

ARTICLE 3

EMPLOYMENT, ECONOMIC DEVELOPMENT, AND WORKFORCE
DEVELOPMENT POLICY64.15
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64.18 Section 1. Minnesota Statutes 2016, section 116J.01, subdivision 5, is amended to read:

64.19 Subd. 5. **Departmental organization.** (a) The commissioner shall organize the
64.20 department as provided in section 15.06.64.21 (b) The commissioner may establish divisions and offices within the department. The
64.22 commissioner may employ ~~four~~ one deputy ~~commissioners~~ commissioner in the unclassified
64.23 service.

64.24 (c) The commissioner shall:

64.25 (1) employ assistants and other officers, employees, and agents that the commissioner
64.26 considers necessary to discharge the functions of the commissioner's office;64.27 (2) define the duties of the officers, employees, and agents, and delegate to them any of
64.28 the commissioner's powers, duties, and responsibilities, subject to the commissioner's control
64.29 and under conditions prescribed by the commissioner.65.1 (d) The commissioner shall ensure that there are at least three employment and economic
65.2 development officers in state offices in nonmetropolitan areas of the state who will work
65.3 with local units of government on developing local employment and economic development.

65.4 Sec. 2. Minnesota Statutes 2016, section 116J.013, is amended to read:

65.5 **116J.013 COST-OF-LIVING STUDY; ANNUAL REPORT.**65.6 (a) The commissioner shall conduct an annual cost-of-living study in Minnesota. The
65.7 study shall include:65.8 (1) a calculation of the statewide basic needs cost of living, including reasonable
65.9 retirement and long-term care savings, adjusted for family size;65.10 (2) a calculation of the basic needs cost of living, including reasonable retirement and
65.11 long-term care savings, adjusted for family size, for each county;65.12 (3) an analysis of statewide and county cost-of-living data, employment data, and job
65.13 vacancy data; and

60.28

60.29

ARTICLE 4

EMPLOYMENT AND ECONOMIC DEVELOPMENT

65.14 (4) recommendations to aid in the assessment of employment and economic development
65.15 planning needs throughout the state.

65.16 (b) The commissioner shall report on the cost-of-living study and recommendations by
65.17 February 1 of each year to the governor and to the chairs of the standing committees of the
65.18 house of representatives and the senate having jurisdiction over employment and economic
65.19 development issues.

60.30 Section 1. Minnesota Statutes 2016, section 116J.395, subdivision 7, is amended to read:

61.1 Subd. 7. **Limitation.** (a) No grant awarded under this section may fund more than 50
61.2 percent of the total cost of a project in an underserved area.

61.3 (b) Grants awarded for projects in unserved areas require a 35 percent match.

61.4 (c) Grants awarded to a single project under this section must not exceed ~~\$5,000,000~~
61.5 \$3,000,000.

65.20 Sec. 3. **[116J.4221] RURAL POLICY AND DEVELOPMENT CENTER FUND.**

65.21 (a) A rural policy and development center fund is established as an account in the special
65.22 revenue fund in the state treasury. The commissioner of management and budget shall credit
65.23 to the account the amounts authorized under this section and appropriations and transfers
65.24 to the account. The State Board of Investment shall ensure that account money is invested
65.25 under section 11A.24. All money earned by the account must be credited to the account.
65.26 The principal of the account and any unexpended earnings must be invested and reinvested
65.27 by the State Board of Investment.

65.28 (b) Gifts and donations, including land or interests in land, may be made to the account.
65.29 Noncash gifts and donations must be disposed of for cash as soon as the board prudently
65.30 can maximize the value of the gift or donation. Gifts and donations of marketable securities
65.31 may be held or be disposed of for cash at the option of the board. The cash receipts of gifts
66.1 and donations of cash or capital assets and marketable securities disposed of for cash must
66.2 be credited immediately to the principal of the account. The value of marketable securities
66.3 at the time the gift or donation is made must be credited to the principal of the account and
66.4 any earnings from the marketable securities are earnings of the account. The earnings in
66.5 the account are annually appropriated to the board of the Center for Rural Policy and
66.6 Development to carry out the duties of the center.

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

61.6 Sec. 2. Minnesota Statutes 2016, section 116J.8731, subdivision 2, is amended to read:

61.7 Subd. 2. **Administration.** (a) Except as otherwise provided in this section, the
61.8 commissioner shall administer the fund as part of the Small Cities Development Block
61.9 Grant Program and funds shall be made available to local communities and recognized
61.10 Indian tribal governments in accordance with the rules adopted for economic development
61.11 grants in the small cities community development block grant program. All units of general
61.12 purpose local government are eligible applicants for Minnesota investment funds. The
61.13 commissioner may provide forgivable loans directly to a private enterprise and not require
61.14 a local community or recognized Indian tribal government application other than a resolution
61.15 supporting the assistance.

61.16 (b) Eligible applicants for the state-funded portion of the fund also include development
61.17 authorities as defined in section 116J.552, subdivision 4, provided that the governing body
61.18 of the municipality approves, by resolution, the application of the development authority.
61.19 A local government entity may receive more than one award in a fiscal year. The
61.20 commissioner may also make funds available within the department for eligible expenditures
61.21 under subdivision 3, clause (2).

61.22 (c) A home rule charter or statutory city, county, or town may loan or grant money
61.23 received from repayment of funds awarded under this section to a regional development
61.24 commission, other regional entity, or statewide community capital fund as determined by
61.25 the commissioner, to capitalize or to provide the local match required for capitalization of
61.26 a regional or statewide revolving loan fund.

61.27 Sec. 3. Minnesota Statutes 2016, section 116J.8731, is amended by adding a subdivision
61.28 to read:

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

62.1 Sec. 4. Minnesota Statutes 2016, section 116J.8748, subdivision 1, is amended to read:

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

62.4 (b) "Agreement" or "business subsidy agreement" means a business subsidy agreement
62.5 under section 116J.994 that must include, but is not limited to: specification of the duration
62.6 of the agreement, job goals and a timeline for achieving those goals over the duration of

- 62.7 the agreement, construction and other investment goals and a timeline for achieving those
 62.8 goals over the duration of the agreement, and the value of benefits the firm may receive
 62.9 following achievement of capital investment and employment goals. The local government
 62.10 and business must report to the commissioner on the business performance using the forms
 62.11 developed by the commissioner.
- 62.12 (c) "Business" means an individual, corporation, partnership, limited liability company,
 62.13 association, or other entity.
- 62.14 (d) "Capital investment" means money that is expended for the purpose of building or
 62.15 improving real fixed property where employees under paragraphs (g) and (h) are or will be
 62.16 employed and also includes construction materials, services, and supplies, and the purchase
 62.17 and installation of equipment and machinery as provided under subdivision 4, paragraph
 62.18 (b), clause (5).
- 62.19 (e) "Commissioner" means the commissioner of employment and economic development.
- 62.20 (f) "Minnesota job creation fund business" means a business that is designated by the
 62.21 commissioner under subdivision 3.
- 62.22 (g) "Minority person" means a person belonging to a racial or ethnic minority as defined
 62.23 in Code of Federal Regulations, title 49, section 23.5.
- 62.24 ~~(g)~~ (h) "New full-time employee" means an employee who:
- 62.25 (1) begins work at a Minnesota job creation fund business facility noted in a business
 62.26 subsidy agreement and following the designation as a job creation fund business; and
- 62.27 (2) has expected work hours of at least 2,080 hours annually.
- 62.28 (i) "Persons with disabilities" means an individual with a disability, as defined under
 62.29 the Americans with Disabilities Act, United States Code, title 42, section 12102.
- 62.30 ~~(h)~~ (j) "Retained job" means a full-time position:
- 62.31 (1) that existed at the facility prior to the designation as a job creation fund business;
 62.32 and
- 63.1 (2) has expected work hours of at least 2,080 hours annually.

- 63.2 (k) "Veteran" means a veteran as defined in section 197.447.
- 63.3 ~~(l)~~ (l) "Wages" has the meaning given in section 290.92, subdivision 1, clause (1).
- 63.4 Sec. 5. Minnesota Statutes 2016, section 116J.8748, subdivision 3, is amended to read:
- 63.5 Subd. 3. **Minnesota job creation fund business designation; requirements.** (a) To
63.6 receive designation as a Minnesota job creation fund business, a business must satisfy all
63.7 of the following conditions:
- 63.8 (1) the business is or will be engaged in, within Minnesota, one of the following as its
63.9 primary business activity:
- 63.10 (i) manufacturing;
- 63.11 (ii) warehousing;
- 63.12 (iii) distribution;
- 63.13 (iv) information technology;
- 63.14 (v) finance;
- 63.15 (vi) insurance; or
- 63.16 (vii) professional or technical services;
- 63.17 (2) the business must not be primarily engaged in lobbying; gambling; entertainment;
63.18 professional sports; political consulting; leisure; hospitality; or professional services provided
63.19 by attorneys, accountants, business consultants, physicians, or health care consultants, or
63.20 primarily engaged in making retail sales to purchasers who are physically present at the
63.21 business's location;
- 63.22 (3) the business must enter into a binding construction and job creation business subsidy
63.23 agreement with the commissioner to expend directly, or ensure expenditure by or in
63.24 partnership with a third party constructing or managing the project, at least \$500,000 in
63.25 capital investment in a capital investment project that includes a new, expanded, or remodeled
63.26 facility within one year following designation as a Minnesota job creation fund business or
63.27 \$250,000 if the project is located outside the metropolitan area as defined in section 200.02,
63.28 subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans,
63.29 women, or persons with a disability; and:

