesota unemployment insurance trust fund to an applicant who was laid off due to lack of work on or after March 15, 2025, and before June 16, 2025, from:

(1) an employer in the iron ore mining industry that laid off 40 percent or more of the employer's workforce on or after March 15, 2025, and before June 16, 2025; or

(2) an employer that is in the explosive manufacturing industry providing goods or services to an employer in the iron ore mining industry if the applicant was laid off due to the cessation or substantial reduction in operations of an employer in the iron ore mining industry as described in clause (1).

Subd. 2. **Eligibility requirements.** An applicant is eligible to receive additional unemployment benefits under this section for any week through the week ending June 19, 2026, if:

(1) the applicant established a benefit account under Minnesota Statutes, section 268.07, with 50 percent or greater of the wage credits from an employer as described in subdivision 1, and has exhausted the maximum amount of regular unemployment benefits available on that benefit account; and

(2) the applicant meets the same requirements that an applicant for regular unemployment benefits must meet under Minnesota Statutes, section 268.069, subdivision 1.

Subd. 3. **Weekly and maximum amount of additional unemployment benefits.** (a) The weekly benefit amount of additional unemployment benefits is the same as the weekly benefit amount of regular unemployment benefits on the benefit account established in subdivision 2, clause (1).

(b) The maximum amount of additional unemployment benefits available to an applicant under this section is an amount equal to 26 weeks of payment at the applicant's weekly additional unemployment benefit amount.

(c) If an applicant qualifies for a new regular benefit account that meets the requirements of subdivision 4, paragraph (b), before the applicant has been paid additional unemployment benefits, and the new regular benefit account meets the requirements of subdivision 2, clause (1), the applicant's weekly additional unemployment benefit amount is equal to the weekly unemployment benefit amount on the applicant's new regular benefit account.

Subd. 4. **Qualifying for a new regular benefit account.** (a) If, after exhausting the maximum amount of regular unemployment benefits available as a result of the layoff under subdivision 1, an applicant qualifies for the new regular benefit account under Minnesota Statutes, section 268.07, the applicant must apply for and establish the new regular benefit account.

(b) If the applicant's weekly benefit amount under the new regular benefit account is equal to or higher than the applicant's weekly additional unemployment benefit amount, the applicant must request unemployment benefits under the new regular benefit account. An applicant is ineligible for additional unemployment benefits under this section until the applicant has exhausted the maximum amount of unemployment benefits available on the new regular benefit account.

(c) If the applicant's weekly unemployment benefit amount on the new regular benefit account is less than the applicant's weekly benefit amount of additional unemployment benefits, the applicant must request additional unemployment benefits. An applicant is ineligible for new regular unemployment benefits until the applicant has exhausted the maximum amount of additional unemployment benefits available under this section.

Subd. 5. **Eligibility for federal Trade Readjustment Allowance benefits.** An applicant who has applied and been determined eligible for federal Trade Readjustment Allowance benefits is not eligible for additional unemployment benefits under this section.

EFFECTIVE DATE. This section is effective retroactively from March 15, 2025.

ARTICLE 8

DEPARTMENT OF LABOR AND INDUSTRY POLICY

Section 1. Minnesota Statutes 2024, section 177.27, subdivision 5, is amended to read:

Subd. 5. **Civil actions.** The commissioner may bring an action in the district court where an employer resides or where the commissioner maintains an office to enforce or require compliance with orders issued under subdivision 4. In addition to any other remedy provided by law, the commissioner may also apply in the district court where an employer resides or where the commissioner maintains an office for an order enjoining and restraining violations of any statute or rule listed in subdivision 4.

ARTICLE 4

DEPARTMENT OF LABOR AND INDUSTRY POLICY

Section 1. Minnesota Statutes 2024, section 177.27, subdivision 5, is amended to read:

Subd. 5. **Civil actions.** The commissioner may bring an action in the district court where an employer resides or where the commissioner maintains an office to enforce or require compliance with orders issued under subdivision 4. In addition to any other remedy provided by law, the commissioner may also apply in the district court where an employer resides or where the commissioner maintains an office for an order enjoining and restraining violations of any statute or rule listed in subdivision 4.

Sec. 2. Minnesota Statutes 2024, section 181.211, subdivision 7, is amended to read:

Subd. 7. **Nursing home.** "Nursing home" means a nursing home licensed under chapter 144A and reimbursed under chapter 256R, or a boarding care home licensed under sections 144.50 to 144.56 and reimbursed under chapter 256R.

Sec. 3. Minnesota Statutes 2024, section 181.211, subdivision 8, is amended to read:

Subd. 8. **Nursing home employer.** "Nursing home employer" means an employer of nursing home workers in a ~~licensed, Medicaid-certified facility that is reimbursed under chapter 256R~~ nursing home as defined under subdivision 7.

Sec. 4. Minnesota Statutes 2024, section 181.931, is amended by adding a subdivision to read:

Subd. 3a. **Fraud.** "Fraud" means an intentional or deceptive act, or failure to act, to gain an unlawful benefit.

Sec. 5. Minnesota Statutes 2024, section 181.931, is amended by adding a subdivision to read:

Subd. 4a. **Misuse.** "Misuse" means the improper use of authority or position for personal gain or to cause harm to others, including the improper use of public resources or programs contrary to their intended purpose.

Sec. 6. Minnesota Statutes 2024, section 181.931, is amended by adding a subdivision to read:

Subd. 5a. **Personal gain.** "Personal gain" means a benefit to a person; a person's spouse, parent, child, or other legal dependent; or an in-law of the person or the person's child.

Sec. 7. Minnesota Statutes 2024, section 181.932, subdivision 1, is amended to read:

Subdivision 1. **Prohibited action.** An employer shall not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee regarding the employee's compensation, terms, conditions, location, or privileges of employment because:

(1) the employee, or a person acting on behalf of an employee, in good faith, reports a violation, suspected violation, or planned violation of any federal or state law or common law or rule adopted pursuant to law to an employer or to any governmental body or law enforcement official;

(2) the employee is requested by a public body or office to participate in an investigation, hearing, inquiry;

(3) the employee refuses an employer's order to perform an action that the employee has an objective basis in fact to believe violates any state or federal law or rule or regulation adopted pursuant to law, and the employee informs the employer that the order is being refused for that reason;

(4) the employee, in good faith, reports a situation in which the quality of health care services provided by a health care facility, organization, or health care provider violates a standard established by federal or state law or a professionally recognized national clinical or ethical standard and potentially places the public at risk of harm;

(5) a public employee communicates the findings of a scientific or technical study that the employee, in good faith, believes to be truthful and accurate, including reports to a governmental body or law enforcement official; or

(6) ~~an employee in the classified service of state government~~ a state employee communicates information that the employee, in good faith, believes to be truthful and accurate, and that relates to state ~~services, including the financing of state services~~ programs, services, or financing, including but not limited to fraud or misuse within state programs, services, or financing, to:

(i) a legislator or the legislative auditor; ~~or~~

(ii) a constitutional officer;

(iii) an employer;

(iv) any governmental body; or

(v) a law enforcement official.

The disclosures protected pursuant to this section do not authorize the disclosure of data otherwise protected by law.

Sec. 8. Minnesota Statutes 2024, section 181.988, subdivision 2, is amended to read:

Subd. 2. **Covenants not to compete void and unenforceable.** (a) Any covenant not to compete contained in a contract or agreement is void and unenforceable.

(b) Notwithstanding paragraph (a), a covenant not to compete is valid and enforceable if:

(1) the covenant not to compete restricts an employee from engaging in competition for no more than one year and the employee received a clear, written explanation of the covenant not to compete prior to entering into the contract or agreement, and either:

(i) the employee has an annual budgeted salary and bonus of $200,000 or more and whose primary duties include:

(A) the creation, analysis, or modification of trade secret information; or

(B) management of a project, team, or department with primary responsibility over the creation, analysis, or modification of trade secret information; or

(ii) the employee has an annual budgeted salary and bonus of $500,000 or more regardless of the employee's primary job duties;

~~(1)~~ (2) the covenant not to compete is agreed upon during the sale of a business. The person selling the business and the partners, members, or shareholders, and the buyer of the business may agree on a temporary and geographically restricted covenant not to compete that will prohibit the seller of the business from carrying on a similar business within a reasonable geographic area and for a reasonable length of time; or

~~(2)~~ (3) the covenant not to compete is agreed upon in anticipation of the dissolution of a business. The partners, members, or shareholders, upon or in anticipation of a dissolution of a partnership, limited liability company, or corporation may agree that all or any number of the parties will not carry on a similar business within a reasonable geographic area where the business has been transacted.

(c) Nothing in this subdivision shall be construed to render void or unenforceable any other provisions in a contract or agreement containing a void or unenforceable covenant not to compete.

(d) In addition to injunctive relief and any other remedies available, a court may award an employee who is enforcing rights under this section reasonable attorney fees.

(e) For the purposes of this subdivision, the term "trade secret" means all forms and types of scientific, technical, or engineering information, including patterns, plans, compilations, program devices, formulas, designs, prototypes, methods, techniques, processes, procedures, programs, or codes; whether tangible or intangible, and whether or how stored, compiled, or memorialized physically, electronically, graphically, photographically, or in writing, if:

(1) the owner thereof has taken reasonable measures to keep such information secret; and

(2) the information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable through proper means by, another person who can obtain economic value from the disclosure or use of the information.

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

Sec. 9. Minnesota Statutes 2024, section 326B.0981, subdivision 4, is amended to read:

Subd. 4. **Internet continuing education.** (a) The design and delivery of an Internet continuing education course must be approved by the International Distance Education Certification Center (IDECC) or the International ~~Association~~ Accreditors for Continuing Education and Training (IACET) before the course is submitted for the commissioner's approval. The approval must accompany the course submitted.

(b) Paragraphs (a) and (d) do not apply to approval of an Internet continuing education course for manufactured home installers. An Internet continuing education course for manufactured home installers must be approved by the United States Department of Housing and Urban Development or by the commissioner of labor and industry. The approval must accompany the course completion certificate issued to each student by the course sponsor.

(c) Paragraph (a) does not apply to approval of an Internet continuing education course for elevator constructors. An Internet continuing education course for elevator constructors must be approved by the commissioner of labor and industry. The approval must accompany the course completion certificate issued to each student by the course sponsor.

