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Senator Champion from the Committee on Jobs and Economic Development, to which was referred

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S.F. No. 1832: A bill for an act relating to state government; establishing a biennial budget for the Department of Employment and Economic Development and Explore Minnesota; making various policy changes; requiring reports; appropriating money; amending Minnesota Statutes 2024, sections 116J.431, subdivision 2; 116J.8733, subdivision 4; 116J.8752, subdivision 2; 116L.04, subdivisions 1, 1a; 116L.98, subdivision 2; 469.54, subdivision 4; Laws 2023, chapter 53, article 20, section 2, subdivision 2, as amended; article 21, section 7, as amended; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Laws 2024, chapter 120, article 1, section 13.

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Reports the same back with the recommendation that the bill be amended as follows:

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Delete everything after the enacting clause and insert:

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"ARTICLE 1
APPROPRIATIONS

1.15

Section 1. APPROPRIATIONS.

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(a) The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2026" and "2027" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively. "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium" is fiscal years 2026 and 2027.

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(b) If an appropriation in this article is enacted more than once in the 2025 regular or special legislative session, the appropriation must be given effect only once.

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(c) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the commissioners of the agencies receiving grant appropriations in this article must not use any amount of the grant appropriations for administration costs unless otherwise appropriated or stated in Minnesota Statutes, section 116J.035, subdivision 7.

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<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2026</u>	<u>2027</u>

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Sec. 2. DEPARTMENT OF EMPLOYMENT
AND ECONOMIC DEVELOPMENT

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<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>159,277,000</u>	<u>\$</u>	<u>149,835,000</u>
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2.1 Appropriations by Fund

2.2		<u>2026</u>	<u>2027</u>
2.3	<u>General</u>	<u>113,113,000</u>	<u>108,433,000</u>
2.4	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
2.5	<u>Workforce</u>		
2.6	<u>Development</u>	<u>45,464,000</u>	<u>40,702,000</u>

2.7 The amounts that may be spent for each
 2.8 purpose are specified in the following
 2.9 subdivisions.

2.10 Subd. 2. **Business and Community Development** 54,254,000 49,104,000

2.11 Appropriations by Fund

2.12	<u>General</u>	<u>51,204,000</u>	<u>46,054,000</u>
2.13	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
2.14	<u>Workforce</u>		
2.15	<u>Development</u>	<u>2,350,000</u>	<u>2,350,000</u>

2.16 (a) \$2,287,000 each year is for the greater
 2.17 Minnesota business development public
 2.18 infrastructure grant program under Minnesota
 2.19 Statutes, section 116J.435. This appropriation
 2.20 is available until June 30, 2029.

2.21 (b) \$350,000 each year is for the
 2.22 administration of the Energy Transition Office
 2.23 under Minnesota Statutes, section 116J.5491.

2.24 (c) \$500,000 each year is for grants to small
 2.25 business development centers under Minnesota
 2.26 Statutes, section 116J.68. Money made
 2.27 available under this paragraph may be used to
 2.28 match funds under the federal Small Business
 2.29 Development Center (SBDC) program under
 2.30 United States Code, title 15, section 648, to
 2.31 provide consulting and technical services or
 2.32 to build additional SBDC network capacity to
 2.33 serve entrepreneurs and small businesses.

2.34 (d) \$2,725,000 each year is for the small
 2.35 business assistance partnerships program

3.1 under Minnesota Statutes, section 116J.682.

3.2 All grant awards shall be for two consecutive

3.3 years. Grants shall be awarded in the first year.

3.4 The department may use up to five percent of

3.5 the appropriation for administrative purposes.

3.6 (e) \$1,772,000 each year is for contaminated

3.7 site cleanup and development grants under

3.8 Minnesota Statutes, sections 116J.551 to

3.9 116J.558. This appropriation is available until

3.10 expended.

3.11 (f) \$700,000 each year is from the remediation

3.12 fund for contaminated site cleanup and

3.13 development grants under Minnesota Statutes,

3.14 sections 116J.551 to 116J.558. This

3.15 appropriation is available until expended.