- 63.30 (i) create at least ten new full-time employee positions within two years of the benefit
 63.31 date following the designation as a Minnesota job creation fund business or five new full-time
 64.1 employee positions within two years of the benefit date if the project is located outside the
 64.2 metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business
 64.3 is cumulatively owned by minorities, veterans, women, or persons with a disability; or
- 64.4 (ii) expend at least \$25,000,000, which may include the installation and purchase of
 64.5 machinery and equipment, in capital investment and retain at least 200 employees for projects
 64.6 located in the metropolitan area as defined in section 200.02, subdivision 24, and 75
 64.7 employees for projects located outside the metropolitan area;
- 64.8 (4) positions or employees moved or relocated from another Minnesota location of the
 64.9 Minnesota job creation fund business must not be included in any calculation or determination
 64.10 of job creation or new positions under this paragraph; and
- 64.11 (5) a Minnesota job creation fund business must not terminate, lay off, or reduce the
 64.12 working hours of an employee for the purpose of hiring an individual to satisfy job creation
 64.13 goals under this subdivision.
- 64.14 (b) Prior to approving the proposed designation of a business under this subdivision, the
 64.15 commissioner shall consider the following:
- 64.16 (1) the economic outlook of the industry in which the business engages;
- 64.17 (2) the projected sales of the business that will be generated from outside the state of
 64.18 Minnesota;
- 64.19 (3) how the business will build on existing regional, national, and international strengths
 64.20 to diversify the state's economy;
- 64.21 (4) whether the business activity would occur without financial assistance;
- 64.22 (5) whether the business is unable to expand at an existing Minnesota operation due to
 64.23 facility or land limitations;
- 64.24 (6) whether the business has viable location options outside Minnesota;
- 64.25 (7) the effect of financial assistance on industry competitors in Minnesota;
- 64.26 (8) financial contributions to the project made by local governments; and

- 64.27 (9) any other criteria the commissioner deems necessary.
- 64.28 (c) Upon receiving notification of local approval under subdivision 2, the commissioner
64.29 shall review the determination by the local government and consider the conditions listed
64.30 in paragraphs (a) and (b) to determine whether it is in the best interests of the state and local
64.31 area to designate a business as a Minnesota job creation fund business.
- 65.1 (d) If the commissioner designates a business as a Minnesota job creation fund business,
65.2 the business subsidy agreement shall include the performance outcome commitments and
65.3 the expected financial value of any Minnesota job creation fund benefits.
- 65.4 (e) The commissioner may amend an agreement once, upon request of a local government
65.5 on behalf of a business, only if the performance is expected to exceed thresholds stated in
65.6 the original agreement.
- 65.7 (f) A business may apply to be designated as a Minnesota job creation fund business at
65.8 the same location more than once only if all goals under a previous Minnesota job creation
65.9 fund agreement have been met and the agreement is completed.
- 65.10 Sec. 6. Minnesota Statutes 2016, section 116J.8748, subdivision 4, is amended to read:
- 65.11 Subd. 4. **Certification; benefits.** (a) The commissioner may certify a Minnesota job
65.12 creation fund business as eligible to receive a specific value of benefit under paragraphs (b)
65.13 and (c) when the business has achieved its job creation and capital investment goals noted
65.14 in its agreement under subdivision 3.
- 65.15 (b) A qualified Minnesota job creation fund business may be certified eligible for the
65.16 benefits in this paragraph for up to five years for projects located in the metropolitan area
65.17 as defined in section 200.02, subdivision 24, and seven years for projects located outside
65.18 the metropolitan area, as determined by the commissioner when considering the best interests
65.19 of the state and local area. Notwithstanding section 16B.98, subdivision 5, paragraph (a),
65.20 clause (3), or section 16B.98, subdivision 5, paragraph (b), grant agreements for projects
65.21 located outside the metropolitan area may be for up to seven years in length. The eligibility
65.22 for the following benefits begins the date the commissioner certifies the business as a
65.23 qualified Minnesota job creation fund business under this subdivision:
- 65.24 (1) up to five percent rebate for projects located in the metropolitan area as defined in
65.25 section 200.02, subdivision 24, and 7.5 percent for projects located outside the metropolitan
65.26 area, on capital investment on qualifying purchases as provided in subdivision 5 with the
65.27 total rebate for a project not to exceed \$500,000;

- 65.28 (2) an award of up to \$500,000 based on full-time job creation and wages paid as provided
65.29 in subdivision 6 with the total award not to exceed \$500,000;
- 65.30 (3) up to \$1,000,000 in capital investment rebates and \$1,000,000 in job creation awards
65.31 are allowable for projects that have at least \$25,000,000 in capital investment and 200 new
65.32 employees in the metropolitan area as defined in section 200.02, subdivision 24, and 75
65.33 new employees for projects located outside the metropolitan area;
- 66.1 (4) up to \$1,000,000 in capital investment rebates are allowable for projects that have
66.2 at least \$25,000,000 in capital investment and 200 retained employees for projects located
66.3 in the metropolitan area as defined in section 200.02, subdivision 24, and 75 employees for
66.4 projects located outside the metropolitan area; and
- 66.5 (5) for clauses (3) and (4) only, the capital investment expenditure requirements may
66.6 include the installation and purchases of machinery and equipment. These expenditures are
66.7 not eligible for the capital investment rebate provided under subdivision 5.
- 66.8 (c) The job creation award may be provided in multiple years as long as the qualified
66.9 Minnesota job creation fund business continues to meet the job creation goals provided for
66.10 in its agreement under subdivision 3 and the total award does not exceed \$500,000 except
66.11 as provided under paragraph (b), clauses (3) and (4).
- 66.12 (d) No rebates or award may be provided until the Minnesota job creation fund business
66.13 or a third party constructing or managing the project has at least \$500,000 in capital
66.14 investment in the project and at least ten full-time jobs have been created and maintained
66.15 for at least one year or the retained employees, as provided in paragraph (b), clause (4),
66.16 remain for at least one year. The agreement may require additional performance outcomes
66.17 that need to be achieved before rebates and awards are provided. If fewer retained jobs are
66.18 maintained, but still above the minimum under this subdivision, the capital investment
66.19 award shall be reduced on a proportionate basis.
- 66.20 (e) The forms needed to be submitted to document performance by the Minnesota job
66.21 creation fund business must be in the form and be made under the procedures specified by
66.22 the commissioner. The forms shall include documentation and certification by the business
66.23 that it is in compliance with the business subsidy agreement, sections 116J.871 and 116L.66,
66.24 and other provisions as specified by the commissioner.
- 66.25 (f) Minnesota job creation fund businesses must pay each new full-time employee added
66.26 pursuant to the agreement total compensation, including benefits not mandated by law, that
66.27 on an annualized basis is equal to at least 110 percent of the federal poverty level for a
66.28 family of four.

- 66.8 Sec. 4. [116J.9922] CENTRAL MINNESOTA OPPORTUNITY GRANT PROGRAM.
- 66.9 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
- 66.10 the meanings given.
- 66.11 (b) "Commissioner" means the commissioner of employment and economic development.
- 66.12 (c) "Community initiative" means a nonprofit organization which provides services to
- 66.13 central Minnesota communities of color in one or more of the program areas listed in
- 66.14 subdivision 4, paragraph (a).
- 66.15 (d) "Foundation" means the Central Minnesota Community Foundation.

- 66.29 (g) A Minnesota job creation fund business must demonstrate reasonable progress on
- 66.30 its capital investment expenditures within six months following designation as a Minnesota
- 66.31 job creation fund business to ensure that the capital investment goal in the agreement under
- 66.32 subdivision 1 will be met. Businesses not making reasonable progress will not be eligible
- 66.33 for benefits under the submitted application and will need to work with the local government
- 66.34 unit to resubmit a new application and request to be a Minnesota job creation fund business.
- 67.1 Notwithstanding the goals noted in its agreement under subdivision 1, this action shall not
- 67.2 be considered a default of the business subsidy agreement.
- 67.3 Sec. 7. Minnesota Statutes 2016, section 116J.8748, subdivision 6, is amended to read:
- 67.4 Subd. 6. **Job creation award.** (a) A qualified Minnesota job creation fund business is
- 67.5 eligible for an annual award for each new job created and maintained by the business using
- 67.6 the following schedule: \$1,000 for each job position paying annual wages at least \$26,000
- 67.7 but less than \$35,000; \$2,000 for each job position paying at least \$35,000 but less than
- 67.8 \$45,000; and \$3,000 for each job position paying at least \$45,000; and as noted in the goals
- 67.9 under the agreement provided under subdivision 1. These awards are increased by \$1,000
- 67.10 if the business is located outside the metropolitan area as defined in section 200.02,
- 67.11 subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans,
- 67.12 women, or persons with a disability.
- 67.13 (b) The job creation award schedule must be adjusted annually using the percentage
- 67.14 increase in the federal poverty level for a family of four.
- 67.15 (c) Minnesota job creation fund businesses seeking an award credit provided under
- 67.16 subdivision 4 must submit forms and applications to the Department of Employment and
- 67.17 Economic Development as prescribed by the commissioner.