(d) An Internet continuing education course must:

(1) specify the minimum computer system requirements;

(2) provide encryption that ensures that all personal information, including the student's name, address, and credit card number, cannot be read as it passes across the Internet;

(3) include technology to guarantee seat time;

(4) include a high level of interactivity;

(5) include graphics that reinforce the content;

(6) include the ability for the student to contact an instructor or course sponsor within a reasonable amount of time;

(7) include the ability for the student to get technical support within a reasonable amount of time;

(8) include a statement that the student's information will not be sold or distributed to any third party without prior written consent of the student. Taking the course does not constitute consent;

(9) be available 24 hours a day, seven days a week, excluding minimal downtime for updating and administration, except that this provision does not apply to live courses taught by an actual instructor and delivered over the Internet;

(10) provide viewing access to the online course at all times to the commissioner, excluding minimal downtime for updating and administration;

(11) include a process to authenticate the student's identity;

(12) inform the student and the commissioner how long after its purchase a course will be accessible;

(13) inform the student that license education credit will not be awarded for taking the course after it loses its status as an approved course;

(14) provide clear instructions on how to navigate through the course;

(15) provide automatic bookmarking at any point in the course;

(16) provide questions after each unit or chapter that must be answered before the student can proceed to the next unit or chapter;

(17) include a reinforcement response when a quiz question is answered correctly;

(18) include a response when a quiz question is answered incorrectly;

(19) include a final examination in which the student must correctly answer 70 percent of the questions;

(20) allow the student to go back and review any unit at any time, except during the final examination;

(21) provide a course evaluation at the end of the course. At a minimum, the evaluation must ask the student to report any difficulties caused by the online education delivery method;

(22) provide a completion certificate when the course and exam have been completed and the provider has verified the completion. Electronic certificates are sufficient and shall include the name of the provider, date and location of the course, educational program identification that was provided by the department, hours of instruction or continuing education hours, and licensee's or attendee's name and license, certification, or registration number or the last four digits of the licensee's or attendee's Social Security number; and

(23) allow the commissioner the ability to electronically review the class to determine if credit can be approved.

(e) The final examination must be either an encrypted online examination or a paper examination that is monitored by a proctor who certifies that the student took the examination.

Sec. 2. Minnesota Statutes 2024, section 326B.103, is amended by adding a subdivision to read:

Subd. 4a. **Closed construction.** "Closed construction" means any building manufactured in such a manner that all portions cannot be readily inspected at the installation site without disassembly, damage to, or destruction thereof.

Sec. 3. Minnesota Statutes 2024, section 326B.103, is amended by adding a subdivision to read:

Subd. 8a. **Industrialized or modular building.** "Industrialized or modular building" means a building of closed construction, constructed so that concealed parts or processes of manufacture cannot be inspected at the site, without disassembly, damage, or destruction, and made or assembled in manufacturing facilities, off the building site, for installation, or assembly and installation, on the building site. Industrialized or modular building includes, but is not limited to, modular housing that is factory-built single-family and multifamily housing, including closed-wall-panelized housing, and other modular, nonresidential buildings. Industrialized or modular building does not include a structure subject to the requirements of the National Manufactured Home Construction and Safety Standards Act of 1974 or prefabricated buildings.

Sec. 4. Minnesota Statutes 2024, section 326B.103, is amended by adding a subdivision to read:

Subd. 8b. **Manufactured home.** "Manufactured home" has the meaning provided in Code of Federal Regulations, title 24, section 3280.2.

Sec. 5. Minnesota Statutes 2024, section 326B.103, is amended by adding a subdivision to read:

Subd. 10a. **Prefabricated building.** "Prefabricated building" means any building or building module intended for use as an R-3, one- or two-family dwelling, or a U-1 accessory building, that is of closed construction and is constructed on or off the building site for installation, or on the building site for assembly and installation. Prefabricated building does not include relocatable contractors offices or storage buildings that are (1) 1,500 square feet or less in floor area, (2) designed for temporary use by a contractor at a construction site, (3) not to be used by the general public or as a sales office, and (4) to be removed prior to or upon completion of the construction project.

Sec. 6. **[326B.154] INDUSTRIALIZED MODULAR OR PREFABRICATED BUILDINGS PLAN REVIEW AND INSPECTION FEES.**

Subdivision 1. **Plan review fees.** (a) The fees under this section relate to plan review and inspection of industrialized or modular buildings as defined in Minnesota Statutes, section 326B.103, subdivision 8a, and prefabricated buildings as defined in Minnesota Statutes, section 326B.103, subdivision 10a.

(b) Fees for the review of quality-control manuals, systems manuals, and related documents submitted as required by section 326B.106 are $125 per hour.

(c) Fees for the review of building plans, specifications, installation instructions, and related documents submitted as required by section 326B.106 include 65 percent of the fee as set forth in the fee schedule in paragraph (d), but not less than $135.

(d) If the total cost of materials and labor for in-plant manufacture of the building is in the noted range, the fee is as shown:

(1) $0 to $5,000, $135;

(2) $5,001 to $25,000, $135 for the first $5,000, plus $16.55 for each additional $1,000 or fraction thereof, to and including $25,000;

(3) $25,001 to $50,000, $464.15 for the first $25,000, plus $12 for each additional $1,000 or fraction thereof, to and including $50,000;

(4) $50,001 to $100,000, $764.15 for the first $50,000, plus $8.45 for each additional $1,000 or fraction thereof, to and including $100,000;

(5) $100,001 to $500,000, $1,186.65 for the first $100,000, plus $6.75 for each additional $1,000 or fraction thereof, to and including $500,000;

(6) $500,001 to $1,000,000, $3,886.65 for the first $500,000, plus $5.50 for each additional $1,000 or fraction thereof, to and including $1,000,000; and

(7) $1,000,001 and over, $6,636.65 for the first $1,000,000, plus $4.50 for each additional $1,000 or fraction thereof.

Subd. 2. **Inspections and audit fees.** Fees for the inspection and audit of approved quality-control manuals, systems manuals, building plans, specifications, and related documents submitted as required by section 326B.106 are $125 per hour.

Subd. 3. **Other inspections and fees.** (a) Fees for the following are as stated:

(1) inspections outside of regular business hours, $188 per hour, minimum charge two hours;

(2) reinspection fees during regular business hours, $125 per hour;

(3) inspections for which no fee is specifically indicated, minimum charge one hour, $125 per hour; and

(4) additional plan review required by changes, additions, or revisions to approved plans, quality-control manuals, and systems manuals, minimum charge one hour, $125 per hour.

(b) For the purposes of this section, "regular business hours" means Monday to Friday, 7:00 a.m. to 5:00 p.m.

Subd. 4. **Surcharge.** Surcharge fees are required for permits issued on all buildings including public buildings and state-licensed facilities as required by section 326B.148.

Subd. 5. **Fee distribution between state and municipalities.** (a) The commissioner shall provide plan review and inspections services for all work occurring in the manufacturing facility; plan review of the composite modular construction; and plan review of the structural foundation, interconnection of the modules, attachments of modular systems to the building foundation, and integration of plumbing, mechanical, and electrical systems.

(b) For projects not defined as public buildings or state licensed facilities, the municipal building official shall provide plan review for all nonmodular on-site construction and shall provide inspections for the entire composite building. The municipality may charge a full plan review fee in accordance with the municipality's fee schedule for construction performed on site. The municipality shall issue construction permits and charge permit fees for all work occurring on site. The municipality shall issue a construction permit and charge permit fees for the valuation of work associated with building module placement, attachment, and associated utility connections to each module and overall building systems.

(c) For projects defined as public buildings or state-licensed facilities, the commissioner shall provide plan review for all modular and nonmodular construction and shall provide inspections for the entire composite building. Municipalities with state delegation agreements must distribute work according to this paragraph.

Sec. 7. Minnesota Statutes 2024, section 326B.184, subdivision 1a, is amended to read:

Subd. 1a. **Department permit and inspection fees.** (a) The department permit and inspection fees to construct, install, alter, repair, or remove an elevator are as follows:

(1) the permit fee is $100;

(2) the inspection fee is 0.015 of the total cost of the permitted work for labor and materials, including related electrical and mechanical equipment. The inspection fee covers two inspections. The inspection fee for additional inspections is $80 per hour;

(3) the fee for each separate remote virtual inspection of a stairway chairlift installation or other authorized devices at a private residence is $10;

~~(3)~~ (4) when inspections scheduled by the permit submitter are not able to be completed because the work is not complete, a fee equal to two hours at the hourly rate of $80 must be paid by the permit submitter; and

~~(4)~~ (5) when the owner or permit holder requests inspections be performed outside of normal work hours or on weekends or holidays, an hourly rate of $120 in addition to the inspection fee must be paid.

(b) The department fees for inspection of existing elevators when requested by the elevator owner or as a result of an accident resulting in personal injury are at an hourly rate of $80 during normal work hours or $120 outside of normal work hours or on weekends or holidays, with a one-hour minimum.

Sec. 8. Minnesota Statutes 2024, section 326B.184, subdivision 2, is amended to read:

Subd. 2. **Operating permits and fees; periodic inspections.** (a) No person may operate an elevator without first obtaining an annual operating permit from the department or a municipality authorized by subdivision 4 to issue annual operating permits. A ~~$100~~ $145 annual operating permit fee must be paid to the department for each annual operating permit issued by the department, except that the original annual operating permit must be included in the permit fee for the initial installation of the elevator. Annual operating permits must be issued at 12-month intervals from the date of the initial annual operating permit. For each subsequent year, an owner must be granted an annual operating permit for the elevator upon the owner's or owner's agent's submission of a form prescribed by the commissioner and payment of the ~~$100~~ $145 fee. Each form must include the location of the elevator, the results of any periodic test required by the code, and any other criteria established by rule. An annual operating permit may be revoked by the commissioner upon an audit of the periodic testing results submitted with the application or a failure to comply with elevator code requirements, inspections, or any other law related to elevators. Except for an initial operating permit fee, elevators in residential dwellings, hand-powered manlifts and electric endless belt manlifts, and vertical reciprocating conveyors are not subject to a subsequent operating permit fee.

(b) All elevators are subject to periodic inspections by the department or a municipality authorized by subdivision 4 to perform periodic inspections, except that hand-powered manlifts and electric endless belt manlifts are exempt from periodic inspections. Periodic inspections by the department shall be performed at the following intervals:

(1) a special purpose personnel elevator is subject to inspection not more than once every five years;

(2) an elevator located within a house of worship that does not have attached school facilities is subject to inspection not more than once every three years; and

(3) all other elevators are subject to inspection not more than once each year.

Sec. 9. Minnesota Statutes 2024, section 326B.31, subdivision 29, is amended to read:

Subd. 29. **Technology circuits or systems.** "Technology circuits or systems" means class 2 ~~or~~, class 3, or class 4 circuits or systems for, but not limited to, remote control, signaling, control, alarm, and audio signal, including associated components as covered by the National Electrical Code, ~~articles 640, 645, 650, 725, 760, 770, and 780,~~ and which are isolated from circuits or systems other than class 2 ~~or~~, class 3, or class 4 by a demarcation and are not process control circuits or systems; antenna and communication circuits or systems as covered by ~~chapter 8 of~~ the National Electrical Code; and circuitry and equipment ~~for indoor lighting and outdoor landscape lighting systems that are supplied by the secondary circuit of an isolating power supply operating at 30 volts or less as~~ for low-voltage lighting, limited to a class 2 or class 3 power supply covered by the Low-Voltage Lighting article in the National Electrical Code~~, article 411~~. The planning, laying out, installing, altering, and repairing of technology circuits or systems must be performed in accordance with the applicable requirements of the National Electrical Code pursuant to section 326B.35.

