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## **S.F. No. 4027 – Employment and Economic Development policy and technical changes (A-3 amendment)**

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S.F. 4027 makes policy and technical changes to provisions under the jurisdiction of the Department of Employment and Economic Development.

### **Article 1 – Dislocated Workers**

**Section 1** modifies the definition of “dislocated worker” for purposes of access to dislocated worker services to include the spouse of a member of the armed forces who is on active duty when certain conditions are met; an individual with non-work-related injuries or illnesses needing support to re-enter or remain in the workforce; or an adult with a low income, a recipient of public assistance, or is deficient in basic skills.

**Section 2** repeals § 116L.17, subdivision 5, which would eliminate fund allocation cost limitations for dislocated worker program grantees.

### **Article 2 – Job Creation Fund**

**Section 1** amends definitions applicable to the Job Creation Fund program to allow for equivalent measures for certain new full-time employee and retained job requirements of the program.

**Sections 2 to 4** make conforming changes to reflect the amended definitions in **section 1**.

### **Article 3 – Innovative Business Development Public Infrastructure Grant Program**

**Section 1** modifies the uses and grant amounts for grants under the innovative business development public infrastructure grant program.

**Section 2** reworks the information that is required from a local government unit when applying to the commissioner for an innovative business development public infrastructure grant and makes a conforming change related to the repeal of the priorities subdivision of the law in **section 3**.

**Section 3** repeals § 116J.435, subdivision 5, which would eliminate the subdivision listing the priorities to be considered by the commissioner for the grant program.

#### **Article 4 – Energy Transition Advisory Committee**

**Section 1** increases membership on the energy transition advisory committee to 19 voting members by adding a representative of a school district facing revenue loss due to energy transition.

#### **Article 5 – Technical Changes**

**Section 1** specifies that the Northland Foundation may use up to five percent of the appropriation for the Canadian Border Counties Economic Relief Program for administrative expenses.

**Section 2** modifies availability of the Launch Minnesota 2023 appropriation until June 30, 2027.

#### **Article 6 – Small Business Program Modifications**

**Sections 1, 3, and 4**, change references to “Tribes” to “Tribal economic development entities” and adds community development financial institutions to those financial entities that are eligible to administer the programs.

**Section 2** allows small business assistance partnership grantees to use up to 15 percent of grant funds for expenses incurred while administering the grant.

**Section 3** provides a maximum fee or interest rate charged for a loan under the Minnesota expanding opportunity fund program. Requires DEED to provide a lending entity a one percent fee for every loan closed to offset costs related to the loan.

**Section 4** specifies that preferred partners in the Minnesota emerging entrepreneur program do not need final approval from DEED for loans and requires approval by DEED for other loan decisions. Requires DEED to develop criteria for loan forgiveness. Modifies maximum loan amount for microenterprise loans. Provides a maximum fee or interest rate charged for a loan under the program. Requires DEED to provide a lending entity a one percent fee for every loan closed to offset costs related to the loan.

**Section 5** allows up to 15 percent of a community wealth-building loan's principal amount to be forgiven by the partner organization if the borrower has met all lending criteria developed by the partner organization and the commissioner for at least two years.

**Section 6** modifies reporting dates for the community wealth-building program pilot project for partner organizations to provide reports to the commissioner of employment and economic development.

## **Article 7 – Independent Living Services**

This article makes housekeeping and technical changes to the statute governing independent living services and certification of Centers for Independent Living administered by the Department of Employment and Economic Development through the Vocational Rehabilitation Services Program.

The amendments to this section conforms Minnesota’s program with federal law, clarifies that independent living services are administered by the Vocational Rehabilitation Services Program, revises citations to federal law, and makes other grammatical changes.