- 66.16 Subd. 2. **Establishment.** The commissioner shall establish a central Minnesota
 66.17 opportunity grant program, administered by the foundation, to identify and support
 66.18 community initiatives in central and west central Minnesota that enhance long-term economic
 66.19 self-sufficiency by improving education, housing, and economic outcomes for central and
 66.20 west central Minnesota communities of color.
- 66.21 Subd. 3. **Grant to the Central Minnesota Community Foundation.** The commissioner
 66.22 shall award all grant funds to the foundation, which shall administer the central Minnesota
 66.23 opportunity grant program. The foundation may use up to five percent of grant funds for
 66.24 administrative costs.
- 66.25 Subd. 4. **Grants to community initiatives.** (a) The foundation must award funds through
 66.26 a competitive grant process to community initiatives that will provide services, either alone
 66.27 or in partnership with another nonprofit organization, in one or more of the following areas:
- 66.28 (1) economic development, including but not limited to programs to foster
 66.29 entrepreneurship or small business development;
- 66.30 (2) education, including but not limited to programs to encourage civic engagement or
 66.31 provide youth after-school or recreation programs; or
- 67.1 (3) housing, including but not limited to programs to prevent and respond to homelessness
 67.2 or to provide access to loans or grants for housing stability and affordability.
- 67.3 (b) To receive grant funds, a community initiative must submit a written application to
 67.4 the foundation, using a form developed by the foundation. This grant application must
 67.5 include:
- 67.6 (1) a description of the activities that will be funded by the grant;
- 67.7 (2) an estimate of the cost of each grant activity;
- 67.8 (3) the total cost of the project;
- 67.9 (4) the sources and amounts of nonstate funds supplementing the grant;
- 67.10 (5) how the project aims to achieve stated outcomes in areas including improved job
 67.11 training; workforce development; small business support; early childhood, kindergarten
 67.12 through grade 12, and higher education achievement; and access to housing, including loans;
 67.13 and

- 67.14 (6) any additional information requested by the foundation.
- 67.15 (c) In awarding grants under this subdivision, the foundation shall give weight to
 67.16 applications from organizations that demonstrate:
- 67.17 (1) a history of successful provision of the services listed in paragraph (a); and
- 67.18 (2) a history of successful fund-raising from private sources for such services.
- 67.19 (d) In evaluating grant applications, the foundation shall not consider the composition
 67.20 of a community initiative's governing board.
- 67.21 (e) Grant funds may be used by a community initiative for the following purposes:
- 67.22 (1) operating costs, including but not limited to staff, office space, computers, software,
 67.23 and Web development and maintenance services;
- 67.24 (2) program costs;
- 67.25 (3) travel within Minnesota;
- 67.26 (4) consultants directly related to and necessary for delivering services listed in paragraph
 67.27 (a); and
- 67.28 (5) capacity building.
- 67.29 Subd. 5. **Reports to the legislature.** By January 15, 2019, and each January 15 thereafter
 67.30 through 2022, the commissioner must submit a report to the chairs and ranking minority
 68.1 members of the house of representatives and the senate committees with jurisdiction over
 68.2 economic development that details the use of grant funds. This report must include data on
 68.3 the number of individuals served and, to the extent practical, measures of progress toward
 68.4 achieving the outcomes stated in subdivision 4, paragraph (b), clause (5).
- 68.5 Sec. 5. Minnesota Statutes 2016, section 116L.17, subdivision 1, is amended to read:
- 68.6 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
 68.7 the meanings given them in this subdivision.
- 68.8 (b) "Commissioner" means the commissioner of employment and economic development.

67.18 Sec. 8. Minnesota Statutes 2016, section 116L.17, subdivision 1, is amended to read:

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

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

- 68.9 (c) "Dislocated worker" means an individual who is a resident of Minnesota at the time
68.10 employment ceased or was working in the state at the time employment ceased and:
- 68.11 (1) has been permanently separated or has received a notice of permanent separation
68.12 from public or private sector employment and is eligible for or has exhausted entitlement
68.13 to unemployment benefits, and is unlikely to return to the previous industry or occupation;
- 68.14 (2) has been long-term unemployed and has limited opportunities for employment or
68.15 reemployment in the same or a similar occupation in the area in which the individual resides,
68.16 including older individuals who may have substantial barriers to employment by reason of
68.17 age;
- 68.18 (3) has been terminated or has received a notice of termination of employment as a result
68.19 of a plant closing or a substantial layoff at a plant, facility, or enterprise;
- 68.20 (4) has been self-employed, including farmers and ranchers, and is unemployed as a
68.21 result of general economic conditions in the community in which the individual resides or
68.22 because of natural disasters;
- 68.23 ~~(5) MS 2011 Supp [Expired, 2011 e 84 art 3 s 1]~~
- 68.24 ~~(6)~~ (5) is a veteran as defined by section 197.447, has been discharged or released from
68.25 active duty under honorable conditions within the last 36 months, and (i) is unemployed or
68.26 (ii) is employed in a job verified to be below the skill level and earning capacity of the
68.27 veteran;
- 68.28 ~~(7)~~ (6) is an individual determined by the United States Department of Labor to be
68.29 covered by trade adjustment assistance under United States Code, title 19, sections 2271 to
68.30 2331, as amended; or
- 68.31 ~~(8)~~ (7) is a displaced homemaker. A "displaced homemaker" is an individual who has
68.32 spent a substantial number of years in the home providing homemaking service and (i) has
69.1 been dependent upon the financial support of another; and now due to divorce, separation,
69.2 death, or disability of that person, must find employment to self support; or (ii) derived the
69.3 substantial share of support from public assistance on account of dependents in the home
69.4 and no longer receives such support. To be eligible under this clause, the support must have
69.5 ceased while the worker resided in Minnesota.
- 69.6 For the purposes of this section, "dislocated worker" does not include an individual who
69.7 was an employee, at the time employment ceased, of a political committee, political fund,

- 67.22 (c) "Dislocated worker" means an individual who is a resident of Minnesota at the time
67.23 employment ceased or was working in the state at the time employment ceased and:
- 67.24 (1) has been permanently separated or has received a notice of permanent separation
67.25 from public or private sector employment and is eligible for or has exhausted entitlement
67.26 to unemployment benefits, and is unlikely to return to the previous industry or occupation;
- 67.27 (2) has been long-term unemployed and has limited opportunities for employment or
67.28 reemployment in the same or a similar occupation in the area in which the individual resides,
67.29 including older individuals who may have substantial barriers to employment by reason of
67.30 age;
- 68.1 (3) has been terminated or has received a notice of termination of employment as a result
68.2 of a plant closing or a substantial layoff at a plant, facility, or enterprise;
- 68.3 (4) has been self-employed, including farmers and ranchers, and is unemployed as a
68.4 result of general economic conditions in the community in which the individual resides or
68.5 because of natural disasters;
- 68.6 ~~(5) MS 2011 Supp [Expired, 2011 e 84 art 3 s 1]~~
- 68.7 ~~(6)~~ (5) is a veteran as defined by section 197.447, has been discharged or released from
68.8 active duty under honorable conditions within the last 36 months, and (i) is unemployed or
68.9 (ii) is employed in a job verified to be below the skill level and earning capacity of the
68.10 veteran;
- 68.11 ~~(7)~~ (6) is an individual determined by the United States Department of Labor to be
68.12 covered by trade adjustment assistance under United States Code, title 19, sections 2271 to
68.13 2331, as amended; or
- 68.14 ~~(8)~~ (7) is a displaced homemaker. A "displaced homemaker" is an individual who has
68.15 spent a substantial number of years in the home providing homemaking service and (i) has
68.16 been dependent upon the financial support of another; and now due to divorce, separation,
68.17 death, or disability of that person, must find employment to self support; or (ii) derived the
68.18 substantial share of support from public assistance on account of dependents in the home
68.19 and no longer receives such support. To be eligible under this clause, the support must have
68.20 ceased while the worker resided in Minnesota.
- 68.21 For the purposes of this section, "dislocated worker" does not include an individual who
68.22 was an employee, at the time employment ceased, of a political committee, political fund,

69.8 principle campaign committee, or party unit, as those terms are used in chapter 10A, or an
69.9 organization required to file with the federal elections commission.

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

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

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

68.23 principal campaign committee, or party unit, as those terms are used in chapter 10A, or an
68.24 organization required to file with the federal elections commission.

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

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

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

69.1 Sec. 9. Minnesota Statutes 2016, section 116L.665, is amended to read:

69.2 **116L.665 WORKFORCE DEVELOPMENT COUNCIL BOARD.**

69.3 Subdivision 1. **Creation.** The governor's Workforce Development Council is created
69.4 under the authority of the Workforce Investment Act, United States Code, title 29, section
69.5 2801, et seq. Local workforce development councils are authorized under the Workforce
69.6 Investment Act. The governor's Workforce Development Council serves as Minnesota's
69.7 Workforce Investment Board for the purposes of the federal Workforce Investment Act.
69.8 Board serves as Minnesota's state workforce development board for the purposes of the
69.9 federal Workforce Innovation and Opportunity Act, United States Code, title 29, section
69.10 3111, and must perform the duties under that act.

69.11 Subd. 2. **Membership.** (a) The governor's Workforce Development Council Board is
69.12 composed of 31 members appointed by the governor. The members may be removed pursuant
69.13 to section 15.059. In selecting the representatives of the council board, the governor shall
69.14 ensure that 50 percent a majority of the members come from nominations provided by local
69.15 workforce councils. Local education representatives shall come from nominations provided
69.16 by local education to employment partnerships. The 31 members shall represent the following
69.17 sectors: the private sector, pursuant to United States Code, title 29, section 3111. For the
69.18 public members, membership terms, compensation of members, and removal of members
69.19 are governed by section 15.059, subdivisions 2, 3, and 4. To the extent practicable, the
69.20 membership should be balanced as to gender and ethnic diversity.

69.21 (a) State agencies: the following individuals shall serve on the council:

- 69.22 ~~(1) commissioner of the Minnesota Department of Employment and Economic~~
69.23 ~~Development;~~
- 69.24 ~~(2) commissioner of the Minnesota Department of Education; and~~
- 69.25 ~~(3) commissioner of the Minnesota Department of Human Services;~~
- 69.26 ~~(b) Business and industry: six individuals shall represent the business and industry sectors~~
69.27 ~~of Minnesota.~~
- 69.28 ~~(c) Organized labor: six individuals shall represent labor organizations of Minnesota.~~
- 69.29 ~~(d) Community-based organizations: four individuals shall represent community-based~~
69.30 ~~organizations of Minnesota. Community-based organizations are defined by the Workforce~~
69.31 ~~Investment Act as private nonprofit organizations that are representative of communities~~
69.32 ~~or significant segments of communities and that have demonstrated expertise and~~
69.33 ~~effectiveness in the field of workforce investment and may include entities that provide job~~
70.1 ~~training services, serve youth, serve individuals with disabilities, serve displaced~~
70.2 ~~homemakers, union-related organizations, employer-related nonprofit organizations, and~~
70.3 ~~organizations serving nonreservation Indians and tribal governments.~~
- 70.4 ~~(e) Education: six individuals shall represent the education sector of Minnesota as follows:~~
- 70.5 ~~(1) one individual shall represent local public secondary education;~~
- 70.6 ~~(2) one individual shall have expertise in design and implementation of school-based~~
70.7 ~~service learning;~~
- 70.8 ~~(3) one individual shall represent leadership of the University of Minnesota;~~
- 70.9 ~~(4) one individual shall represent secondary/postsecondary vocational institutions;~~
- 70.10 ~~(5) the chancellor of the Board of Trustees of the Minnesota State Colleges and~~
70.11 ~~Universities; and~~
- 70.12 ~~(6) one individual shall have expertise in agricultural education.~~
- 70.13 ~~(f) Other: two individuals shall represent other constituencies including:~~
- 70.14 ~~(1) units of local government; and~~