Sec. 10. Minnesota Statutes 2024, section 326B.33, subdivision 21, is amended to read:

Subd. 21. **Exemptions from licensing.** (a) An individual who is a maintenance electrician is not required to hold or obtain a license under sections 326B.31 to 326B.399 if:

(1) the individual is engaged in the maintenance and repair of electrical equipment, apparatus, and facilities that are owned or leased by the individual's employer and that are located within the limits of property operated, maintained, and either owned or leased by the individual's employer;

(2) the individual is supervised by:

(i) the responsible master electrician for a contractor who has contracted with the individual's employer to provide services for which a contractor's license is required; or

(ii) a licensed master electrician, a licensed maintenance electrician, an electrical engineer, or, if the maintenance and repair work is limited to technology circuits or systems work, a licensed power limited technician; and

Sec. 12. Minnesota Statutes 2024, section 326B.31, subdivision 29, is amended to read:

Subd. 29. **Technology circuits or systems.** "Technology circuits or systems" means class 2 ~~or~~, class 3, or class 4 circuits or systems for, but not limited to, remote control, signaling, control, alarm, and audio signal, including associated components as covered by the National Electrical Code, ~~articles 640, 645, 650, 725, 760, 770, and 780,~~ and which are isolated from circuits or systems other than class 2 ~~or~~, class 3, or class 4 by a demarcation and are not process control circuits or systems; antenna and communication circuits or systems as covered by ~~chapter 8 of~~ the National Electrical Code; and circuitry and equipment ~~for indoor lighting and outdoor landscape lighting systems that are supplied by the secondary circuit of an isolating power supply operating at 30 volts or less as~~ for low-voltage lighting, limited to a class 2 or class 3 power supply covered by the Low-Voltage Lighting article in the National Electrical Code~~, article 411~~. The planning, laying out, installing, altering, and repairing of technology circuits or systems must be performed in accordance with the applicable requirements of the National Electrical Code pursuant to section 326B.35.

Sec. 13. Minnesota Statutes 2024, section 326B.33, subdivision 21, is amended to read:

Subd. 21. **Exemptions from licensing.** (a) An individual who is a maintenance electrician is not required to hold or obtain a license under sections 326B.31 to 326B.399 if:

(1) the individual is engaged in the maintenance and repair of electrical equipment, apparatus, and facilities that are owned or leased by the individual's employer and that are located within the limits of property operated, maintained, and either owned or leased by the individual's employer;

(2) the individual is supervised by:

(i) the responsible master electrician for a contractor who has contracted with the individual's employer to provide services for which a contractor's license is required; or

(ii) a licensed master electrician, a licensed maintenance electrician, an electrical engineer, or, if the maintenance and repair work is limited to technology circuits or systems work, a licensed power limited technician; and

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(3) the individual's employer has on file with the commissioner a current certificate of responsible person, signed by the responsible master electrician of the contractor, the licensed master electrician, the licensed maintenance electrician, the electrical engineer, or the licensed power limited technician, and stating that the person signing the certificate is responsible for ensuring that the maintenance and repair work performed by the employer's employees complies with the Minnesota Electrical Act and the rules adopted under that act. The employer must pay a filing fee to file a certificate of responsible person with the commissioner. The certificate shall expire two years from the date of filing. In order to maintain a current certificate of responsible person, the employer must resubmit a certificate of responsible person, with a filing fee, no later than two years from the date of the previous submittal.

(b) Employees of a licensed electrical or technology systems contractor or other employer where provided with supervision by a master electrician in accordance with subdivision 1, or power limited technician in accordance with subdivision 7, paragraph (a), clause (1), are not required to hold a license under sections 326B.31 to 326B.399 for the planning, laying out, installing, altering, and repairing of technology circuits or systems except planning, laying out, or installing:

(1) in other than residential dwellings, class 2 or class 3 remote control circuits that control circuits or systems other than class 2 or class 3, except circuits that interconnect these systems through communication, alarm, and security systems are exempted from this paragraph;

(2) class 2 or class 3 circuits in electrical cabinets, enclosures, or devices containing physically unprotected circuits other than class 2 or class 3; ~~or~~

(3) class 4 circuits or systems; or

~~(3)~~ (4) technology circuits or systems in hazardous classified locations as covered by the National Electrical Code.

(c) Companies and their employees that plan, lay out, install, alter, or repair class 2 and class 3 remote control wiring associated with plug or cord and plug connected appliances other than security or fire alarm systems installed in a residential dwelling are not required to hold a license under sections 326B.31 to 326B.399.

(d) Heating, ventilating, air conditioning, and refrigeration contractors and their employees are not required to hold or obtain a license under sections 326B.31 to 326B.399 when performing heating, ventilating, air conditioning, or refrigeration work as described in section 326B.38.

(e) Employees of any electrical, communications, or railway utility, cable communications company as defined in section 238.02, or a telephone company as defined under section 237.01 or its employees, or of any independent contractor performing work on behalf of any such utility, cable communications company, or telephone company, shall not be required to hold a license under sections 326B.31 to 326B.399:

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(3) the individual's employer has on file with the commissioner a current certificate of responsible person, signed by the responsible master electrician of the contractor, the licensed master electrician, the licensed maintenance electrician, the electrical engineer, or the licensed power limited technician, and stating that the person signing the certificate is responsible for ensuring that the maintenance and repair work performed by the employer's employees complies with the Minnesota Electrical Act and the rules adopted under that act. The employer must pay a filing fee to file a certificate of responsible person with the commissioner. The certificate shall expire two years from the date of filing. In order to maintain a current certificate of responsible person, the employer must resubmit a certificate of responsible person, with a filing fee, no later than two years from the date of the previous submittal.

(b) Employees of a licensed electrical or technology systems contractor or other employer where provided with supervision by a master electrician in accordance with subdivision 1, or power limited technician in accordance with subdivision 7, paragraph (a), clause (1), are not required to hold a license under sections 326B.31 to 326B.399 for the planning, laying out, installing, altering, and repairing of technology circuits or systems except planning, laying out, or installing:

(1) in other than residential dwellings, class 2 or class 3 remote control circuits that control circuits or systems other than class 2 or class 3, except circuits that interconnect these systems through communication, alarm, and security systems are exempted from this paragraph;

(2) class 2 or class 3 circuits in electrical cabinets, enclosures, or devices containing physically unprotected circuits other than class 2 or class 3; ~~or~~

(3) class 4 circuits or systems; or

~~(3)~~ (4) technology circuits or systems in hazardous classified locations as covered by the National Electrical Code.

(c) Companies and their employees that plan, lay out, install, alter, or repair class 2 and class 3 remote control wiring associated with plug or cord and plug connected appliances other than security or fire alarm systems installed in a residential dwelling are not required to hold a license under sections 326B.31 to 326B.399.

(d) Heating, ventilating, air conditioning, and refrigeration contractors and their employees are not required to hold or obtain a license under sections 326B.31 to 326B.399 when performing heating, ventilating, air conditioning, or refrigeration work as described in section 326B.38.

(e) Employees of any electrical, communications, or railway utility, cable communications company as defined in section 238.02, or a telephone company as defined under section 237.01 or its employees, or of any independent contractor performing work on behalf of any such utility, cable communications company, or telephone company, shall not be required to hold a license under sections 326B.31 to 326B.399:

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(1) while performing work on installations, materials, or equipment which are owned or leased, and operated and maintained by such utility, cable communications company, or telephone company in the exercise of its utility, antenna, or telephone function, and which:

(i) are used exclusively for the generation, transformation, distribution, transmission, or metering of electric current, or the operation of railway signals, or the transmission of intelligence and do not have as a principal function the consumption or use of electric current or provided service by or for the benefit of any person other than such utility, cable communications company, or telephone company; ~~and~~

(ii) are generally accessible only to employees of such utility, cable communications company, or telephone company or persons acting under its control or direction; and

(iii) are not on the load side of the service point or point of entrance for communication systems;

(2) while performing work on installations, materials, or equipment which are a part of the street lighting operations of such utility; or

(3) while installing or performing work on outdoor area lights which are directly connected to a utility's distribution system and located upon the utility's distribution poles, and which are generally accessible only to employees of such utility or persons acting under its control or direction.

(f) An individual who physically performs electrical work on a residential dwelling that is located on a property the individual owns and actually occupies as a residence or owns and will occupy as a residence upon completion of its construction is not required to hold or obtain a license under sections 326B.31 to 326B.399 if the residential dwelling has a separate electrical utility service not shared with any other residential dwelling.

(g) Companies and their employees licensed under section 326B.164 shall not be required to hold or obtain a license under sections 326B.31 to 326B.399 while performing elevator work.

Sec. 11. Minnesota Statutes 2024, section 326B.37, subdivision 1, is amended to read:

Subdivision 1. **Schedule.** State electrical inspection fees shall be calculated in accordance with subdivisions ~~2~~ 1 to ~~14~~ 18. The permit fee is $25.

Sec. 12. Minnesota Statutes 2024, section 326B.37, subdivision 2, is amended to read:

Subd. 2. **Fee for each separate inspection.** (a) The minimum fee for each separate on-site inspection of an installation, replacement, alteration, or repair is ~~$35~~ $55. Except as otherwise provided in this section, the maximum number of separate inspections allowed without payment of an additional fee is the whole number resulting from dividing by ~~35~~ 55 the total fee calculated in accordance with this section. Where additional separate inspections are necessary, additional fees are required to result in a value equal to the total number of separate inspections multiplied by ~~35~~ 55. The fee for any inspections needed after a "final

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(1) while performing work on installations, materials, or equipment which are owned or leased, and operated and maintained by such utility, cable communications company, or telephone company in the exercise of its utility, antenna, or telephone function, and which:

(i) are used exclusively for the generation, transformation, distribution, transmission, or metering of electric current, or the operation of railway signals, or the transmission of intelligence and do not have as a principal function the consumption or use of electric current or provided service by or for the benefit of any person other than such utility, cable communications company, or telephone company; ~~and~~

(ii) are generally accessible only to employees of such utility, cable communications company, or telephone company or persons acting under its control or direction; and

(iii) are not on the load side of the service point or point of entrance for communication systems;

(2) while performing work on installations, materials, or equipment which are a part of the street lighting operations of such utility; or

(3) while installing or performing work on outdoor area lights which are directly connected to a utility's distribution system and located upon the utility's distribution poles, and which are generally accessible only to employees of such utility or persons acting under its control or direction.

(f) An individual who physically performs electrical work on a residential dwelling that is located on a property the individual owns and actually occupies as a residence or owns and will occupy as a residence upon completion of its construction is not required to hold or obtain a license under sections 326B.31 to 326B.399 if the residential dwelling has a separate electrical utility service not shared with any other residential dwelling.

(g) Companies and their employees licensed under section 326B.164 shall not be required to hold or obtain a license under sections 326B.31 to 326B.399 while performing elevator work.

inspection" is performed shall be calculated without consideration of any fee paid before the final inspection.

(b) The fee for the first remote virtual inspection under a permit is $10. The fee for each subsequent remote virtual inspection under a permit is $35.

