



m EMPLOYMENT AND
ECONOMIC DEVELOPMENT

Delivering for Minnesota's Businesses, Workers and Communities

Supplemental Budget Proposals

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Sec. 1 Targeted Populations Workforce Grant Program

Change

- Remove the requirement that a community-based organization have an annual budget of no more than \$1,000,000.

Purpose of Change

- Removing this eligibility requirement enhances flexibility to ensure the funds are awarded to an organization best suited to realize the objective of providing, “skills training that leads to employment or business development in high-growth industries.”
- The program will continue to emphasize smaller organizations in its awards

Example of benefit

- In Greater Minnesota, due to the economics of community-based organizations, there are fewer organizations that have the expertise and capacity to effectively administer the program and often have budgets larger than \$1,000,000. Awards to these organizations will result in the best possible outcomes to ensure efficient and impactful use of taxpayer funds.

Sec. 2 SFY 2026-27 Appropriation

	2024	2025	2026
General Fund	17,950,000	7,950,000	5,950,000
Workforce Development Fund	95,000	95,000	95,000

Purpose:

Aligns FY26-27 funding with agreed-upon spreadsheet for General Support Services – which is represented in the FY26 column.

Appropriation Change for Vocational Rehabilitation

Funding Change

One-time funding of \$5.055 million each year was appropriated from the general fund for FY24-25. Grantees have asked to spread the funding through FY27 so they can make better use of one-time funds.

- To comply with the budget agreements, Sec. 3 strikes the FY25 funds but Sec. 6 reappropriates \$5.055 million that can be spent through FY27 to satisfy grantee needs.
- This is a budget neutral change.

Sec. 4 Removing End Date for Transfers between Funds

Change

Removes end-date of June 30, 2027, to allow money transfers between the following funds:

- Minnesota Forward Fund account
- Minnesota Climate Innovation Authority account
- State Competitiveness Fund account



Benefit of change

- Provides flexibility to ensure optimal utilization of the funds and fluctuations in demand.

Sec. 5 Cancellation of the Appropriation to 2027 Expo Project

Change

Requires the money appropriated for the 2027 Expo Project in Laws 2023, Chapter 53, Article 20, Section 2, Subdivision 2 to cancel to the general fund.

Justification for Change

- The Bureau International des Expositions did not select Minnesota to host Expo 2027. Belgrade, Serbia was chosen as the host of Expo 2027.



Sec. 8 Repeal of Airport Infrastructure Renewal (Air) Grant Program

Change

- Repeal Minnesota Statutes 2022, section 116J.439 – the Airport Infrastructure Renewal Grant Program.

Justification for Change

- This program has consistently low to no utilization.
- The program has not had an application since 2021 when it received a single application and awarded \$250,000 to Rochester.
- This work can instead be done under the BDPI program.



Thank you!

We welcome your questions