- 70.15 ~~(2) applicable state or local programs;~~
- 70.16 ~~The speaker and the minority leader of the house of representatives shall each appoint~~
 70.17 ~~a representative to serve as an ex officio member of the council. The majority and minority~~
 70.18 ~~leaders of the senate shall each appoint a senator to serve as an ex officio member of the~~
 70.19 ~~council;~~
- 70.20 ~~The governor shall appoint one individual representing public libraries, one individual~~
 70.21 ~~with expertise in assisting women in obtaining employment in high-wage, high-demand,~~
 70.22 ~~nontraditional occupations, and one individual representing adult basic education programs~~
 70.23 ~~to serve as nonvoting advisors to the council;~~
- 70.24 (b) No person shall serve as a member of more than one category described in paragraph
 70.25 (a).
- 70.26 (c) Voting members shall consist of the following:
- 70.27 (1) the governor or the governor's designee;
- 70.28 (2) two members of the house of representatives, one appointed by the speaker of the
 70.29 house and one appointed by the minority leader of the house of representatives;
- 71.1 (3) two members of the senate, one appointed by the senate majority leader and one
 71.2 appointed by the senate minority leader;
- 71.3 (4) a majority of the members must be representatives of businesses in the state appointed
 71.4 by the governor who:
- 71.5 (i) are owners of businesses, chief executives, or operating officers of businesses, or
 71.6 other business executives or employers with optimum policy-making or hiring authority
 71.7 and who, in addition, may be members of a local board under United States Code, title 29,
 71.8 section 3122(b)(2)(A)(i);
- 71.9 (ii) represent businesses, including small businesses, or organizations representing
 71.10 businesses that provide employment opportunities that, at a minimum, include high-quality,
 71.11 work-relevant training and development in in-demand industry sectors or occupations in
 71.12 the state; and
- 71.13 (iii) are appointed from individuals nominated by state business organizations and
 71.14 business trade associations;

- 71.15 (5) six representatives of labor organizations appointed by the governor, including:
- 71.16 (i) representatives of labor organizations who have been nominated by state labor
71.17 federations; and
- 71.18 (ii) a member of a labor organization or a training director from a joint labor organization;
- 71.19 (6) commissioners of the state agencies with primary responsibility for core programs
71.20 identified within the state plan including:
- 71.21 (i) the Department of Employment and Economic Development;
- 71.22 (ii) the Department of Education; and
- 71.23 (iii) the Department of Human Services;
- 71.24 (7) two chief elected officials, appointed by the governor, collectively representing cities
71.25 and counties;
- 71.26 (8) two representatives who are people of color or people with disabilities, appointed
71.27 by the governor, of community-based organizations that have demonstrated experience and
71.28 expertise in addressing the employment, training, or education needs of individuals with
71.29 barriers to employment; and
- 72.1 (9) four officials responsible for education programs in the state, appointed by the
72.2 governor, including chief executive officers of community colleges and other institutions
72.3 of higher education, including:
- 72.4 (i) the chancellor of the Minnesota State Colleges and Universities;
- 72.5 (ii) the president of the University of Minnesota;
- 72.6 (iii) a president from a private postsecondary school; and
- 72.7 (iv) a representative of career and technical education.
- 72.8 (d) The nonvoting members of the board shall be appointed by the governor and consist
72.9 of one of each of the following:
- 72.10 (1) a representative of Adult Basic Education;

- 72.11 (2) a representative of public libraries;
- 72.12 (3) a person with expertise in women's economic security;
- 72.13 (4) the chair or executive director of the Minnesota Workforce Council Association;
- 72.14 (5) the commissioner of labor and industry;
- 72.15 (6) the commissioner of the Office of Higher Education;
- 72.16 (7) the commissioner of corrections;
- 72.17 (8) the commissioner of management and budget;
- 72.18 (9) two representatives of community-based organizations who are people of color or
 72.19 people with disabilities who have demonstrated experience and expertise in addressing the
 72.20 employment, training, and education needs of individuals with barriers to employment;
- 72.21 (10) a representative of secondary, postsecondary, or career-technical education;
- 72.22 (11) a representative of school-based service learning;
- 72.23 (12) a representative of the Council on Asian-Pacific Minnesotans;
- 72.24 (13) a representative of the Minnesota Council on Latino Affairs;
- 72.25 (14) a representative of the Council for Minnesotans of African Heritage;
- 72.26 (15) a representative of the Minnesota Indian Affairs Council;
- 72.27 (16) a representative of the Minnesota State Council on Disability; and
- 72.28 (17) a representative of the Office on the Economic Status of Women.
- 73.1 ~~(g) Appointment.~~ (e) Each member shall be appointed for a term of three years from the
 73.2 first day of January or July immediately following their appointment. Elected officials shall
 73.3 forfeit their appointment if they cease to serve in elected office.
- 73.4 ~~(h) Members of the council are compensated as provided in section 15.059, subdivision~~
 73.5 ~~3.~~

- 73.6 Subd. 2a. **Council Board meetings; chair.** ~~(a) If compliance with section 13D.02 is~~
73.7 ~~impractical, the Governor's Workforce Development Council may conduct a meeting of its~~
73.8 ~~members by telephone or other electronic means so long as the following conditions are~~
73.9 ~~met:~~
- 73.10 ~~(1) all members of the council participating in the meeting, wherever their physical~~
73.11 ~~location, can hear one another and can hear all discussion and testimony;~~
- 73.12 ~~(2) members of the public present at the regular meeting location of the council can hear~~
73.13 ~~clearly all discussion and testimony and all votes of members of the council and, if needed,~~
73.14 ~~receive those services required by sections 15.44 and 15.441;~~
- 73.15 ~~(3) at least one member of the council is physically present at the regular meeting location;~~
73.16 ~~and~~
- 73.17 ~~(4) all votes are conducted by roll call, so each member's vote on each issue can be~~
73.18 ~~identified and recorded.~~
- 73.19 ~~(b) Each member of the council participating in a meeting by telephone or other electronic~~
73.20 ~~means is considered present at the meeting for purposes of determining a quorum and~~
73.21 ~~participating in all proceedings.~~
- 73.22 ~~(c) If telephone or other electronic means is used to conduct a meeting, the council, to~~
73.23 ~~the extent practical, shall allow a person to monitor the meeting electronically from a remote~~
73.24 ~~location. The council may require the person making such a connection to pay for~~
73.25 ~~documented marginal costs that the council incurs as a result of the additional connection.~~
- 73.26 ~~(d) If telephone or other electronic means is used to conduct a regular, special, or~~
73.27 ~~emergency meeting, the council shall provide notice of the regular meeting location, of the~~
73.28 ~~fact that some members may participate by telephone or other electronic means, and of the~~
73.29 ~~provisions of paragraph (c). The timing and method of providing notice is governed by~~
73.30 ~~section 13D.04.~~
- 73.31 ~~(a) The board shall hold regular in-person meetings at least quarterly and as often as~~
73.32 ~~necessary to perform the duties outlined in the statement of authority and the board's bylaws.~~
74.1 ~~Meetings shall be called by the chair. Special meetings may be called as needed. Notices~~
74.2 ~~of all meetings shall be made at least 48 hours before the meeting date.~~
- 74.3 ~~(b) The governor shall designate a chair from among the appointed business representative~~
74.4 ~~voting members. The chair shall approve an agenda for each meeting. Members shall submit~~
74.5 ~~a written request for consideration of an agenda item no less than 24 hours in advance of~~
74.6 ~~the meeting. Members of the public may submit a written request within 48 hours of a~~

- 74.7 ~~meeting to be considered for inclusion in the agenda. Members of the public attending a~~
 74.8 ~~meeting of the board may address the board only with the approval or at the request of the~~
 74.9 ~~chair.~~
- 74.10 ~~(c) All meeting notices must be posted on the board's Web site. All meetings of the board~~
 74.11 ~~and committees must be open to the public. The board must make available to the public,~~
 74.12 ~~on a regular basis through electronic means and open meetings, information regarding the~~
 74.13 ~~activities of the board, information regarding membership, and, on request, minutes of~~
 74.14 ~~formal meetings of the board.~~
- 74.15 ~~(d) For the purpose of conducting business before the board at a duly called meeting, a~~
 74.16 ~~simple majority of the voting members, excluding any vacancies, constitutes a quorum.~~
- 74.17 ~~Subd. 3. **Purpose; duties.** The governor's Workforce Development Council shall replace~~
 74.18 ~~the governor's Job Training Council and assume all of its requirements, duties, and~~
 74.19 ~~responsibilities under the Workforce Investment Act. Additionally, the Workforce~~
 74.20 ~~Development Council shall assume the following duties and responsibilities:~~
- 74.21 ~~(a) Review the provision of services and the use of funds and resources under applicable~~
 74.22 ~~federal human resource programs and advise the governor on methods of coordinating the~~
 74.23 ~~provision of services and the use of funds and resources consistent with the laws and~~
 74.24 ~~regulations governing the programs. For purposes of this section, applicable federal and~~
 74.25 ~~state human resource programs mean the:~~
- 74.26 ~~(1) Workforce Investment Act, United States Code, title 29, section 2911, et seq.;~~
- 74.27 ~~(2) Carl D. Perkins Vocational and Applied Technology Education Act, United States~~
 74.28 ~~Code, title 20, section 2301, et seq.;~~
- 74.29 ~~(3) Adult Education Act, United States Code, title 20, section 1201, et seq.;~~
- 74.30 ~~(4) Wagner-Peyser Act, United States Code, title 29, section 49;~~
- 74.31 ~~(5) Personal Responsibility and Work Opportunities Act of 1996 (TANF);~~
- 75.1 ~~(6) Food Stamp Act of 1977, United States Code, title 7, section 6(d)(4), Food Stamp~~
 75.2 ~~Employment and Training Program, United States Code, title 7, section 2015(d)(4); and~~
- 75.3 ~~(7) programs defined in section 116L.19, subdivision 5.~~