Sec. 13. Minnesota Statutes 2024, section 326B.37, subdivision 4, is amended to read:

Subd. 4. **Fee for circuit, feeder, feeder tap, or set of transformer secondary conductors.** The inspection fee for the installation, addition, alteration, or repair of each circuit, feeder, feeder tap, or set of transformer secondary conductors, including the equipment served, is:

(1) 0 ampere to and including 200 ampere capacity, ~~$6~~ $12; and

(2) ampere capacity above 200, $15.

Where existing feeders and circuits are reconnected to overcurrent devices installed as part of the replacement of an existing disconnect, switchboard, motor control center, or panelboard, the inspection fee for each circuit or feeder is $2.

Sec. 14. Minnesota Statutes 2024, section 326B.37, subdivision 5, is amended to read:

Subd. 5. **Inspection fee for dwelling.** (a) The inspection fee for a one-family dwelling and each dwelling unit of a two-family dwelling is the following:

(1) the fee for each service or other source of power as provided in subdivision 3;

(2) ~~$100~~ $165 for up to 30 feeders and circuits; and

(3) for each additional feeder or circuit, the fee as provided in subdivision 4.

This fee applies to each separate installation for new dwellings and where 15 or more feeders or circuits are installed or extended in connection with any addition, alteration, or repair to existing dwellings. Where existing feeders and circuits are reconnected to overcurrent devices installed as part of the replacement of an existing panelboard, the fee for each reconnected feeder or circuit is $2. The maximum number of separate inspections shall be determined in accordance with subdivision 2. The fee for additional inspections or other installations is that specified in subdivisions 2, 4, 6, and 8. The installer may submit fees for additional inspections when filing the request for electrical inspection. The fee for each detached accessory structure directly associated with a dwelling unit shall be calculated in accordance with subdivisions 3 and 4. When included on the same request for electrical inspection form, inspection fees for detached accessory structures directly associated with the dwelling unit may be combined with the dwelling unit fees to determine the maximum number of separate inspections in accordance with subdivision 2.

(b) The inspection fee for each dwelling unit of a multifamily dwelling with three or more dwelling units is ~~$70~~ $110 for a combination of up to 20 feeders and circuits and ~~$6~~ $12 for each additional feeder or circuit. This fee applies to each separate installation for each new dwelling unit and where ten or more feeders or circuits are installed or extended in connection with any addition, alteration, or repair to existing dwelling units. Where existing feeders or circuits are reconnected to overcurrent devices installed as part of the replacement of an existing panelboard, the fee for each reconnected feeder or circuit is $2. The maximum number of separate inspections for each dwelling unit shall be determined in accordance with subdivision 2. The fee for additional inspections or for inspection of other installations is that specified in subdivisions 2, 4, 6, and 8. These fees include only inspection of the wiring within individual dwelling units and the final feeder to that unit where the multifamily dwelling is provided with common service equipment and each dwelling unit is supplied by a separate feeder or feeders extended from common service or distribution equipment. The fee for multifamily dwelling services or other power source supplies and all other circuits is that specified in subdivisions 2 to 4.

(c) A separate request for electrical inspection form must be filed for each dwelling unit that is supplied with an individual set of service entrance conductors. These fees are the one-family dwelling rate specified in paragraph (a).

Sec. 15. Minnesota Statutes 2024, section 326B.37, subdivision 6, is amended to read:

Subd. 6. **Additions to fees of subdivisions 3 to 5.** (a) The fee for the electrical supply for each manufactured home park lot is $35. This fee includes the service or feeder conductors up to and including the service equipment or disconnecting means. The fee for feeders and circuits that extend from the service or disconnecting means is that specified in subdivision 4.

(b) The fee for each recreational vehicle site electrical supply equipment is ~~$6~~ $12 for each circuit originating within the equipment. The fee for recreational vehicle park services, feeders, and circuits is that specified in subdivisions 3 and 4.

(c) The fee for each street, parking lot, or outdoor area lighting standard and each traffic signal standard is $5. Circuits originating within the standard or traffic signal controller shall not be used when calculating the fee for each standard.

(d) The fee for transformers for light, heat, and power is $15 for transformers rated up to ten kilovolt-amperes and $30 for transformers rated in excess of ten kilovolt-amperes. The previous sentence does not apply to Class 1 transformers or power supplies for Class 1 power-limited circuits or to Class 2 or Class 3 transformers or power supplies.

(e) The fee for transformers and electronic power supplies for electric signs and outline lighting is $5 per unit.

(f) The fee for technology circuits or systems, and circuits of less than 50 volts, is 75 cents for each system device or apparatus.

(g) The fee for each separate inspection of the bonding for a swimming pool, spa, fountain, an equipotential plane for an agricultural confinement area, or similar installation is $35. Bonding conductors and connections require an inspection before being concealed.

(h) The fee for all wiring installed on center pivot irrigation booms is $35 plus $5 for each electrical drive unit.

(i) The fee for retrofit modifications to existing lighting fixtures is 25 cents per luminaire.

(j) When a separate inspection of a concrete-encased grounding electrode is performed, the fee is ~~$35~~ $55.

(k) The fees required by subdivisions 3 and 4 are doubled for installations over 600 volts.

(l) The fee for a class 4 circuit or system transmitter, receiver, or utilization equipment is $0.50 for each system device or apparatus.

Sec. 16. Minnesota Statutes 2024, section 326B.37, subdivision 8, is amended to read:

Subd. 8. **Reinspection fee.** Notwithstanding the provisions of subdivisions 2 and 5, when reinspection is necessary to determine whether unsafe conditions identified during a final inspection have been corrected and the conditions are not the subject of an appeal pending before the commissioner or any court, ~~a~~ reinspection ~~fee of $35~~ fees shall be assessed as follows: (1) $55 for an on-site reinspection; and (2) $35 for a remote virtual reinspection. Reinspection fees shall be assessed in writing by the inspector.

Sec. 17. Minnesota Statutes 2024, section 326B.37, subdivision 9, is amended to read:

Subd. 9. **Supplemental fee.** When inspections scheduled by the installer are preempted, obstructed, prevented, or otherwise not able to be completed as scheduled due to circumstances beyond the control of the inspector, a supplemental inspection fee of ~~$35~~ $55 shall be assessed in writing by the inspector.

Sec. 18. Minnesota Statutes 2024, section 326B.37, is amended by adding a subdivision to read:

Subd. 18. **Energy storage and battery systems.** (a) The inspection fee for the installation of an energy storage or battery system is:

(1) for zero watts to and including 5,000 watts, $60;

(2) for 5,001 watts to and including 10,000 watts, $100;

(3) for 10,001 watts to and including 20,000 watts, $150;

(4) for 20,001 watts to and including 30,000 watts, $200;

(5) for 30,001 watts to and including 40,000 watts, $250;

(6) for 40,001 watts to and including 1,000,000 watts, $250, plus $8 for each additional 10,000 watts over 40,000 watts;

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(7) for 1,000,000 watts to 5,000,000 watts, $1,518, plus $5 for each additional 10,000 watts over 1,000,000 watts; or

(8) for 5,000,000 watts and larger, $3,518, plus $2 for each additional 10,000 watts over 5,000,000 watts.

(b) For the purpose of paragraph (a), the watt rating is the total of the estimated energy output, AC or DC, of the energy storage or battery system.

Sec. 19. Minnesota Statutes 2024, section 326B.49, subdivision 2, is amended to read:

Subd. 2. **Fees for plan reviews and audits.** Plumbing system plans and specifications that are submitted to the commissioner for review shall be accompanied by the appropriate plan examination fees. If the commissioner determines, upon review of the plans, that inadequate fees were paid, the necessary additional fees shall be paid prior to plan approval. The commissioner shall charge the following fees for plan reviews and audits of plumbing installations for public, commercial, and industrial buildings based upon the construction valuation of the plumbing work and in accordance with the table in clause (1), or based upon clause (2) or (3), as applicable:

~~(1) systems with both water distribution and drain, waste, and vent systems and having:~~

~~(i) 25 or fewer drainage fixture units, $150;~~

~~(ii) 26 to 50 drainage fixture units, $250;~~

~~(iii) 51 to 150 drainage fixture units, $350;~~

~~(iv) 151 to 249 drainage fixture units, $500;~~

~~(v) 250 or more drainage fixture units, $3 per drainage fixture unit to a maximum of $4,000; and~~

~~(vi) interceptors, separators, or catch basins, $70 per interceptor, separator, or catch basin design;~~

~~(2) building sewer service only, $150;~~

~~(3) building water service only, $150;~~

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Sec. 14. Minnesota Statutes 2024, section 326B.43, is amended by adding a subdivision to read:

Subd. 7. **Well contractor exemption.** A well contractor or a limited well or boring contractor is exempt from plan and specification reviews and inspections under this chapter if the contractor is licensed, bonded, and performing work as provided in section 326B.46, subdivision 6.

~~(4) building water distribution system only, no drainage system, $5 per supply fixture unit or $150, whichever is greater;~~

~~(5) storm drainage system, a minimum fee of $150 or:~~

~~(i) $50 per drain opening, up to a maximum of $500; and~~

~~(ii) $70 per interceptor, separator, or catch basin design;~~

(1) the total valuation and fee schedule is:

(i) $0 to $1,500, $135;

(ii) $1,501 to $2,500, $135 for the first $1,500, plus $28 for each additional $500 or fraction thereof, to and including $2,500;

(iii) $2,501 to $5,000, $191 for the first $2,500, plus $25 for each additional $500 or fraction thereof, to and including $5,000;

(iv) $5,001 to $25,000, $316 for the first $5,000, plus $33 for each additional $1,000 or fraction thereof, to and including $25,000;

(v) $25,001 to $50,000, $976 for the first $25,000, plus $31 for each additional $1,000 or fraction thereof, to and including $50,000;

(vi) $50,001 to $500,000, $1,751 for the first $50,000, plus $23 for each additional $10,000 or fraction thereof, to and including $100,000;

(vii) $500,001 to $3,000,000, $2,786 for the first $500,000, plus $41 for each additional $100,000 or fraction thereof, to and including $3,000,000; and

(viii) $3,000,001 and over, $3,811 for the first $3,000,000, plus $33 for each additional $100,000 or fraction thereof;

(2) manufactured home park or campground:

~~(6) manufactured home park or campground,~~ (i) one to 25 sites, $300;

~~(7) manufactured home park or campground,~~ (ii) 26 to 50 sites, $350;

~~(8) manufactured home park or campground,~~ (iii) 51 to 125 sites, $400;

~~(9) manufactured home park or campground,~~ (iv) more than 125 sites, $500; and

(v) other work shall be assessed per clause (1); and

~~(10) revision~~ (3) revisions to previously reviewed or incomplete plans:

(i) review of plans for which the commissioner has issued two or more requests for additional information, per review, ~~$100 or ten percent of the original fee, whichever is greater~~ $125 per hour with a minimum of one hour;

(ii) proposer-requested revision with no increase in project scope, ~~$50 or ten percent of original fee, whichever is greater~~ $125 per hour with a minimum of one hour; and

(iii) proposer-requested revision with an increase in project scope, ~~$50 plus the difference between the original project fee and the revised project fee~~ the fee shall be based upon the absolute value of the change in work scope as if the change in scope is a new project.

