Senate Counsel, Research, and Fiscal Analysis

Tom Bottern, Director

Senate

State of Minnesota

Minnesota Senate Building 95 University Ave. W. Suite 3300 St. PAUL, MN 55155-1800 (651) 296-4791 www.senate.mn/scrfa

S.F. No. 3411 – Canadian border counties economic relief program (As amended by SCS3411A-2)

Author:Senator Thomas M. BakkPrepared by:Carlon Doyle Fontaine, Senate Counsel (651/296-4395)Date:March 9, 2022

S.F. 3411 establishes a relief program to assist businesses adversely affected by the 2021 closure of the Boundary Waters Canoe Area Wilderness or the closures of the Canadian border since 2020.

Subdivision 1. **Relief program established.** Directs the commissioner of employment and economic development to develop and implement a relief program to assist businesses adversely affected by the 2021 closure of the Boundary Waters Canoe Area Wilderness or the closures of the Canadian border since 2020.

Subdivision 2. Available relief. Directs the commissioner to develop criteria, procedures, and requirements for the relief program. Caps grants at \$250,000 per eligible business.

Subdivision 3. **Qualification requirements.** Requires a qualifying business to be located within a county that shares a border with Canada, document a reduction of at least ten percent in gross receipts in 2021 compared to 2020 or 2019; and provide a written explanation for how the closures resulted in the reduction in gross receipts.

Subdivision 4. **Monitoring.** Requires the commissioner to establish performance measures for recipients of business relief including grants awarded and amounts, job creation information, any change in business activity, and new tax revenue resulting from the assistance.

Subdivision 5. **Business subsidy requirements.** Clarifies that certain statutory business subsidy requirements to not apply to relief assistance received. Requires a recipient business to provide job creation and retention goals, and wage and benefit goals.

Subdivision 6. Administrative costs. Allows commissioner to use up to one percent of the appropriation for administrative expenses of the department.

Subdivision 7. **Appropriation.** Appropriates \$15,000,000 in fiscal year 2023 from the general fund for the relief program.