- 75.4 ~~Additional federal and state programs and resources can be included within the scope~~
75.5 ~~of the council's duties if recommended by the governor after consultation with the council.~~
- 75.6 ~~(b) Review federal, state, and local education, postsecondary, job skills training, and~~
75.7 ~~youth employment programs, and make recommendations to the governor and the legislature~~
75.8 ~~for establishing an integrated seamless system for providing education and work skills~~
75.9 ~~development services to learners and workers of all ages.~~
- 75.10 ~~(c) Advise the governor on the development and implementation of statewide and local~~
75.11 ~~performance standards and measures relating to applicable federal human resource programs~~
75.12 ~~and the coordination of performance standards and measures among programs.~~
- 75.13 ~~(d) Promote education and employment transitions programs and knowledge and skills~~
75.14 ~~of entrepreneurship among employers, workers, youth, and educators, and encourage~~
75.15 ~~employers to provide meaningful work-based learning opportunities.~~
- 75.16 ~~(e) Evaluate and identify exemplary education and employment transitions programs~~
75.17 ~~and provide technical assistance to local partnerships to replicate the programs throughout~~
75.18 ~~the state.~~
- 75.19 ~~(f) Advise the governor on methods to evaluate applicable federal human resource~~
75.20 ~~programs.~~
- 75.21 ~~(g) Sponsor appropriate studies to identify human investment needs in Minnesota and~~
75.22 ~~recommend to the governor goals and methods for meeting those needs.~~
- 75.23 ~~(h) Recommend to the governor goals and methods for the development and coordination~~
75.24 ~~of a human resource system in Minnesota.~~
- 75.25 ~~(i) Examine federal and state laws, rules, and regulations to assess whether they present~~
75.26 ~~barriers to achieving the development of a coordinated human resource system.~~
- 75.27 ~~(j) Recommend to the governor and to the federal government changes in state or federal~~
75.28 ~~laws, rules, or regulations concerning employment and training programs that present barriers~~
75.29 ~~to achieving the development of a coordinated human resource system.~~
- 75.30 ~~(k) Recommend to the governor and to the federal government waivers of laws and~~
75.31 ~~regulations to promote coordinated service delivery.~~

- 76.1 (l) Sponsor appropriate studies and prepare and recommend to the governor a strategic
76.2 plan which details methods for meeting Minnesota's human investment needs and for
76.3 developing and coordinating a state human resource system.
- 76.4 (m) Provide the commissioner of employment and economic development and the
76.5 committees of the legislature with responsibility for economic development with
76.6 recommendations provided to the governor under this subdivision.
- 76.7 (n) In consultation with local workforce councils and the Department of Employment
76.8 and Economic Development, develop an ongoing process to identify and address local gaps
76.9 in workforce services.
- 76.10 Subd. 4. **Executive committee duties.** The executive committee must, with advice and
76.11 input of local workforce councils boards and other stakeholders as appropriate, develop
76.12 performance standards for the state workforce centers. By January 15, 2002 2019, and each
76.13 odd-numbered year thereafter, the executive committee shall submit a report to the senate
76.14 and house of representatives committees with jurisdiction over workforce development
76.15 programs regarding the performance and outcomes of the workforce centers. The report
76.16 must provide recommendations regarding workforce center funding levels and sources,
76.17 program changes, and administrative changes.
- 76.18 Subd. 5. **Subcommittees.** The chair of the Workforce Development Council Board may
76.19 establish subcommittees in order to carry out the duties and responsibilities of the council
76.20 board.
- 76.21 Subd. 6. **Staffing.** The Department of commissioner of employment and economic
76.22 development must provide staff, including but not limited to professional, technical, and
76.23 clerical staff to the board necessary to perform the duties assigned to the Minnesota
76.24 Workforce Development Council. All staff report to the commissioner carry out the duties
76.25 of the board. The council may ask for assistance from other units of At the request of the
76.26 board, state government as departments and agencies must provide the board with the
76.27 assistance it requires in order to fulfill its duties and responsibilities.
- 76.28 Subd. 7. **Expiration.** The council board expires if there is no federal funding for the
76.29 human resource programs within the scope of the council's board's duties.
- 76.30 Subd. 8. **Funding.** The commissioner shall develop recommendations on a funding
76.31 formula for allocating Workforce Investment Act funds to the council with a minimum
76.32 allocation of employment and economic development must provide at least \$350,000 per
76.33 each fiscal year. The commissioner shall report the funding formula recommendations to
77.1 the legislature by January 15, 2011 from existing agency resources to the board for staffing
77.2 and administrative expenses.

- 77.3 Sec. 10. Minnesota Statutes 2016, section 116M.14, subdivision 4, is amended to read:
- 77.4 Subd. 4. **Low-income area.** "Low-income area" means:
- 77.5 (1) Minneapolis, St. Paul;
- 77.6 (2) those cities in the metropolitan area as defined in section 473.121, subdivision 2,
77.7 that have ~~an average income~~ a median income for a family of four that is below 80 percent
77.8 of the median income for a four-person family as of the latest report by the United States
77.9 Census Bureau; and
- 77.10 (3) the area outside the metropolitan area.
- 77.11 Sec. 11. Minnesota Statutes 2016, section 116M.17, subdivision 4, is amended to read:
- 77.12 Subd. 4. **Reports.** The ~~board~~ department shall submit an annual report to the legislature
77.13 of an accounting of loans made under section 116M.18, including information on loans
77.14 made, the number of jobs created by the program, the impact on low-income areas, and
77.15 recommendations concerning minority business development and jobs for persons in
77.16 low-income areas.
- 77.17 Sec. 12. Minnesota Statutes 2016, section 116M.18, subdivision 1a, is amended to read:
- 77.18 Subd. 1a. **Statewide loans.** To the extent there is sufficient eligible demand, loans shall
77.19 be made so that an approximately equal dollar amount of loans are made to businesses in
77.20 the metropolitan area as in the nonmetropolitan area. After ~~September 30~~ March 31 of each
77.21 ~~calendar~~ fiscal year, the department may allow loans to be made anywhere in the state
77.22 without regard to geographic area.
- 77.23 Sec. 13. Minnesota Statutes 2016, section 116M.18, subdivision 4, is amended to read:
- 77.24 Subd. 4. **Business loan criteria.** (a) The criteria in this subdivision apply to loans made
77.25 by nonprofit corporations under the program.
- 77.26 (b) Loans must be made to businesses that are not likely to undertake a project for which
77.27 loans are sought without assistance from the program.
- 77.28 (c) A loan must be used to support a business owned by a minority or a low-income
77.29 person, woman, veteran, or a person with disabilities. Priority must be given for loans to
77.30 the lowest income areas.
- 78.1 (d) The minimum state contribution to a loan is \$5,000 and the maximum is \$150,000.

- 78.2 (e) The state contribution must be matched by at least an equal amount of new private
78.3 investment.
- 78.4 (f) A loan may not be used for a retail development project.
- 78.5 (g) The business must agree to work with job referral networks that focus on minority
78.6 and low-income applicants.
- 78.7 (h) Up to ten percent of a loan's principal amount may be forgiven if the department
78.8 approves and the borrower has met lender criteria including being current with all payments.
- 78.9 Sec. 14. Minnesota Statutes 2016, section 116M.18, subdivision 4a, is amended to read:
- 78.10 Subd. 4a. **Microenterprise loan.** (a) Program grants may be used to make microenterprise
78.11 loans to small, beginning businesses, including a sole proprietorship. Microenterprise loans
78.12 are subject to this section except that:
- 78.13 (1) they may also be made to qualified retail businesses;
- 78.14 (2) they may be made for a minimum of \$5,000 and a maximum of \$35,000;
- 78.15 (3) in a low-income area, they may be made for a minimum of \$5,000 and a maximum
78.16 of \$50,000; and
- 78.17 (4) they do not require a match.
- 78.18 (b) Up to ten percent of a loan's principal amount may be forgiven if the department
78.19 approves and the borrower has met lender criteria including being current with all payments.
- 78.20 Sec. 15. Minnesota Statutes 2016, section 116M.18, subdivision 8, is amended to read:
- 78.21 Subd. 8. **Reporting requirements.** A nonprofit corporation that receives a program
78.22 grant shall:
- 78.23 (1) submit an annual report to the board and department by ~~March 30~~ February 15 of
78.24 each year that includes a description of businesses supported by the grant program, an
78.25 account of loans made during the calendar year, the program's impact on minority business
78.26 enterprises and job creation for minority persons and low-income persons, the source and
78.27 amount of money collected and distributed by the program, the program's assets and
78.28 liabilities, and an explanation of administrative expenses; and

69.19 Sec. 6. Laws 2014, chapter 312, article 2, section 14, as amended by Laws 2016, chapter
 69.20 189, article 7, section 8, is amended to read:
 69.21 Sec. 14. **ASSIGNED RISK TRANSFER.**

69.22 (a) By June 30, 2015, if the commissioner of commerce determines on the basis of an
 69.23 audit that there is an excess surplus in the assigned risk plan created under Minnesota
 69.24 Statutes, section 79.252, the commissioner of management and budget shall transfer the
 69.25 amount of the excess surplus, not to exceed \$10,500,000, to the general fund. This transfer
 69.26 occurs prior to any transfer under Minnesota Statutes, section 79.251, subdivision 1,
 69.27 paragraph (a), clause (1). This is a onetime transfer.