Sec. 20. Minnesota Statutes 2024, section 326B.49, subdivision 3, is amended to read:

Subd. 3. **Permits; fees.** (a) Before commencement of a plumbing installation to be inspected by the commissioner, the plumbing contractor or registered plumbing employer performing the plumbing work must submit to the commissioner an application for a permit and the permit and inspection fees ~~in paragraphs (b) to (f).~~ based upon the construction valuation of the plumbing work in accordance with clause (1), or based upon clause (2) or (3), as applicable:

~~(b) The permit fee is $100.~~

~~(c) The residential inspection fee is $50 for each inspection trip.~~

~~(d) The public, commercial, and industrial inspection fees are as follows:~~

~~(1) for systems with water distribution, drain, waste, and vent system connection:~~

~~(i) $25 for each fixture, permanently connected appliance, floor drain, or other appurtenance;~~

~~(ii) $25 for each water conditioning, water treatment, or water filtration system; and~~

~~(iii) $25 for each interceptor, separator, catch basin, or manhole;~~

~~(2) roof drains, $25 for each drain;~~

~~(3) building sewer service only, $100;~~

~~(4) building water service only, $100;~~

~~(5) building water distribution system only, no drainage system, $5 for each fixture supplied;~~

~~(6) storm drainage system, a minimum fee of $25 for each drain opening, interceptor, separator, or catch basin;~~

(1) the total valuation and fee schedule for plumbing permits is:

(i) $0 to $1,500, $135;

(ii) $1,501 to $2,500, $135 for the first $1,500, plus $43 for each additional $500 or fraction thereof, to and including $2,500;

(iii) $2,501 to $5,000, $221 for the first $2,500, plus $28 for each additional $500 or fraction thereof, to and including $5,000;

(iv) $5,001 to $25,000, $361 for the first $5,000, plus $53 for each additional $1,000 or fraction thereof, to and including $25,000;

(v) $25,001 to $50,000, $1,421 for the first $25,000, plus $51 for each additional $1,000 or fraction thereof, to and including $50,000;

(vi) $50,001 to $500,000, $2,696 for the first $50,000, plus $47 for each additional $10,000 or fraction thereof, to and including $500,000;

(vii) $500,001 to $3,000,000, $4,811 for the first $500,000, plus $61 for each additional $50,000 or fraction thereof, to and including $3,000,000; or

(viii) $3,000,001 and over, $7,861 for the first $3,000,000, plus $51 for each additional $100,000 or fraction thereof;

~~(7)~~ (2) manufactured home park or campground, $25 for each site, minimum charge $135; and

~~(8) reinspection fee to verify corrections, regardless of the total fee submitted, $100 for each reinspection; and~~

~~(9) each $100 in fees paid covers one inspection trip.~~

~~(e) In addition to the fees in paragraph (d), the fee submitter must pay an hourly rate of $80 during regular business hours, or $120 when inspections are requested to be performed outside of normal work hours or on weekends and holidays, with a two-hour minimum where the fee submitter requests inspections of installations as systems are being installed.~~

~~(f) The fee submitter must pay a fee equal to two hours at the hourly rate of $80 when inspections scheduled by the submitter are not able to be completed because the work is not complete.~~

(3) other inspections and fees:

(i) inspections outside of regular business hours, defined as Monday to Friday, 7:00 a.m. to 5:00 p.m., $188 per hour, minimum charge two hours;

(ii) reinspection fees, $125 per hour, minimum charge $135;

(iii) inspections for which no fee is specifically indicated, $125 per hour, minimum one-half hour, minimum charge $135;

(iv) changes or revisions to approved plans with no increase in work scope, $125 per hour, minimum charge one hour; and

(v) changes to approved plans with a change in work scope, fees shall be assessed for change in valuation based upon the absolute value of the change work scope in accordance with the fee schedule as if the change in scope were a new project.

(b) If the actual cost to the jurisdiction under paragraph (a), clause (3), is greater than indicated by the schedule, the greater rate shall be paid. Hourly cost includes supervision, overhead, equipment, hourly wages, and fringe benefits of the employees involved.

Sec. 21. Minnesota Statutes 2024, section 326B.986, subdivision 9, is amended to read:

Subd. 9. **Boiler and pressure vessel registration fee.** The annual registration fee for boilers and pressure vessels in use and required to be inspected per section 326B.958 shall be ~~$10~~ $25 per boiler and pressure vessel.

Sec. 22. Minnesota Statutes 2024, section 327.31, is amended by adding a subdivision to read:

Subd. 24. **Sale.** "Sale" means:

(1) the passing of title from one person to another for consideration;

(2) an agreement to sell under which possession is delivered to the buyer but title is retained by the seller;

(3) an agreement to rent or lease a manufactured home where the lessee becomes the owner of the manufactured home after a set period of time or has the option to purchase the manufactured home for an additional lump sum at the end of the agreement term; or

(4) a legally binding executory agreement to make a sale.

Sec. 23. Minnesota Statutes 2024, section 327.32, subdivision 1a, is amended to read:

Subd. 1a. **Requirement; used manufactured homes.** (a) No person shall sell or offer for sale in this state any used manufactured home manufactured after June 14, 1976, or install for occupancy any used manufactured home manufactured after June 14, 1976, unless the used manufactured home complies with the Notice of Compliance Form for a used manufactured home as provided in this subdivision. ~~If manufactured after June 14, 1976, the home must bear a label or data plate as required by the secretary. The Notice of Compliance Form shall be signed by the seller and purchaser indicating which party is responsible for either making or paying for any necessary corrections prior to the sale and transferring ownership of the manufactured home.~~

~~The Notice of Compliance Form shall be substantially in the following form:~~

~~"Notice of Compliance Form as required in Minnesota Statutes, section 327.32, subdivision 1~~

~~This notice must be completed and signed by the purchaser(s) and the seller(s) of the used manufactured home described in the purchase agreement and on the bottom of this notice~~

~~before the parties transfer ownership of a used manufactured home constructed after June 14, 1976.~~

~~Electric ranges and clothes dryers must have required four-conductor cords and plugs. For the purpose of complying with the requirements of section 327B.06, a licensed retailer or limited retailer shall retain at least one copy of the form required under this subdivision.~~

~~Complies ....~~ ~~Correction required ....~~

~~Initialed by Responsible Party: Buyer ....~~ ~~Seller ....~~

~~Solid fuel-burning fireplaces or stoves must be listed for use in manufactured homes, Code of Federal Regulations, title 24, section 3280.709 (g), and installed correctly in accordance with their listing or standards (i.e., chimney, doors, hearth, combustion, or intake, etc., Code of Federal Regulations, title 24, section 3280.709 (g)).~~

~~Complies ....~~ ~~Correction required ....~~

~~Initialed by Responsible Party: Buyer ....~~ ~~Seller ....~~

~~Gas water heaters and furnaces must be listed for manufactured home use, Code of Federal Regulations, title 24, section 3280.709 (a) and (d)(1) and (2), and installed correctly, in accordance with their listing or standards.~~

~~Complies ....~~ ~~Correction required ....~~

~~Initialed by Responsible Party: Buyer ....~~ ~~Seller ....~~

~~Smoke alarms are required to be installed and operational in accordance with Code of Federal Regulations, title 24, section 3280.208.~~

~~Complies ....~~ ~~Correction required ....~~

~~Initialed by Responsible Party: Buyer ....~~ ~~Seller ....~~

~~Carbon monoxide alarms or CO detectors that are approved and operational are required to be installed within ten feet of each room lawfully used for sleeping purposes.~~

~~Complies ....~~ ~~Correction required ....~~

~~Initialed by Responsible Party: Buyer ....~~ ~~Seller ....~~

~~Egress windows are required in every bedroom with at least one operable window with a net clear opening of 20 inches wide and 24 inches high, five square feet in area, with the bottom of windows opening no more than 36 inches above the floor. Locks, latches, operating~~

~~handles, tabs, or other operational devices shall not be located more than 54 inches above the finished floor.~~

~~Complies ....~~ ~~Correction required ....~~

~~Initialed by Responsible Party: Buyer ....~~ ~~Seller ....~~

~~The furnace compartment of the home is required to have interior finish with a flame spread rating not exceeding 25, as specified in the 1976 United States Department of Housing and Urban Development Code governing manufactured housing construction.~~

~~Complies ....~~ ~~Correction required ....~~

~~Initialed by Responsible Party: Buyer ....~~ ~~Seller ....~~

~~The water heater enclosure in this home is required to have interior finish with a flame spread rating not exceeding 25, as specified in the 1976 United States Department of Housing and Urban Development Code governing manufactured housing construction.~~

~~Complies ....~~ ~~Correction required ....~~

~~Initialed by Responsible Party: Buyer ....~~ ~~Seller ....~~

~~The home complies with the snowload and heat zone requirements for the state of Minnesota as indicated by the data plate.~~

~~Complies ....~~ ~~Correction required ....~~

~~Initialed by Responsible Party: Buyer ....~~ ~~Seller ....~~

~~The parties to this agreement have initialed all required sections and agree by their signature to complete any necessary corrections prior to the sale or transfer of ownership of the home described below as listed in the purchase agreement. The state of Minnesota or a local building official has the authority to inspect the home in the manner described in Minnesota Statutes, section 327.33, prior to or after the sale to ensure compliance was properly executed as provided under the Manufactured Home Building Code.~~

~~Signature of Purchaser(s) of Home~~

~~..............................date..............................~~ ~~..............................date..............................~~

~~..~~ ~~..~~

~~Print name as appears on purchase agreement~~ ~~Print name as appears on purchase agreement~~

~~Signature of Seller(s) of Home~~

~~..............................date..............................~~ ~~..............................date..............................~~

~~..~~ ~~..~~

~~Print name and license number, if applicable~~ ~~Print name and license number, if applicable~~

~~(Street address of home at time of sale)~~

~~..~~

~~(City/State/Zip)~~ ....

~~Name of manufacturer of home~~ ....

~~Model and year~~ ....

~~Serial number~~ .... ~~"~~

(b) No dealer, limited dealer, retailer, limited retailer, broker, or any seller associated with a dealer, limited dealer, retailer, limited retailer, or broker shall sell or offer for sale in this state a used manufactured home manufactured after June 14, 1976, or install for occupancy a used manufactured home manufactured after June 14, 1976, unless they have:

(1) completed and submitted to the commissioner the Notice of Compliance Form for a used manufactured home as provided in this subdivision; and

(2) paid the Notice of Compliance Form for a used manufactured home filing fee.

(c) If manufactured after June 14, 1976, the home must bear a label or data plate as required by the secretary, or a replacement label issued by the commissioner and a data plate as required by the secretary. The Notice of Compliance Form for a Used Manufactured Home shall be completed and signed by the purchaser(s) and seller(s) and shall confirm the requirements of this subdivision have been met. To comply with section 326B.606, a licensed dealer, limited dealer, or seller shall retain at least one copy of the notice.

(d) The dealer, park owner, or seller may contract with a licensed electrician or master electrician, or licensed electrical engineer to complete the electrical portions of the compliance form. The dealer or seller may contract with a bonded mechanical contractor registered with the Department of Labor and Industry to complete the heating, ventilation, and air conditioning portions of the compliance form. The dealer, park owner, or seller may contract with a licensed plumber or master plumber, or mechanical engineer to complete the plumbing portions of the compliance form.