3.16 (g) \$139,000 each year is for the Center for

3.17 Rural Policy and Development.

3.18 (h) \$25,000 each year is for the administration

3.19 of state aid for the Destination Medical Center

3.20 Corporation under Minnesota Statutes,

3.21 sections 469.40 to 469.47.

3.22 (i) \$575,000 each year is for the host

3.23 community economic development program

3.24 established in Minnesota Statutes, section

3.25 116J.548. The base for this appropriation is

3.26 \$375,000 in fiscal year 2028 and each year

3.27 thereafter.

3.28 (j)(1) \$1,500,000 each year is for grants to

3.29 local communities to increase the number of

3.30 quality child care providers to support

3.31 economic development. Fifty percent of grant

3.32 funds must go to communities located outside

3.33 the seven-county metropolitan area as defined

4.1 in Minnesota Statutes, section 473.121,
4.2 subdivision 2.

4.3 (2) Grant recipients must obtain a 50 percent
4.4 nonstate match to grant funds in either cash
4.5 or in-kind contribution, unless the
4.6 commissioner waives the requirement. Grant
4.7 funds available under this paragraph must be
4.8 used to implement projects to reduce the child
4.9 care shortage in the state, including but not
4.10 limited to funding for child care business
4.11 start-ups or expansion, training, facility
4.12 modifications, direct subsidies or incentives
4.13 to retain employees, or improvements required
4.14 for licensing, and assistance with licensing
4.15 and other regulatory requirements. In awarding
4.16 grants, the commissioner must give priority
4.17 to communities that have demonstrated a
4.18 shortage of child care providers.

4.19 (3) Within one year of receiving grant funds,
4.20 grant recipients must report to the
4.21 commissioner on the outcomes of the grant
4.22 program, including but not limited to the
4.23 number of new providers, the number of
4.24 additional child care provider jobs created, the
4.25 number of additional child care slots, and the
4.26 amount of cash and in-kind local funds
4.27 invested. Within one month of all grant
4.28 recipients reporting on program outcomes, the
4.29 commissioner must report the grant recipients'
4.30 outcomes to the chairs and ranking members
4.31 of the legislative committees with jurisdiction
4.32 over early learning and child care and
4.33 economic development.

5.1 (k) \$500,000 each year is for the Office of
5.2 Child Care Community Partnerships. Of this
5.3 amount:

5.4 (1) \$450,000 each year is for administration
5.5 of the Office of Child Care Community
5.6 Partnerships; and

5.7 (2) \$50,000 each year is for the Labor Market
5.8 Information Office to conduct research and
5.9 analysis related to the child care industry.

5.10 (l) \$1,000,000 each year is for a grant to the
5.11 Minnesota Initiative Foundations. This
5.12 appropriation is available until June 30, 2029.
5.13 The Minnesota Initiative Foundations must
5.14 use grant funds under this section to:

5.15 (1) facilitate planning processes for rural
5.16 communities resulting in a community solution
5.17 action plan that guides decision making to
5.18 sustain and increase the supply of quality child
5.19 care in the region to support economic
5.20 development;

5.21 (2) engage the private sector to invest local
5.22 resources to support the community solution
5.23 action plan and ensure quality child care is a
5.24 vital component of additional regional
5.25 economic development planning processes;

5.26 (3) provide locally based training and technical
5.27 assistance to rural child care business owners
5.28 individually or through a learning cohort.
5.29 Access to financial and business development
5.30 assistance must prepare child care businesses
5.31 for quality engagement and improvement by
5.32 stabilizing operations, leveraging funding from
5.33 other sources, and fostering business acumen
5.34 that allows child care businesses to plan for

6.1 and afford the cost of providing quality child
6.2 care; and

6.3 (4) recruit child care programs to participate
6.4 in quality rating and improvement
6.5 measurement programs. The Minnesota
6.6 Initiative Foundations must work with local
6.7 partners to provide low-cost training,
6.8 professional development opportunities, and
6.9 continuing education curricula. The Minnesota
6.10 Initiative Foundations must fund, through local
6.11 partners, an enhanced level of coaching to
6.12 rural child care providers to obtain a quality
6.13 rating through measurement programs.