69.28 (b) By June 30, 2015, and each year thereafter, if the commissioner of commerce
 69.29 determines on the basis of an audit that there is an excess surplus in the assigned risk plan
 69.30 created under Minnesota Statutes, section 79.252, the commissioner of management and
 69.31 budget shall transfer the amount of the excess surplus, not to exceed \$4,820,000 each year,
 69.32 to the Minnesota minerals 21st century fund under Minnesota Statutes, section 116J.423.
 69.33 This transfer occurs prior to any transfer under Minnesota Statutes, section 79.251,
 70.1 subdivision 1, paragraph (a), clause (1), but after the transfer transfers authorized in paragraph
 70.2 paragraphs (a) and (f). The total amount authorized for all transfers under this paragraph
 70.3 must not exceed \$24,100,000. This paragraph expires the day following the transfer in which
 70.4 the total amount transferred under this paragraph to the Minnesota minerals 21st century
 70.5 fund equals \$24,100,000.

70.6 (c) By June 30, 2015, if the commissioner of commerce determines on the basis of an
 70.7 audit that there is an excess surplus in the assigned risk plan created under Minnesota
 70.8 Statutes, section 79.252, the commissioner of management and budget shall transfer the
 70.9 amount of the excess surplus, not to exceed \$4,820,000, to the general fund. This transfer
 70.10 occurs prior to any transfer under Minnesota Statutes, section 79.251, subdivision 1,
 70.11 paragraph (a), clause (1), but after any transfers authorized in paragraphs (a) and (b). If a
 70.12 transfer occurs under this paragraph, the amount transferred is appropriated from the general
 70.13 fund in fiscal year 2015 to the commissioner of labor and industry for the purposes of section
 70.14 15. Both the transfer and appropriation under this paragraph are onetime.

70.15 (d) By June 30, 2016, if the commissioner of commerce determines on the basis of an
 70.16 audit that there is an excess surplus in the assigned risk plan created under Minnesota
 70.17 Statutes, section 79.252, the commissioner of management and budget shall transfer the
 70.18 amount of the excess surplus, not to exceed \$4,820,000, to the general fund. This transfer
 70.19 occurs prior to any transfer under Minnesota Statutes, section 79.251, subdivision 1,
 70.20 paragraph (a), clause (1), but after the transfers authorized in paragraphs (a) and (b). If a

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

70.21 transfer occurs under this paragraph, the amount transferred is appropriated from the general
 70.22 fund in fiscal year 2016 to the commissioner of labor and industry for the purposes of section
 70.23 15. Both the transfer and appropriation under this paragraph are onetime.

70.24 (e) Notwithstanding Minnesota Statutes, section 16A.28, the commissioner of
 70.25 management and budget shall transfer to the general fund, any unencumbered or unexpended
 70.26 balance of the appropriations under paragraphs (c) and (d) remaining on June 30, 2016, or
 70.27 the date the commissioner of commerce determines that an excess surplus in the assigned
 70.28 risk plan does not exist, whichever occurs earlier.

70.29 (f) By June 30, 2017, and each year thereafter, if the commissioner of commerce
 70.30 determines on the basis of an audit that there is an excess surplus in the assigned risk plan
 70.31 created under Minnesota Statutes, section 79.252, the commissioner of management and
 70.32 budget shall transfer the amount of the excess surplus, not to exceed \$2,000,000 each year,
 70.33 to the rural policy and development center fund under Minnesota Statutes, section 116J.4221.
 70.34 This transfer occurs prior to any transfer under paragraph (b) or under Minnesota Statutes,
 70.35 section 79.251, subdivision 1, paragraph (a), clause (1). The total amount authorized for all
 71.1 transfers under this paragraph must not exceed \$2,000,000. This paragraph expires the day
 71.2 following the transfer in which the total amount transferred under this paragraph to the rural
 71.3 policy and development center fund equals \$2,000,000.

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

71.5 Sec. 7. Laws 2015, First Special Session chapter 1, article 1, section 2, subdivision 6, is
 71.6 amended to read:

71.7 Subd. 6. **Vocational Rehabilitation**

71.8	Appropriations by Fund		
71.9	General	22,611,000	21,611,000
71.10	Workforce		
71.11	Development	7,830,000	7,830,000

71.12 (a) \$10,800,000 each year is from the general
 71.13 fund for the state's vocational rehabilitation
 71.14 program under Minnesota Statutes, chapter
 71.15 268A.

79.4 Sec. 16. Laws 2015, First Special Session chapter 1, article 1, section 2, subdivision 6, is
 79.5 amended to read:

79.6 Subd. 6. **Vocational Rehabilitation**

79.7	Appropriations by Fund		
79.8	General	22,611,000	21,611,000
79.9	Workforce		
79.10	Development	7,830,000	7,830,000

79.11 (a) \$10,800,000 each year is from the general
 79.12 fund for the state's vocational rehabilitation
 79.13 program under Minnesota Statutes, chapter
 79.14 268A.

71.16 (b) \$2,261,000 each year is from the general
 71.17 fund for grants to centers for independent
 71.18 living under Minnesota Statutes, section
 71.19 268A.11.

71.20 (c) \$5,745,000 each year from the general fund
 71.21 and \$6,830,000 each year from the workforce
 71.22 development fund are for extended
 71.23 employment services for persons with severe
 71.24 disabilities under Minnesota Statutes, section
 71.25 268A.15.

71.26 (d) \$250,000 in fiscal year 2016 and \$250,000
 71.27 in fiscal year 2017 are for rate increases to
 71.28 providers of extended employment services
 71.29 for persons with severe disabilities under
 71.30 Minnesota Statutes, section 268A.15. This
 71.31 appropriation is added to the agency's base.

71.32 (e) \$2,555,000 each year is from the general
 71.33 fund for grants to programs that provide
 72.1 employment support services to persons with
 72.2 mental illness under Minnesota Statutes,
 72.3 sections 268A.13 and 268A.14.

72.4 (f) \$1,000,000 each year is from the workforce
 72.5 development fund for grants under Minnesota
 72.6 Statutes, section 268A.16, for employment
 72.7 services for persons, including transition-aged
 72.8 youth, who are deaf, deafblind, or
 72.9 hard-of-hearing. If the amount in the first year
 72.10 is insufficient, the amount in the second year
 72.11 is available in the first year.

72.12 (g) \$1,000,000 in fiscal year 2016 is for a
 72.13 grant to Assistive Technology of Minnesota,
 72.14 a statewide nonprofit organization that is
 72.15 exclusively dedicated to the issues of access
 72.16 to and the acquisition of assistive technology.
 72.17 ~~The purpose of the grant is to acquire assistive~~
 72.18 ~~technology and to work in tandem with~~
 72.19 ~~individuals using this technology to create~~
 72.20 ~~career paths~~ Assistive Technology of

79.15 (b) \$2,261,000 each year is from the general
 79.16 fund for grants to centers for independent
 79.17 living under Minnesota Statutes, section
 79.18 268A.11.

79.19 (c) \$5,745,000 each year from the general fund
 79.20 and \$6,830,000 each year from the workforce
 79.21 development fund are for extended
 79.22 employment services for persons with severe
 79.23 disabilities under Minnesota Statutes, section
 79.24 268A.15.

79.25 (d) \$250,000 in fiscal year 2016 and \$250,000
 79.26 in fiscal year 2017 are for rate increases to
 79.27 providers of extended employment services
 79.28 for persons with severe disabilities under
 79.29 Minnesota Statutes, section 268A.15. This
 79.30 appropriation is added to the agency's base.

79.31 (e) \$2,555,000 each year is from the general
 79.32 fund for grants to programs that provide
 79.33 employment support services to persons with
 80.1 mental illness under Minnesota Statutes,
 80.2 sections 268A.13 and 268A.14.

80.3 (f) \$1,000,000 each year is from the workforce
 80.4 development fund for grants under Minnesota
 80.5 Statutes, section 268A.16, for employment
 80.6 services for persons, including transition-aged
 80.7 youth, who are deaf, deafblind, or
 80.8 hard-of-hearing. If the amount in the first year
 80.9 is insufficient, the amount in the second year
 80.10 is available in the first year.

80.11 (g) \$1,000,000 in fiscal year 2016 is for a
 80.12 grant to Assistive Technology of Minnesota,
 80.13 a statewide nonprofit organization that is
 80.14 exclusively dedicated to the issues of access
 80.15 to and the acquisition of assistive technology.
 80.16 ~~The purpose of the grant is to acquire assistive~~
 80.17 ~~technology and to work in tandem with~~
 80.18 ~~individuals using this technology to create~~
 80.19 ~~career paths~~ Assistive Technology of

72.21 Minnesota must use the funds to provide
 72.22 low-interest loans to individuals of all ages
 72.23 and types of disabilities to purchase assistive
 72.24 technology and employment-related
 72.25 equipment. This is a onetime appropriation.

72.26 (h) For purposes of this subdivision,
 72.27 Minnesota Diversified Industries, Inc. is an
 72.28 eligible provider of services for persons with
 72.29 severe disabilities under Minnesota Statutes,
 72.30 section 268A.15.

72.31 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2015.

80.20 Minnesota must use the funds to provide
 80.21 low-interest loans to individuals of all ages
 80.22 and types of disabilities to purchase assistive
 80.23 technology and employment-related
 80.24 equipment. This is a onetime appropriation.

80.25 (h) For purposes of this subdivision,
 80.26 Minnesota Diversified Industries, Inc. is an
 80.27 eligible provider of services for persons with
 80.28 severe disabilities under Minnesota Statutes,
 80.29 section 268A.15.

80.30 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2015.

80.31 Sec. 17. Laws 2016, chapter 189, article 7, section 2, subdivision 2, is amended to read:

80.32 Subd. 2. **Business and Community Development** -0- 8,021,000

80.33 **Appropriations by Fund**

80.34 **General** -0- 7,271,000

81.1 **Workforce**

81.2 **Development** -0- 750,000

81.3 (a) \$9,000,000 in fiscal year 2017 is a onetime
 81.4 reduction in the general fund appropriation
 81.5 for the Minnesota investment fund under
 81.6 Minnesota Statutes, section 116J.8731. The
 81.7 base funding for this purpose is \$11,000,000
 81.8 in fiscal year 2018 and each fiscal year
 81.9 thereafter.

81.10 (b) \$11,500,000 in fiscal year 2017 is a
 81.11 onetime reduction in the general fund
 81.12 appropriation for the Minnesota job creation
 81.13 fund under Minnesota Statutes, section
 81.14 116J.8748. The base funding for this program
 81.15 is \$6,500,000 in fiscal year 2018 and each
 81.16 fiscal year thereafter.