(e) The commissioner shall establish and make available a Notice of Compliance Form for a Used Manufactured Home, as prescribed in this section, that must be used to meet the requirements of this subdivision. The form must confirm that the requirements in paragraphs (f) to (j) are met.

(f) Life and safety requirements:

(1) smoke alarms are installed and operational in accordance with Code of Federal Regulations, title 24, section 3280.208;

(2) carbon monoxide alarms or carbon monoxide detectors are approved and operational and are installed within ten feet of each room lawfully used for sleeping purposes;

(3) egress windows are in every bedroom with at least one operable window with a net clear opening of 20 inches wide and 24 inches high, five square feet in area, with the bottom of windows opening no more than 36 inches above the floor. Locks, latches, operating handles, tabs, or other operational devices are located more than 54 inches above the finished floor; and

(4) exterior doors, including sliding glass exterior doors, are operable and provide code compliant access to grade.

(g) Electrical requirements:

(1) distribution panels are installed in compliance with the approved listing, complete with required breakers or fuses, with all unused openings covered with blank covers approved and listed for that purpose. Connections have been checked for tightness. Panels are readily accessible;

(2) the electrical system, including switches, receptacles, fixtures, and devices, is installed, wired, and supported in accordance with code requirements at the time the electrical system was installed and is in safe and functional condition;

(3) the used manufactured home has been subjected to:

(i) an electrical continuity test to assure that all metallic parts are bonded in accordance with code requirements; and

(ii) an electrical operational test to demonstrate that all fixtures and equipment except water heaters, ranges, air conditioners and electric furnaces are connected and in working order;

(4) the dealer, park owner, or seller may, in lieu of inspecting the electrical and heating systems of a used manufactured home, request an electrical and heating inspection by a qualified third party. Approval by the qualified third party is accepted as compliance with those portions of the safety standards under the code that pertain to electrical and heating systems; and

(5) electric ranges and clothes dryers have the required four-conductor cords and plugs.

(h) Plumbing requirements:

(1) fixtures:

(i) all plumbing fixtures are protected with approved workable "p" traps;

(ii) all plumbing fixtures are in a workable condition and vented through the roof in accordance with code requirements at the time the plumbing was installed; and

(iii) an antisiphon trap vent device or mechanical vent may be used to vent single fixtures, except water closets;

(2) water supply:

(i) water piping is not bent or kinked so as to retard or obstruct the flow of the water supply;

(ii) the under-floor water supply piping is connected to the manufactured home's water supply connection and to the site's water service supply piping in accordance with code requirements at the time the plumbing was installed, except when the manufactured home is being installed or reinstalled;

(iii) the under-floor water supply piping is supported in accordance with code requirements at the time the plumbing was installed, except when the manufactured home is being installed or reinstalled; and

(iv) the under-floor water supply piping is protected from freezing, except when the manufactured home is being installed or reinstalled;

(3) drain waste:

(i) drain waste piping is in working condition;

(ii) the under-floor drain waste piping is connected to the manufactured home's drain waste outlet or outlets and to the site's service utility piping in accordance with code requirements at the time the plumbing was installed, except when the manufactured home is being installed or reinstalled; and

(iii) the under-floor drain waste piping is supported and sloped in accordance with code requirements at the time the plumbing was installed, except when the manufactured home is being installed or reinstalled; and

(4) water heating:

(i) the water heater is listed for manufactured home use under Code of Federal Regulations, title 24, section 3280.709(a) and (d)(1) and (2), and installed correctly, in accordance with federal standards;

(ii) the water heater is equipped with an approved listed relief valve to provide temperature and pressure relief;

(iii) the water heater enclosure in the manufactured home is completed with an interior finish having a flame spread rating not exceeding 25, as specified in the 1976 United States Department of Housing and Urban Development Code governing manufactured housing construction; and

(iv) water heater venting systems are in a safe and operable condition. Products of combustion venting do not terminate within a roof, wall, or floor cavity.

(i) Heat-producing equipment requirements:

(1) the furnace is listed for manufactured home use under Code of Federal Regulations, title 24, section 3280.709(a) and (d)(1) and (2), and installed correctly, in accordance with the federal regulations;

(2) heating equipment such as a furnace, wall heater, or thermostat are in safe and operable condition. All ducts are in usable, not collapsed condition, with all exterior and interior joints and furnace connections mechanically secure and sealed; and

(3) the furnace venting systems are in a safe and operable condition. Products of combustion venting do not terminate within a roof, wall, floor, or under-floor area.

(j) General requirements:

(1) fuel gas piping:

(i) fuel gas supply piping is not bent or kinked so as to obstruct the flow of the fuel gas or leak;

(ii) the under-floor fuel gas supply piping is connected to the manufactured home's fuel gas supply connection and to the site's fuel gas service supply piping in accordance with code requirements at the time the gas piping was installed, except when the manufactured home is being installed or reinstalled; and

(iii) the under-floor fuel gas supply piping is supported in accordance with code requirements at the time the gas piping was installed, except when the manufactured home is being installed or reinstalled;

(2) solid fuel-burning fireplaces or stoves are listed for use in manufactured homes under Code of Federal Regulations, title 24, section 3280.709(g), and installed correctly in accordance with the federal regulations, including chimney, doors, hearth, combustion, or intake;

(3) all exhaust vents are operable;

(4) insulation missing from exposed areas has been replaced and all holes in bottom board have been securely sealed;

(5) exterior roof and wall systems prevent bulk water infiltration;

(6) water-damaged areas and holes in the subfloor have been replaced; and

(7) the home complies with code requirements for snowload and heat zone requirements as indicated by the data plate.

Sec. 24. Minnesota Statutes 2024, section 327.32, subdivision 1e, is amended to read:

Subd. 1e. **Reinstallation requirements for used manufactured homes.** (a) All used manufactured homes reinstalled less than 24 months from the date of installation by the first purchaser must be reinstalled in compliance with subdivision 1c. All used manufactured homes reinstalled more than 24 months from the date of installation by the first purchaser may be reinstalled without a frost-protected foundation if the home is reinstalled in compliance with Minnesota Rules, chapter 1350, for above frost-line installations and the notice requirement of subdivision 1f is complied with by the seller and the purchaser of the used manufactured home.

(b) The installer or licensed residential building contractor shall affix an installation seal issued by the department to the outside of the home as required by the Minnesota State Building Code. The certificate of installation issued by the installer of record shall clearly state that the home has been reinstalled with an above frost-line foundation. Fees for inspection of a reinstallation and for issuance of reinstallation seals shall follow the requirements of sections 326B.802 to 326B.885; 326B.22, subdivision 2; and 326B.23, subdivision 2. Fees for review of plans, specifications, and on-site inspections shall be those as specified in ~~section 326B.153, subdivision 1, paragraph (c)~~ sections 326B.22, subdivision 2, and 326B.37, subdivision 4. Whenever an installation certificate for an above frost-line installation is issued to a used manufactured home being listed for sale, the purchase agreement must disclose that the home is installed on a nonfrost-protected foundation and recommend that the purchaser have the home inspected to determine the effects of frost on the home.

(c) An installation seal may be issued to a residential building contractor licensed under section 326B.805 for use in the installation of used manufactured homes only after the qualifying person for the residential building contractor has completed a three-hour training course relating to the installation of manufactured homes that has been approved by either the United States Department of Housing and Urban Development or by the commissioner. The course completion certificate shall be submitted to the commissioner. For the purposes of this subdivision, "qualifying person" has the meaning given in section 326B.802, subdivision 10.

Sec. 25. Minnesota Statutes 2024, section 327.32, subdivision 7, is amended to read:

Subd. 7. **Enforcement.** All jurisdictions enforcing the State Building Code, in accordance with sections 326B.101 to 326B.151, shall undertake or provide for the administration and enforcement of the manufactured home installation rules promulgated by the commissioner. Municipalities which have adopted the State Building Code may provide installation inspection and plan review services in ~~noncode~~ areas of the state without local building code enforcement.

Sec. 26. Minnesota Statutes 2024, section 327.33, subdivision 1, is amended to read:

Subdivision 1. **Inspections.** The commissioner shall, through the department's inspectors or through a designated recognized inspection service acting as authorized representative of the commissioner perform ~~sufficient~~ inspections of manufacturing premises and manufactured homes to ensure compliance with sections 327.31 to 327.35. The commissioner shall have the exclusive right to conduct inspections, except for the inspections conducted or authorized by the secretary.

Sec. 27. Minnesota Statutes 2024, section 327.33, subdivision 2, is amended to read:

Subd. 2. **Fees.** Unless otherwise established in this section, the commissioner ~~shall~~ may by rule establish reasonable fees for seals, installation seals, Notice of Compliance Form for a used manufactured home filing, and inspections which are sufficient to cover all costs incurred in the administration of sections 327.31 to 327.35. The commissioner ~~shall~~ may also establish by rule a monitoring inspection fee in an amount that will comply with the secretary's fee distribution program. This monitoring inspection fee shall be an amount paid by the manufacturer for each manufactured home produced in Minnesota. The monitoring inspection fee shall be paid by the manufacturer to the secretary. The rules of the fee distribution program require the secretary to distribute the fees collected from all manufactured home manufacturers among states approved and conditionally approved based on the number of new manufactured homes whose first location after leaving the manufacturer is on the premises of a distributor, dealer or purchaser in that state. Fees for inspections in areas that have not adopted the State Building Code must be equal to the fees for inspections in code areas of the state. Third-party vendors may charge their usual and normal charge for inspections.

Sec. 28. Minnesota Statutes 2024, section 327.33, subdivision 2a, is amended to read:

Subd. 2a. **Construction seal fees.** Replacement manufactured home or accessory structure construction seal fees, including certificates, are ~~$30~~ $70 per seal.

Sec. 29. Minnesota Statutes 2024, section 327.33, subdivision 2b, is amended to read:

Subd. 2b. **Installation seal fees.** Manufactured home installation seal fees, including anchoring and support and including certificates, are ~~$80~~ $325.

Sec. 30. Minnesota Statutes 2024, section 327.33, subdivision 2c, is amended to read:

Subd. 2c. **Temporary installation certificate fees.** A temporary certificate fee is ~~$2~~ $15 per certificate.

Sec. 31. Minnesota Statutes 2024, section 327.33, is amended by adding a subdivision to read:

Subd. 2f. **Notice of Compliance Form for a used manufactured home filing fee.** The Notice of Compliance Form for a used manufactured home filing fee is $100 for each form submitted to the commissioner.

Sec. 32. Minnesota Statutes 2024, section 327.33, is amended by adding a subdivision to read:

Subd. 2g. **Installation plan review and inspection fee.** The plan review and inspection fee for the commissioner's plan review and inspection of new and used installed or reinstalled manufactured homes and manufactured home accessory structures in areas of the state without local building code enforcement is $1,200.

