

## S.F. No. 1479 – Southwestern Minnesota workforce development scholarship pilot program

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**S.F. 1479** creates the southwestern Minnesota workforce development scholarship pilot program.

Section 1. **Southwestern Minnesota workforce development scholarship pilot program.**

Subdivision 1. **Definitions.** Defines terms used in this section. Terms include “commissioner,” “Southwest Initiative Foundation,” “employer sponsored applicant,” “eligible student,” and “local employer.”

Subdivision 2. **Program established.** Creates the Southwestern Minnesota workforce development scholarship pilot program to be administered by the Southwest Initiative Foundation, which will award students scholarships to assist in meeting the workforce challenges in southwest Minnesota.

Subdivision 3. **Grant to the Southwest Initiative Foundation.** Directs the commissioner of employment and economic development to award grant funds to the Southwest Initiative Foundation to administer the program. Allows the foundation to use up to seven percent of the grant for administration costs.

Subdivision 4. **Scholarship awards.** Directs the foundation to coordinate the program with and award scholarships to the listed Minnesota West college. Prioritizes grants to applicants continuing in the program and then students sponsored by an employer.

Subdivision 5. **Program eligibility.** Requires scholarships to be awarded for study of in-demand fields as determined by the local workforce development board.

Subdivision 6. **Renewal; cap.** Allows a student awarded a scholarship to apply in subsequent academic years, not to exceed two full scholarships per student.

Subdivision 7. **Administration.** Directs the foundation and Minnesota West colleges to develop an application process for the scholarship pilot program.

Subdivision 8. **Scholarship recipient requirements.** Requires scholarship applicants to commit to three years of full-time employment with any qualified local employer in their field, if this obligation is not met, the scholarship converts to a loan.

Subdivision 10. **Local employer scholarships tax credit.** Allows employers who sponsor a student a credit against their state taxes up to the lesser of either an amount equal to the amount of the scholarship provided or a set dollar amount.

Subdivision 11. **Report required.** Requires reports to the legislature on program outcomes and sets other administrative procedures.

Section 2. **Appropriation.** Makes a onetime appropriation of \$700,000 in fiscal year 2024 from the workforce development fund for a grant to the Southwest Initiative Foundation for the pilot program and keeps funds available until June 30, 2028.