- 81.17 (c) \$2,000,000 in fiscal year 2017 is for the
 81.18 redevelopment program under Minnesota
 81.19 Statutes, section 116J.571. This is a onetime
 81.20 appropriation.
- 81.21 (d) \$1,220,000 in fiscal year 2017 is for a
 81.22 grant to the Duluth North Shore Sanitary
 81.23 District to retire debt of the district in order to
 81.24 bring the district's monthly wastewater rates
 81.25 in line with those of similarly situated facilities
 81.26 across the state. This is a onetime
 81.27 appropriation.
- 81.28 (e) \$300,000 in fiscal year 2017 is from the
 81.29 workforce development fund for expansion of
 81.30 business assistance services provided by
 81.31 business development specialists located in
 81.32 the Northwest Region, Northeast Region, West
 81.33 Central Region, Southwest Region, Southeast
 81.34 Region, and Twin Cities Metro Region offices
 81.35 established throughout the state. Funds under
 82.1 this section may be used to provide services
 82.2 including, but not limited to, business
 82.3 start-ups; expansion; location or relocation;
 82.4 finance; regulatory and permitting assistance;
 82.5 and other services determined by the
 82.6 commissioner. The commissioner may also
 82.7 use funds under this section to increase the
 82.8 number of business development specialists
 82.9 in each region of the state, increase and expand
 82.10 the services provided through each regional
 82.11 office, and publicize the services available and
 82.12 provide outreach to communities in each
 82.13 region regarding services and assistance
 82.14 available through the business development
 82.15 specialist program. This is a onetime
 82.16 appropriation.
- 82.17 (f) \$50,000 in fiscal year 2017 is from the
 82.18 workforce development fund to enhance the
 82.19 outreach and public awareness activities of
 82.20 the Bureau of Small Business under Minnesota

- 82.21 Statutes, section 116J.68. This is a onetime
82.22 appropriation.
- 82.23 (g) \$100,000 in fiscal year 2017 is from the
82.24 general fund for an easy-to-understand manual
82.25 to instruct aspiring business owners in how to
82.26 start a child care business. The commissioner
82.27 shall work in consultation with relevant state
82.28 and local agencies and affected stakeholders
82.29 to produce the manual. The manual must be
82.30 made available electronically to interested
82.31 persons. This is a onetime appropriation and
82.32 is available until June 30, 2019.
- 82.33 (h) \$2,500,000 in fiscal year 2017 is for grants
82.34 to initiative foundations to provide financing
82.35 for business startups, expansions, and
83.1 maintenance; and for business ownership
83.2 transition and succession. This is a onetime
83.3 appropriation. Of the amount appropriated:
- 83.4 (1) \$357,000 is for a grant to the Southwest
83.5 Initiative Foundation;
- 83.6 (2) \$357,000 is for a grant to the West Central
83.7 Initiative Foundation;
- 83.8 (3) \$357,000 is for a grant to the Southern
83.9 Minnesota Initiative Foundation;
- 83.10 (4) \$357,000 is for a grant to the Northwest
83.11 Minnesota Foundation;
- 83.12 (5) \$357,000 is for a grant to the Initiative
83.13 Foundation;
- 83.14 (6) \$357,000 is for a grant to the Northland
83.15 Foundation; and
- 83.16 (7) \$357,000 is for a grant for the Minnesota
83.17 emerging entrepreneur program under
83.18 Minnesota Statutes, chapter 116M. Funds

- 83.19 available under this clause are for deposit in
 83.20 the emerging entrepreneur program special
 83.21 revenue fund account created under Minnesota
 83.22 Statutes, chapter 116M, and are available until
 83.23 spent and must be allocated as follows:
- 83.24 (i) 50 percent of the funds must be allocated
 83.25 for projects in the counties of Dakota, Ramsey,
 83.26 and Washington; and
- 83.27 (ii) 50 percent of the funds must be allocated
 83.28 for projects in the counties of Anoka, Carver,
 83.29 Hennepin, and Scott.
- 83.30 (i) \$600,000 in fiscal year 2017 is for a grant
 83.31 to a city of the second class that is designated
 83.32 as an economically depressed area by the
 83.33 United States Department of Commerce for
 84.1 economic development, redevelopment, and
 84.2 job creation programs and projects. This is a
 84.3 onetime appropriation and is available until
 84.4 June 30, 2019.
- 84.5 (j) \$4,500,000 in fiscal year 2017 is for a grant
 84.6 to the Minnesota Film and TV Board for the
 84.7 film production jobs program under Minnesota
 84.8 Statutes, section 116U.26. This appropriation
 84.9 is in addition to the appropriation in Laws
 84.10 2015, First Special Session chapter 1, article
 84.11 1, section 2, subdivision 2. This is a onetime
 84.12 appropriation.
- 84.13 (k) \$3,651,000 in fiscal year 2017 is from the
 84.14 general fund for a grant to Mille Lacs County
 84.15 to develop and operate the Lake Mille Lacs
 84.16 area economic relief program established in
 84.17 section 45. This is a onetime appropriation.
- 84.18 (l) \$500,000 in fiscal year 2017 is from the
 84.19 general fund for grants to local communities
 84.20 outside of the metropolitan area as defined
 84.21 under Minnesota Statutes, section 473.121,

- 84.22 subdivision 2, to increase the supply of quality
 84.23 child care providers in order to support
 84.24 regional economic development. Grant
 84.25 recipients must match state funds on a
 84.26 dollar-for-dollar basis. Grant funds available
 84.27 under this section must be used to implement
 84.28 solutions to reduce the child care shortage in
 84.29 the state, including but not limited to funding
 84.30 for child care business start-up or expansion,
 84.31 training, facility modifications or
 84.32 improvements required for licensing, and
 84.33 assistance with licensing and other regulatory
 84.34 requirements. In awarding grants, the
 84.35 commissioner must give priority to
 85.1 communities in greater Minnesota that have
 85.2 documented a shortage of child care providers
 85.3 in the area. This is a onetime appropriation
 85.4 and is available until June 30, 2019.
- 85.5 By September 30, 2017, grant recipients must
 85.6 report to the commissioner on the outcomes
 85.7 of the grant program, including but not limited
 85.8 to the number of new providers, the number
 85.9 of additional child care provider jobs created,
 85.10 the number of additional child care slots, and
 85.11 the amount of local funds invested.
- 85.12 By January 1, 2018, the commissioner must
 85.13 report to the standing committees of the
 85.14 legislature having jurisdiction over child care
 85.15 and economic development on the outcomes
 85.16 of the program to date.
- 85.17 (m) \$100,000 in fiscal year 2017 is from the
 85.18 general fund for a grant to the city of Madelia
 85.19 to provide match funding for a federal
 85.20 Economic Development Agency technical
 85.21 assistance grant. This is a onetime
 85.22 appropriation.
- 85.23 (n) \$10,000,000 in fiscal year 2017 is for
 85.24 deposit in the Minnesota 21st century fund.
 85.25 This is a onetime appropriation.

85.26 (o) \$400,000 in fiscal year 2017 is from the
85.27 workforce development fund for grants to
85.28 small business development centers under
85.29 Minnesota Statutes, section 116J.68. Funds
85.30 made available under this section may be used
85.31 to match funds under the federal Small
85.32 Business Development Center (SBDC)
85.33 program under United States Code, title 15,
85.34 section 648, provide consulting and technical
86.1 services, or to build additional SBDC network
86.2 capacity to serve entrepreneurs and small
86.3 businesses. The commissioner shall allocate
86.4 funds equally among the nine regional centers
86.5 and lead center. This is a onetime
86.6 appropriation.

86.7 (p) \$2,600,000 in fiscal year 2017 is for a
86.8 transfer to the Board of Regents of the
86.9 University of Minnesota for academic and
86.10 applied research through MnDRIVE at the
86.11 Natural Resources Research Institute to
86.12 develop new technologies that enhance the
86.13 long-term viability of the Minnesota mining
86.14 industry. The research must be done in
86.15 consultation with the Mineral Coordinating
86.16 Committee established by Minnesota Statutes,
86.17 section 93.0015. This is a onetime transfer.

86.18 (q) Of the amount appropriated in fiscal year
86.19 2017 for the Minnesota Investment Fund in
86.20 Laws 2015, First Special Session chapter 1,
86.21 article 1, section 2, subdivision 2, paragraph
86.22 (a), \$450,000 is for a grant to the Lake
86.23 Superior-Poplar River Water District to
86.24 acquire interests in real property, engineer,
86.25 design, permit, and construct infrastructure to
86.26 transport and treat water from Lake Superior
86.27 through the Poplar River Valley to serve
86.28 domestic, irrigation, commercial, stock
86.29 watering, and industrial water users. This grant
86.30 does not require a local match. This is a
86.31 onetime appropriation. This amount is
86.32 available until June 30, 2019.

72.32 Sec. 8. Laws 2016, chapter 189, article 7, section 46, subdivision 3, is amended to read:

72.33 Subd. 3. **Qualification requirements.** To qualify for assistance under this section, a
72.34 business must:

73.1 (1) be located within one of the following municipalities surrounding Lake Mille Lacs:

73.2 (i) in Crow Wing County, the city of Garrison, township of Garrison, or township of
73.3 Roosevelt;

73.4 (ii) in Aitkin County, the township of Hazelton, township of Wealthwood, township of
73.5 Malmo, or township of Lakeside; or

73.6 (iii) in Mille Lacs County, the city of Isle, city of Wahkon, city of Onamia, township of
73.7 East Side, township of Isle Harbor, township of South Harbor, or township of Kathio;

73.8 (2) document a reduction of at least ~~ten~~ five percent in gross receipts in any two-year
73.9 period since 2010; and

73.10 (3) be a business in one of the following industries, as defined within the North American
73.11 Industry Classification System: accommodation, restaurants, bars, amusement and recreation,
73.12 food and beverages retail, sporting goods, miscellaneous retail, general retail, museums,
73.13 historical sites, health and personal care, gas station, general merchandise, business and
73.14 professional membership, movies, or nonstore retailer, as determined by Mille Lacs County
73.15 in consultation with the commissioner of employment and economic development.