Sec. 33. Minnesota Statutes 2024, section 327B.01, subdivision 1, is amended to read:

Subdivision 1. **Terms.** As used in sections 327B.01 to 327B.12 the terms defined in this section have the meanings given ~~them~~.

Sec. 34. Minnesota Statutes 2024, section 327B.01, is amended by adding a subdivision to read:

Subd. 1a. **Authorized representative.** "Authorized representative" means a person, firm, or corporation, or employee of a firm or corporation, approved or hired by the commissioner of labor and industry.

Sec. 35. Minnesota Statutes 2024, section 327B.01, subdivision 7, is amended to read:

Subd. 7. **Dealer or retailer.** "Dealer" or "retailer" means any person who engages in the business, either exclusively or in addition to any other occupation, of selling, distributing, or brokering manufactured homes, new or used, or who offers to sell, solicit, broker or advertise the sale of manufactured homes, new or used.

Sec. 36. Minnesota Statutes 2024, section 327B.01, is amended by adding a subdivision to read:

Subd. 7a. **Distributor.** "Distributor" means a person engaged in the sale and distribution of manufactured homes for resale.

Sec. 37. Minnesota Statutes 2024, section 327B.01, is amended by adding a subdivision to read:

Subd. 10b. **Installation.** "Installation" of a manufactured home means installation or reinstallation, at the site of occupancy, of all portions of a manufactured home, connection of the manufactured home to existing utility connections, and installation of support and anchoring systems.

Sec. 38. Minnesota Statutes 2024, section 327B.01, is amended by adding a subdivision to read:

Subd. 13c. **Manufactured home installer.** "Manufactured home installer" means a person, firm, or corporation licensed by the state of Minnesota that installs or repairs a manufactured home for others at the site of occupancy.

Sec. 39. Minnesota Statutes 2024, section 327B.01, is amended by adding a subdivision to read:

Subd. 17a. **Purchaser.** "Purchaser" means the first individual purchasing a manufactured home in good faith for purposes other than resale.

Sec. 40. Minnesota Statutes 2024, section 327B.01, subdivision 19, is amended to read:

Subd. 19. **Salesperson.** "Salesperson" means a person who acts on behalf of a dealer in performing any act ~~which~~ that sections 327B.01 to 327B.12 authorize or require to be performed by a dealer.

Sec. 41. Minnesota Statutes 2024, section 327B.04, subdivision 3, is amended to read:

Subd. 3. **License application; manufacturer and dealer.** Application for a license to act as a manufacturer or dealer and its renewal shall be made to the commissioner, shall be in writing, and duly verified by oath. The applicant shall submit any information required by the commissioner, upon forms provided by the commissioner for that purpose, including:

(a) proof of identity;

(b) the name under which the applicant will be licensed and do business in this state;

(c) the applicant's type and place of business;

(d) the name, home and business address of the applicant's directors, officers, limited and general partners, controlling shareholders and affiliates;

(e) whether the applicant, or any of its directors, officers, limited or general partners, controlling shareholders or affiliates, has been convicted of a crime within the previous ten years that either related directly to the business for which the license is sought or involved fraud, misrepresentation or misuse of funds, or has suffered a judgment in a civil action involving fraud, misrepresentation, or conversion within the previous five years or has had any government license or permit suspended or revoked as a result of an action brought by a federal or state governmental agency in this or any other state within the last five years; and

(f) the applicant's qualifications and business history, including whether the applicant, or any of its directors, officers, limited or general partners, controlling shareholders or affiliates has ever been adjudged bankrupt or insolvent, or has any unsatisfied court judgments outstanding against it or them.

Sec. 42. Minnesota Statutes 2024, section 327B.04, subdivision 4, is amended to read:

Subd. 4. **License prerequisites.** No application shall be granted nor license issued to act as a manufacturer or dealer until the applicant proves to the commissioner that:

(a) the applicant has a permanent, established place of business at each licensed location. An "established place of business" means a permanent enclosed building other than a residence, or a commercial office space, either owned by the applicant or leased by the applicant for a term of at least one year, located in an area where zoning regulations allow commercial activity, and where the books, records and files necessary to conduct the business are kept and maintained. The owner of a licensed manufactured home park who resides in or adjacent to the park may use the residence as the established place of business required by this subdivision, unless prohibited by local zoning ordinance.

If a license is granted, the licensee may use unimproved lots and premises for sale, storage, and display of manufactured homes, if the licensee first notifies the commissioner in writing;

(b) if the applicant desires to sell, solicit or advertise the sale of new manufactured homes, it has a bona fide contract or franchise in effect with a manufacturer or distributor of the new manufactured home it proposes to deal in;

(c) the applicant has secured: (1) a surety bond in the amount of $20,000 for each agency and each subagency location that bears the applicant's name and the name under which the applicant will be licensed and do business in this state. Each bond is for the protection of consumer customers, and must be executed by the applicant as principal and issued by a surety company admitted to do business in this state. Each bond shall be exclusively for the purpose of reimbursing consumer customers and shall be conditioned upon the faithful compliance by the applicant with all of the laws and rules of this state pertaining to the applicant's business as a dealer or manufacturer, including sections 325D.44, 325F.67 and 325F.69, and upon the applicant's faithful performance of all its legal obligations to consumer customers; and (2) a certificate of liability insurance in the amount of $1,000,000 that provides aggregate coverage for the agency and each subagency location. In the event of a policy cancellation, the insurer shall send written notice to the commissioner at the same time that a cancellation request is received from or a notice is sent to the insured;

(d) the applicant has established a trust account as required by section 327B.08, subdivision 3, unless the applicant states in writing its intention to limit its business to selling, offering for sale, soliciting or advertising the sale of new manufactured homes; and

(e) the applicant has provided evidence of having had at least two years' prior experience in the sale of manufactured homes, working for a licensed dealer. The applicant does not have to satisfy the two-year prior experience requirement if:

(1) the applicant sells or brokers used manufactured homes as permitted under section 327B.01, subdivision 7; or

(2) the applicant:

(i) has met all other licensing requirements;

(ii) is the owner of a manufactured home park; and

(iii) is selling new manufactured homes installed in the manufactured home park that the applicant owns.

Sec. 43. Minnesota Statutes 2024, section 327B.04, subdivision 6, is amended to read:

Subd. 6. **Certificate of license; manufacturer and dealer.** For each license granted to act as a manufacturer or dealer the commissioner shall issue a certificate which includes the name of the licensee, the name of the surety company and the amount of the surety bond, and the insurance underwriter and policy number, the names and addresses of any related principal or subagencies, and a license number.

Sec. 44. Minnesota Statutes 2024, section 327B.04, subdivision 7a, is amended to read:

Subd. 7a. **Fees.** (a) Fees for licenses issued pursuant to this section shall be ~~calculated pursuant to section 326B.092.~~ for two years and the following fees apply:

(1) manufacturer's license and dealer's license, $180;

(2) dealer's subagency license, $80; and

(3) limited dealer's license, $100.

(b) All initial limited dealer licenses shall be effective for more than one calendar year and shall expire on December 31 of the year after the year in which the application is made.

~~(c) For the purposes of calculating fees under section 326B.092, any license issued under this section is a business license, except that a subagency license is a master license. The commissioner shall in a manner determined by the commissioner, without the need for any rulemaking under chapter 14, phase in the renewal of limited dealer licenses from one year to two years. By June 30, 2011, all renewed limited dealer licenses shall be two-year licenses.~~

Sec. 45. Minnesota Statutes 2024, section 327B.041, is amended to read:

327B.041 MANUFACTURED HOME INSTALLERS.

(a) Manufactured home installers are subject to all of the fees in section 326B.092 and the requirements of sections 326B.802 to 326B.885, except for the following:

(1) manufactured home installers are not subject to the continuing education requirements of sections 326B.0981, 326B.099, and 326B.821, but are subject to the continuing education requirements established in rules adopted under section 327B.10;

(2) the examination requirement of section 326B.83, subdivision 3, for manufactured home installers shall be satisfied by successful completion of a written examination administered and developed specifically for the examination of manufactured home installers. The examination must be administered and developed by the commissioner. The commissioner and the state building official shall seek advice on the grading, monitoring, and updating of examinations from the ~~Minnesota Manufactured Housing Association~~ Manufactured and Modular Home Association of Minnesota;

(3) a local government unit may not place a surcharge on a license fee, and may not charge a separate fee to installers;

(4) a dealer or distributor who does not install or repair manufactured homes is exempt from licensure under sections 326B.802 to 326B.885;

(5) the exemption under section 326B.805, subdivision 6, clause (5), does not apply; and

(6) manufactured home installers are not subject to the contractor recovery fund in section 326B.89.

(b) The commissioner may waive all or part of the requirements for licensure as a manufactured home installer for any individual who holds an unexpired license or certificate issued by any other state or other United States jurisdiction if the licensing requirements of that jurisdiction meet or exceed the corresponding licensing requirements of the department and the individual complies with section 326B.092, subdivisions 1 and 3 to 7.

Sec. 46. Minnesota Statutes 2024, section 327B.05, subdivision 1, is amended to read:

Subdivision 1. **Grounds.** In addition to the grounds in section 326B.082, subdivision 11, the commissioner may by order deny, suspend, limit, place conditions on, or revoke the application or license of any applicant or licensee or any of its directors, officers, limited or general partners, controlling shareholders, or affiliates for any of the following grounds:

~~(a)~~ (1) has violated any of the provisions of sections 327B.01 to 327B.12 or any rule or order issued by the commissioner or any prior law providing for the licensing of manufactured home dealers or manufacturers;

~~(b)~~ (2) has had a previous manufacturer or dealer license revoked in this or any other state;

~~(c)~~ (3) has engaged in acts or omissions which have been adjudicated or amount to a violation of any of the provisions of section 325D.44, 325F.67 or 325F.69;

~~(d)~~ (4) has sold or brokered the sale of a home containing a material violation of sections 327.31 to 327.35 ~~about which~~ that the dealer knew of or ~~which should have been obvious to a reasonably prudent dealer~~ could have known of with the exercise of reasonable diligence;

~~(e)~~ (5) has failed to make or provide all listings, notices and reports required by the commissioner;

~~(f)~~ (6) has failed to pay a civil penalty assessed under subdivision 5 within ten days after the assessment becomes final;

~~(g)~~ (7) has failed to pay to the commissioner or other responsible government agency all taxes, fees and arrearages due;

~~(h)~~ (8) has failed to duly apply for license renewal;

~~(i)~~ (9) has violated any applicable manufactured home building or safety code;

~~(j)~~ (10) has failed or refused to honor any express or implied warranty as provided in section 327B.03;

~~(k)~~ (11) has failed to continuously occupy a permanent, established place of business licensed under section 327B.04;

~~(l)~~ (12) has, without first notifying the commissioner, sold a new and unused manufactured home other than the make of manufactured home described in a franchise or contract filed with the application for license or license renewal;

~~(m)~~ (13) has wrongfully failed to deliver a certificate of title to a person entitled to it;

~~(n)~~ (14) is insolvent or bankrupt;

~~(o)~~ (15) holds an impaired or canceled bond;

~~(p)~~ (16) has failed to notify the commissioner of bankruptcy proceedings within ten days after a petition in bankruptcy has been filed by or against the dealer or manufacturer;

~~(q)~~ (17) has, within the previous ten years, been convicted of a crime that either related directly to the business of the dealer or manufacturer or involved fraud, misrepresentation or misuse of funds;

~~(r)~~ (18) has suffered a judgment within the previous five years in a civil action involving fraud, misrepresentation or misuse of funds; or

~~(s)~~ (19) has failed to reasonably supervise any employee or agent of the dealer or manufacturer, resulting in injury or harm to the public.

