SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 2679

(SENATE AUTHORS: DRAHEIM, Jasinski and Howe)

DATE	D-PG	OFFICIAL STATUS
03/17/2025	871	Introduction and first reading Referred to Jobs and Economic Development

A bill for an act

relating to workforce development; establishing a private sector equipment training opportunity program; requiring a report; appropriating money.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **PRIVATE SECTOR EQUIPMENT TRAINING OPPORTUNITY PROGRAM.**

Subdivision 1. **Program established.** The private sector equipment training opportunity program is created to act as a catalyst to bring students with specific equipment training needs together with private sector businesses that possess the necessary equipment to fulfill those equipment training needs.

Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Area of employment need career course" means a course that will potentially lead to a career in an occupation identified in Minnesota Statutes, section 175.45, subdivision 1, or meet the definition in Minnesota Statutes, section 116L.99, subdivision 1, paragraph (d).

(c) "Commissioner" means the commissioner of employment and economic development.

(d) "Educational institution" includes:

(1) public high schools;

(2) public technical colleges;

(3) state community colleges;

(4) state universities; and

(5) the University of Minnesota.

(e) "Student" means a student currently enrolled in an educational institution.

Subd. 3. **Duties.** In facilitating the program, the commissioner shall:

(1) work with educational institutions to identify those area of employment need career courses that lack the training equipment necessary to educate students with equipment currently used in the profession; and

(2) identify and encourage private businesses that possess the equipment to participate in the equipment training opportunity program.

Subd. 4. **Private sector equipment training tax credit.** (a) A private sector business is allowed a credit against the tax due under Minnesota Statutes, chapter 290, equal to the amount it would cost to rent the equipment used to train students on the private market.

(b) The credit allowed to a private sector business under this subdivision for a taxable year is limited to the lesser of the following amounts:

(1) $.......; or

(2) the total amount of the cost of the equipment on the private market less depreciation.

(c) If the amount of credit which a claimant is eligible to receive under this subdivision exceeds the claimant's tax liability under Minnesota Statutes, chapter 290, the commissioner of revenue shall refund the excess to the claimant.

(d) For a nonresident or a part-year resident, the credit under this subdivision must be allocated based on the percentage calculated under Minnesota Statutes, section 290.06, subdivision 2c, paragraph (e).

(e) Credits granted to a partnership, a limited liability company taxed as a partnership, an S corporation, or multiple owners of property are passed through to the partners, members, shareholders, or owners, respectively, pro rata to each partner, member, shareholder, or owner based on their share of the entity's assets or as specially allocated in their organizational documents or any other executed agreement, as of the last day of the taxable year.

(f) An amount sufficient to pay the refunds required by this section is appropriated to the commissioner of revenue from the general fund.

Subd. 5. **Reporting.** The commissioner must submit an annual report by December 31 of each year regarding the equipment training opportunity program to the chairs and ranking minority members of the legislative committees with jurisdiction over employment and economic development policy and taxes. The first report is due no later than December 31, 2027. The annual report must describe the following:

(1) the number of students that participated in a private sector equipment training opportunity the previous calendar year;

(2) a list of courses and applicable occupations for which equipment training opportunities were provided;

(3) a list of businesses participating in the equipment training opportunity program;

(4) the amount of tax credits allowed to participating businesses; and

(5) a list of recommendations to the legislature regarding potential program improvements.

EFFECTIVE DATE. This section is effective the day following final enactment, except that subdivision 4 is effective for taxable years beginning after December 31, 2025, and before January 1, 2029.