

S.F. No. 3035 – Jobs and Economic Development Omnibus Budget Bill (1st Engrossment)

Author: Senator Bobby Joe Champion

Prepared by: Carlon Doyle Fontaine, Senate Counsel (651/296-4395)

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Article 1 – Appropriations

Provides appropriations for the Department of Employment and Economic Development and Explore Minnesota. See spreadsheet for details.

Article 2 – Explore Minnesota

Section 1. **Explore Minnesota.** Clarifies that “Explore Minnesota” is the umbrella office to oversee the Explore Minnesota Tourism and Explore Minnesota for Businesses divisions.

Section 2. **Explore Minnesota Tourism.** Provides the purpose of the Explore Minnesota Tourism division.

Section 3. **Explore Minnesota for Business.** Provides the purpose of the Explore Minnesota for Business division.

Section 4. **Definitions.** Clarifies that the director of Explore Minnesota is the executive director and makes other technical changes.

Section 5. **Mission.** Expands the mission of Explore Minnesota.

Section 6. **Organization.** Provides additional organizational duties for the executive director of Explore Minnesota.

Section 7. **Explore Minnesota Councils.** Specifies that the director be advised by the Explore Minnesota Tourism Council and the Explore Minnesota for Business Council. Provides appointments, duties, and other organizational matters for the councils.

Section 8. **Explore Minnesota for Business Council.** Provides membership makeup and other organizational matters for the Explore Minnesota for Business Council.

Section 9. **Duties of Director.** Provides additional duties for the executive director of Explore Minnesota including promotion of Minnesota travel, overall livability, workforce and economic opportunity.

Section 10. **Promotional expenses.** Clarifies that the director may expend money for promotional expenses related to overall livability, workforce and economic opportunity.

Article 3 - PROMISE Act

Section 1. **Title.** Provides a title for Article 3 as the “Providing Resources, Opportunity, and Maximizing Investments in Striving Entrepreneurs (PROMISE) Act.”

Section 2. **PROMISE grant program.** Creates the PROMISE grant program to provide grants through partner organizations of up to \$50,000 per grant to businesses in the areas identified.

Section 3. **PROMISE loan program.** Creates the PROMISE loan program to provide loans through partner organizations of up to \$1,000,000 per loan to businesses in the areas identified.

Article 4 – Employment and Economic Development Provisions

Section 1. **Office of Child Care Community Partnerships.** Creates the Office of Child Care Community Partnerships within DEED which will serve to coordinate the various child care initiatives among agencies and other entities.

Section 2. **Office of New Americans.** Establishes the Office of New Americans within DEED and creates an interdepartmental coordination council on immigrant and refugee affairs to advise the Office.

Section 3. **Meetings.** Allows the Energy Transition Advisory Committee to meet quarterly instead of monthly and then after the energy transition plan is submitted to establish a schedule to meet as needed.

Section 4. **Expiration.** Provides an expiration date of June 30, 2027, for the Energy Transition Advisory Committee.

Section 5. **Small business assistance partnerships program.** Establishes a small business assistance partnerships program to provide grants to local and regional community-based organizations for business development and technical assistance services.

Section 6. **Minnesota Expanding Opportunity Fund Program.** Establishes the Minnesota expanding opportunity fund program to capitalize Minnesota nonprofit corporations to increase lending activities with small businesses.

Sections 7 to 9. **Job creation fund.** Modify certain employee retention and spending requirements for the job creation fund program and creates a 4th tier for awards.

Section 10. **Transfer.** Allows the commissioner to transfer funds between the job creation fund and the redevelopment program based on business demand.

Section 11. **Launch Minnesota.** Codifies the Launch Minnesota program, which has operated as an uncodified program since 2019 and provides entrepreneurs and emerging technology-based companies business development assistance and financial assistance.

Section 12. **Minnesota Forward Fund.** Creates the Minnesota Forward Fund for the purpose of increasing state competitiveness to facilitate private investment through offering incentives to compete with other states for business retention, attract new industries, and meet matching requirements of federal funding, among other abilities of the fund.

Sections 13 to 15. **Youthbuild program.** Modify the Youthbuild program to be consistent with the federal program, including a reference to the Workforce Innovation and Opportunity Act.

Section 16. **Targeted populations workforce grants.** Establishes several grant targeted grant programs within DEED including job and entrepreneurial skills training grants, diversity and inclusion training for small employers, and capacity building grants.

Section 17 to 18. **Minnesota Youth Program.** Make changes to the Minnesota Youth Program by increasing the eligible applicant age range to 14 to 24 instead of ages 14 - 21.

Section 19. **Youth-at-work program.** Making a reference change within the definition of “economically disadvantaged” to cite the Workforce Innovation and Opportunity Act within the Youth-at-work grant program.

Sections 20 to 23. **Destination Medical Center.** Modify provisions within the Destination Medical Center Initiative statutes regarding state transit aid, by broadening the definition of “transit costs” to include buses, and including construction costs and similar costs in the definition of “expenditures.”

Section 24. **Minnesota employer reasonable accommodation fund.** Requires the commissioner of DEED to establish a reasonable accommodation reimbursement pilot grant program to reimburse eligible employers for expenses related to providing reasonable accommodations for individuals with a disability who are either applicants or employees of the employer.

Article 5 – Miscellaneous

Section 1. **Getting to work grant program.** Codifies the getting to work grant program which provides grants to nonprofit organizations to operate programs that provide, repair, or maintain motor vehicles to assist individuals to obtain or maintain employment. This section is from **S.F. 607** (Hawj).

Section 2. **Community energy transition grant program definitions.** Modifies the definition of “eligible community” to include a community that hosts an electric generating plant whose current operating license will expire within 15 years of the effective date of the section. This section and sections 3 and 4 are from **S.F. 1173** (Hauschild)

Section 3. **Community energy transition grant program awards.** Eliminates the requirement that community energy transition grants be awarded through a competitive process. Clarifies that an eligible community may receive a grant award of up to \$1,000,000 per calendar year. Allows grant applications to be accepted on an ongoing or rolling basis.

Section 4. **Community energy transition grant program expenditures.** Allows the commissioner to transfer administrative funds to the Environmental Quality Board to assist communities with regulatory coordination and technical assistance. Clarifies uses of grant funds by communities.

Section 5. **Emerging developer fund program.** Establishes the emerging developer fund program to make loans to emerging developers for eligible projects statewide for economic development and the creation and retention of jobs in Minnesota. This section is from **S.F. 1084** (Champion).

Section 6. **Forgivable loan program for remote recreational businesses.** Modifies provisions and applicable dates in the 2021 session law for the forgivable loan program for remote recreational businesses. This section is from **S.F. 2784** (Green).

Section 7. **Canadian border counties economic relief program.** Established the Canadian border counties economic 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. This is from **S.F.1574** (Hauschild)