The commissioner may establish rules pursuant to section 327B.10 further specifying, defining or establishing standards of conduct for manufactured home dealers and manufacturers.

ARTICLE 9

LABOR AND INDUSTRY - MISCELLANEOUS

Section 1. Minnesota Statutes 2024, section 177.253, subdivision 1, is amended to read:

Subdivision 1. **Rest breaks.** An employer must allow each employee ~~adequate time from work~~ a rest break of at least 15 minutes or enough time to utilize the nearest convenient restroom, whichever is longer, within each four consecutive hours of work ~~to utilize the nearest convenient restroom~~.

Sec. 2. Minnesota Statutes 2024, section 177.253, is amended by adding a subdivision to read:

Subd. 3. **Remedies.** (a) If an employer does not provide rest breaks to an employee as required by this section and related rules, the employer is liable to the employee for the rest break time that should have been provided at the employee's regular rate of pay, plus an additional equal amount as liquidated damages.

(b) In addition to the remedies in paragraph (a), the commissioner may assess a penalty of up to $1,000 per employee per day during which rest breaks are not provided as required by this section.

Sec. 3. Minnesota Statutes 2024, section 177.254, subdivision 1, is amended to read:

Subdivision 1. **Meal break.** An employer must ~~permit~~ allow each employee who is working for ~~eight~~ six or more consecutive hours ~~sufficient time to eat~~ a meal break of at least 30 minutes.

Sec. 4. Minnesota Statutes 2024, section 177.254, subdivision 2, is amended to read:

Subd. 2. **Payment not required.** Except for subdivision 4, nothing in this section requires the employer to pay the employee during the meal break.

Sec. 5. Minnesota Statutes 2024, section 177.254, is amended by adding a subdivision to read:

Subd. 4. **Remedies.** (a) If an employer does not provide meal breaks to an employee as required by this section and related rules, the employer is liable to the employee for the meal break time that should have been provided at the employee's regular rate of pay, plus an additional equal amount as liquidated damages.

(b) In addition to the remedies in paragraph (a), the commissioner may assess a penalty of up to $1,000 per employee per day during which meal breaks are not provided as required by this section.

Sec. 6. **MISCLASSIFICATION FRAUD IMPACT ANALYSIS.**

The commissioner of labor and industry may coordinate with the commissioners of revenue and employment and economic development to conduct an analysis of the costs of

Sec. 15. **MISCLASSIFICATION FRAUD IMPACT REPORT.**

(a) Every two years, the commissioners of revenue, employment and economic development, and labor and industry must coordinate to conduct an analysis of the costs of misclassification to illustrate how misclassification impacts misclassified workers, tax collections, and other government programs.

misclassification to illustrate how misclassification impacts misclassified workers, government programs, and tax collections.

(b) By January 15 of every odd-numbered year, beginning January 15, 2027, the commissioner of labor and industry must report on the analysis performed under paragraph (a) to the chairs and ranking minority members of the legislative committees with jurisdiction over taxes, workforce, and labor. The commissioner of labor and industry may contract with external experts or an independent third party to conduct a study, develop a report, and perform other functions.

(c) At a minimum, the study and report must provide:

(1) an estimate of the number of workers experiencing misclassification in Minnesota;

(2) an estimate of the cost of misclassification to impacted workers;

(3) an estimate of the prevalence of misclassification by industry; and

(4) an estimate of the impact to:

(i) the unemployment insurance trust fund;

(ii) the family and medical benefit insurance account;

(iii) state income tax collection;

(iv) the workers' compensation fund; and

(v) the workforce development fund.

(d) Data and information relevant to the required report elements in paragraph (c) must be provided to the commissioner of labor and industry for purposes of the study and report, including but not limited to the following:

(1) from the Department of Employment and Economic Development, information and data relevant to:

(i) the unemployment insurance trust fund;

(ii) the family and medical benefit insurance account;

(iii) unemployment insurance program audits and findings; and

(iv) the workforce development fund;

(2) from the Department of Revenue, information and data relevant to:

(i) misclassification tax audits and findings;

(ii) income tax collection; and

ARTICLE 10

UNDERGROUND TELECOMMUNICATIONS INSTALLERS

Section 1. Minnesota Statutes 2024, section 326B.198, subdivision 2, is amended to read:

Subd. 2. **Installation requirements.** (a) The installation of underground telecommunications infrastructure that is located within ten feet of existing underground utilities or that crosses the existing underground utilities must be performed by safety-qualified underground telecommunications installers as follows:

(1) the location of existing utilities by hand- or hydro-excavation or other accepted methods must be performed by a safety-qualified underground telecommunications installer; and

(2) where telecommunications infrastructure is installed by means of directional drilling, the monitoring of the location and depth of the drill head must be performed by a safety-qualified underground telecommunications installer~~; and~~.

~~(3) no fewer than two safety-qualified underground telecommunications installers must be present at all times at any location where telecommunications infrastructure is being installed by means of directional drilling.~~

~~(b) Beginning July 1, 2025, all installations of underground telecommunications infrastructure subject to this subdivision within the seven-county metropolitan area must be performed by safety-qualified underground telecommunications installers that meet the requirements of this subdivision.~~

~~(c)~~ (b) Beginning January 1, 2026, all installations of underground telecommunications infrastructure subject to this subdivision within this state must be performed by safety-qualified underground telecommunications installers that meet the requirements of this subdivision.

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

Sec. 2. Minnesota Statutes 2024, section 326B.198, subdivision 3, is amended to read:

Subd. 3. **Certification Standards.** (a) The commissioner of labor and industry, in consultation with the Office of Broadband, shall approve standards for a safety-qualified underground telecommunications installer certification program that requires a person to:

(iii) 1099 filings; and

(3) from the Department of Labor and Industry, information and data relevant to:

(i) misclassification complaints, investigations, and findings; and

(ii) the workers' compensation fund.

Sec. 10. Minnesota Statutes 2024, section 326B.198, subdivision 2, is amended to read:

Subd. 2. **Installation requirements.** (a) The installation of underground telecommunications infrastructure that is located within ten feet of existing underground utilities or that crosses the existing underground utilities must be performed by safety-qualified underground telecommunications installers as follows:

(1) the location of existing utilities by hand- or hydro-excavation or other accepted methods must be performed by a safety-qualified underground telecommunications installer; and

(2) where telecommunications infrastructure is installed by means of directional drilling, the monitoring of the location and depth of the drill head must be performed by a safety-qualified underground telecommunications installer~~; and~~.

~~(3) no fewer than two safety-qualified underground telecommunications installers must be present at all times at any location where telecommunications infrastructure is being installed by means of directional drilling.~~

~~(b) Beginning July 1, 2025, all installations of underground telecommunications infrastructure subject to this subdivision within the seven-county metropolitan area must be performed by safety-qualified underground telecommunications installers that meet the requirements of this subdivision.~~

~~(c)~~ (b) Beginning January 1, 2026, all installations of underground telecommunications infrastructure subject to this subdivision within this state must be performed by safety-qualified underground telecommunications installers that meet the requirements of this subdivision.

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

Sec. 11. Minnesota Statutes 2024, section 326B.198, subdivision 3, is amended to read:

Subd. 3. **Certification Standards.** (a) The commissioner of labor and industry, in consultation with the Office of Broadband, shall approve standards for a safety-qualified underground telecommunications installer certification program that requires a person to:

Senate Language S1832-4	House Language UES1832-2
(1) complete a 40-hour initial course that includes classroom and hands-on instruction covering proper work procedures for safe installation of underground utilities, including:	(1) complete a 40-hour initial course that includes classroom and hands-on instruction covering proper work procedures for safe installation of underground utilities, including:
(i) regulations applicable to excavation near existing utilities;	(i) regulations applicable to excavation near existing utilities;
(ii) identification, location, and verification of utility lines using hand- or hydro-excavation or other accepted methods;	(ii) identification, location, and verification of utility lines using hand- or hydro-excavation or other accepted methods;
(iii) response to line strike incidents;	(iii) response to line strike incidents;
(iv) traffic control procedures;	(iv) traffic control procedures;
(v) use of a tracking device to safely guide directional drill equipment along a drill path; and	(v) use of a tracking device to safely guide directional drill equipment along a drill path; and
(vi) avoidance and mitigation of safety hazards posed by underground utility installation projects;	(vi) avoidance and mitigation of safety hazards posed by underground utility installation projects;
(2) demonstrate knowledge of the course material by successfully completing an examination approved by the commissioner; and	(2) demonstrate knowledge of the course material by successfully completing an examination approved by the commissioner; and
(3) complete a four-hour refresher course within three years of completing the original course and every three years thereafter in order to maintain certification.	(3) complete a four-hour refresher course within three years of completing the original course and every three years thereafter in order to maintain certification.
(b) The commissioner must develop an approval process for training providers under this subdivision and may suspend or revoke the approval of any training provider that fails to demonstrate consistent delivery of approved curriculum or success in preparing participants to complete the examination.	(b) The commissioner must develop an approval process for training providers under this subdivision and may suspend or revoke the approval of any training provider that fails to demonstrate consistent delivery of approved curriculum or success in preparing participants to complete the examination.
(c) An approved training provider may apply for approval of classroom instruction course material delivered up to two years prior to becoming an approved training provider and before January 1, 2026, as being equivalent or substantially equivalent to classroom instruction course material that is contained in the approved program. An application must provide a copy of all written materials used for the training for which equivalent credit is sought, the specific subjects covered in the training, the name and qualifications of the training provider, a description of the delivery method for the training, and the date of the training. Once approved, a training provider may grant full or partial retroactive credit for completion of classroom instruction training delivered prior to the commissioner's decision to approve a program. A person granted retroactive credit must successfully complete the examination that the training provider is approved to administer in order to be certified as a safety-qualified underground telecommunications installer.	(c) An approved training provider may apply for approval of classroom instruction course material delivered up to two years prior to becoming an approved training provider and before January 1, 2026, as being equivalent or substantially equivalent to classroom instruction course material that is contained in the approved program. An application must provide a copy of all written materials used for the training for which equivalent credit is sought, the specific subjects covered in the training, the name and qualifications of the training provider, a description of the delivery method for the training, and the date of the training. Once approved, a training provider may grant full or partial retroactive credit for completion of classroom instruction training delivered prior to the commissioner's decision to approve a program. A person granted retroactive credit must successfully complete the examination that the training provider is approved to administer in order to be certified as a safety-qualified underground telecommunications installer.
EFFECTIVE DATE. This section is effective the day following final enactment.	**EFFECTIVE DATE.** This section is effective the day following final enactment.