86.33 (r) \$500,000 is for the Minnesota emerging
86.34 entrepreneur program under Minnesota
86.35 Statutes, section 116M.18. Of this amount, up
87.1 to five percent is for administration and
87.2 monitoring of the program. For fiscal year
87.3 2018 and thereafter, the base amount is
87.4 \$750,000 per year. Funds available under this
87.5 paragraph are for deposit in the emerging
87.6 entrepreneur program special revenue fund
87.7 account created under Minnesota Statutes,
87.8 chapter 116M, and are available until spent.

87.9 **EFFECTIVE DATE.** This section is effective retroactively to July 1, 2016.

73.16 Sec. 9. Laws 2016, chapter 189, article 7, section 46, the effective date, is amended to
73.17 read:

73.18 **EFFECTIVE DATE.** This section, except for subdivision 4, is effective July 1, 2016,
73.19 and expires June 30, ~~2017~~ 2018. Subdivision 4 is effective July 1, 2016, and expires on the
73.20 date the last loan is repaid or forgiven as provided under this section.

73.21 Sec. 10. **GREATER MINNESOTA COMMUNITY DESIGN PILOT PROJECT.**

73.22 Subdivision 1. **Creation.** The Minnesota Design Center at the University of Minnesota
73.23 shall partner with relevant organizations in selected communities within greater Minnesota
73.24 to establish a pilot project for community design. The pilot project shall identify current
73.25 and future opportunities for rural development, create designs, seek funding from existing
73.26 sources, and assist with the implementation of economically, environmentally, and culturally
73.27 sensitive projects that respond to current community conditions, needs, capabilities, and
73.28 aspirations in support of the selected communities. For the purposes of this section, "greater
73.29 Minnesota" is limited to the following counties: Blue Earth, Brown, Dodge, Faribault,
73.30 Fillmore, Freeborn, Goodhue, Houston, Le Sueur, Martin, Mower, Olmsted, Rice, Sibley,
73.31 Steele, Wabasha, Waseca, Watonwan, and Winona.

74.1 Subd. 2. **Community selection.** In order to be considered for inclusion in the pilot
74.2 project, communities with fewer than 12,000 residents within the counties listed in
74.3 subdivision 1 must submit a letter of interest to the Minnesota Design Center. The Minnesota
74.4 Design Center may choose up to ten communities for participation in the pilot project.

74.5 Subd. 3. **Pilot project activities.** Among other activities, the Minnesota Design Center,
74.6 in partnership with relevant organizations within the selected communities, shall:

74.7 (1) assess community capacity to engage in design, development, and implementation;

74.8 (2) create community and project designs that respond to a community's culture and
74.9 needs, reinforce its identity as a special place, and support its future aspirations;

74.10 (3) create an implementation strategy; and

74.11 (4) build capacity to implement design work by identifying potential funding strategies
74.12 and sources and assisting in grant writing to secure funding.

74.13 Sec. 11. **DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT;**
74.14 **MANDATED REPORT HOLIDAY.**

74.15 (a) Notwithstanding any law to the contrary, any report required by state law from the
 74.16 Department of Employment and Economic Development that is due in fiscal year 2018 or
 74.17 2019 is optional. The commissioner of employment and economic development may produce
 74.18 any reports at the commissioner's discretion or as may be required by federal law.

74.19 (b) This section does not apply to workforce programs outcomes reporting under
 74.20 Minnesota Statutes, section 116L.98.

74.21 **Sec. 12. ONETIME EXCEPTION TO RESTRICTIONS ON USE OF MINNESOTA**
 74.22 **INVESTMENT FUND LOCAL GOVERNMENT LOAN REPAYMENT FUNDS.**

74.23 Notwithstanding Minnesota Statutes, section 116J.8731, subdivision 2, a home rule
 74.24 charter or statutory city, county, or town that has uncommitted money received from
 74.25 repayment of funds awarded under Minnesota Statutes, section 116J.8731, may choose to
 74.26 transfer 20 percent of the balance of that money to the state general fund before June 30,
 74.27 2018. A home rule charter or statutory city, county, or town that does so may then use the
 74.28 remaining 80 percent of the uncommitted money for any purposes not otherwise forbidden
 74.29 by law other than Minnesota Statutes, section 116J.8731, but must submit a report by January
 74.30 20, 2020, to the chairs and ranking minority members of the house of representatives and
 74.31 the senate committees with jurisdiction over economic development that details how the
 74.32 money was used.

75.1 **Sec. 13. EXISTING DEPUTY COMMISSIONERS MAY SERVE UNTIL JANUARY**
 75.2 **1, 2019.**

75.3 All existing deputy commissioners under Minnesota Statutes, section 116J.01, may serve
 75.4 until January 1, 2019. Vacancies that occur in these positions before January 1, 2019, must
 75.5 not be filled.

87.10 **Sec. 18. ONETIME EXCEPTION TO RESTRICTIONS ON USE OF MINNESOTA**
 87.11 **INVESTMENT FUND LOCAL GOVERNMENT LOAN REPAYMENT FUNDS.**

87.12 (a) Notwithstanding Minnesota Statutes, section 116J.8731, a home rule charter or
 87.13 statutory city, county, or town that has uncommitted money received from repayment of
 87.14 funds awarded under Minnesota Statutes, section 116J.8731, may choose to transfer 20
 87.15 percent of the balance of that money to the state general fund before June 30, 2018. Any
 87.16 local entity that does so may then use the remaining 80 percent of the uncommitted money
 87.17 as a general purpose aid for any lawful expenditure.

87.18 (b) By February 15, 2019, a home rule charter or statutory city, county, or town that
 87.19 exercises the option under paragraph (a) shall submit to the chairs of the legislative
 87.20 committees with jurisdiction over economic development policy and finance an accounting
 87.21 and explanation of the use and distribution of the funds.

87.22 **Sec. 19. GETTING TO WORK GRANT PROGRAM.**

87.23 Subdivision 1. **Creation.** The commissioner of employment and economic development
 87.24 shall make grants to nonprofit organizations to establish and operate programs under this
 87.25 section that provide, repair, or maintain motor vehicles to assist eligible individuals to obtain
 87.26 or maintain employment.

- 87.27 Subd. 2. **Qualified grantee.** A grantee must:
- 87.28 (1) qualify under section 501(c)(3) of the Internal Revenue Code; and
- 87.29 (2) at the time of application offer, or have the demonstrated capacity to offer, a motor
- 87.30 vehicle program that provides the services required under subdivision 3.
- 87.31 Subd. 3. **Program requirements.** (a) A program must offer one or more of the following
- 87.32 services:
- 88.1 (1) provision of new or used motor vehicles by gift, sale, or lease;
- 88.2 (2) motor vehicle repair and maintenance services; or
- 88.3 (3) motor vehicle loans.
- 88.4 (b) In addition to the requirements of paragraph (a), a program must offer one or more
- 88.5 of the following services:
- 88.6 (1) financial literacy education;
- 88.7 (2) education on budgeting for vehicle ownership;
- 88.8 (3) car maintenance and repair instruction;
- 88.9 (4) credit counseling; or
- 88.10 (5) job training related to motor vehicle maintenance and repair.
- 88.11 Subd. 4. **Application.** Applications for a grant must be on a form provided by the
- 88.12 commissioner and on a schedule set by the commissioner. Applications must, in addition
- 88.13 to any other information required by the commissioner, include the following:
- 88.14 (1) a detailed description of all services to be offered;
- 88.15 (2) the area to be served;
- 88.16 (3) the estimated number of program participants to be served by the grant; and

- 88.17 (4) a plan for leveraging resources from partners that may include, but are not limited
 88.18 to:
- 88.19 (i) automobile dealers;
- 88.20 (ii) automobile parts dealers;
- 88.21 (iii) independent local mechanics and automobile repair facilities;
- 88.22 (iv) banks and credit unions;
- 88.23 (v) employers;
- 88.24 (vi) employment and training agencies;
- 88.25 (vii) insurance companies and agents;
- 88.26 (viii) local workforce centers; and
- 88.27 (ix) educational institutions including vocational institutions and jobs or skills training
 88.28 programs.
- 89.1 Subd. 5. **Participant eligibility.** (a) To be eligible to receive program services, a person
 89.2 must:
- 89.3 (1) have a household income at or below 200 percent of the federal poverty level;
- 89.4 (2) be at least 22 years of age;
- 89.5 (3) have a valid driver's license;
- 89.6 (4) provide the grantee with proof of motor vehicle insurance; and
- 89.7 (5) demonstrate to the grantee that a motor vehicle is required by the person to obtain
 89.8 or maintain employment.
- 89.9 (b) This subdivision does not preclude a grantee from imposing additional requirements,
 89.10 not inconsistent with paragraph (a), for the receipt of program services.
- 89.11 Subd. 6. **Report to legislature.** By February 15, 2019, the commissioner shall submit
 89.12 a report to the chairs of the house of representatives and senate committees with jurisdiction

75.6 Sec. 14. **REPEALER.**

75.7 Minnesota Statutes 2016, section 116J.549, is repealed.

89.13 over workforce and economic development on program outcomes. At a minimum, the report
89.14 must include:

89.15 (1) the total number of program participants;

89.16 (2) the number of program participants who received each of the following:

89.17 (i) provision of a motor vehicle;

89.18 (ii) motor vehicle repair services; and

89.19 (iii) motor vehicle loans;

89.20 (3) the number of program participants who report that they or their children were able
89.21 to increase their participation in community activities such as after school programs, other
89.22 youth programs, church or civic groups, or library services as a result of participation in the
89.23 program; and

89.24 (4) an analysis of the impact of the getting to work grant program on the employment
89.25 rate and wages of program participants.

89.26 Sec. 20. **REPEALER.**

89.27 Minnesota Rules, parts 4355.0100; 4355.0200; 4355.0300; 4355.0400; and 4355.0500,
89.28 are repealed.