6.14 (m) \$8,000,000 each year is for the Minnesota
6.15 job creation fund under Minnesota Statutes,
6.16 section 116J.8748. Of this amount, the
6.17 commissioner of employment and economic
6.18 development may use up to three percent for
6.19 administrative expenses. This appropriation
6.20 is available until expended.

6.21 (n) \$12,370,000 each year is for the Minnesota
6.22 investment fund under Minnesota Statutes,
6.23 section 116J.8731. Of this amount, the
6.24 commissioner of employment and economic
6.25 development may use up to three percent for
6.26 administration and monitoring of the program.
6.27 This appropriation is available until expended.
6.28 Notwithstanding Minnesota Statutes, section
6.29 116J.8731, money appropriated to the
6.30 commissioner for the Minnesota investment
6.31 fund may be used for the redevelopment
6.32 program under Minnesota Statutes, sections
6.33 116J.575 and 116J.5761, at the discretion of
6.34 the commissioner. Grants under this paragraph

7.1 are not subject to the grant amount limitation
7.2 under Minnesota Statutes, section 116J.8731.

7.3 (o) \$2,246,000 each year is for the
7.4 redevelopment program under Minnesota
7.5 Statutes, sections 116J.575 and 116J.5761.

7.6 (p) \$12,000 each year is for a grant to the
7.7 Upper Minnesota Film Office.

7.8 (q) \$4,195,000 each year is for the Minnesota
7.9 job skills partnership program under
7.10 Minnesota Statutes, sections 116L.01 to
7.11 116L.17. If the appropriation for either year
7.12 is insufficient, the appropriation for the other
7.13 year is available. This appropriation is
7.14 available until expended.

7.15 (r) \$1,350,000 each year from the workforce
7.16 development fund is for jobs training grants
7.17 under Minnesota Statutes, section 116L.41.

7.18 (s) \$250,000 each year is for the publication,
7.19 dissemination, and use of labor market
7.20 information under Minnesota Statutes, section
7.21 116J.401.

7.22 (t) \$1,000,000 each year is for the
7.23 CanNavigate program established under
7.24 Minnesota Statutes, section 116J.6595. Of this
7.25 amount, up to four percent may be used for
7.26 administrative purposes. Any unencumbered
7.27 balances remaining in the first year do not
7.28 cancel but are available for the second year.

7.29 (u) \$500,000 each year is for a grant to
7.30 MNSBIR, Inc., for support of the small
7.31 business research and development goals
7.32 provided in Minnesota Statutes, section 3.222.
7.33 This appropriation is onetime and is available
7.34 until June 30, 2027.

8.1 The purpose of the grant is to support moving
8.2 scientific excellence and technological
8.3 innovation from the lab to the market for
8.4 startups and small businesses by securing
8.5 federal research and development funding to
8.6 build a strong innovation economy and
8.7 stimulate the creation of novel products,
8.8 services, and solutions; strengthening the role
8.9 of startups and small businesses in meeting
8.10 federal research and development needs;
8.11 increasing the commercial application of
8.12 federally supported research results; and
8.13 developing and increasing the Minnesota
8.14 workforce, especially by fostering and
8.15 encouraging participation by small businesses
8.16 owned by people who are Black, Indigenous,
8.17 People of Color, and women.

8.18 MNSBIR, Inc. shall use grant money to
8.19 become the federal research and development
8.20 dedicated resource for Minnesota small
8.21 businesses to support research and
8.22 commercialization of novel ideas, concepts,
8.23 and projects to develop cutting-edge products
8.24 and services for worldwide economic impact.

8.25 Grant money shall be used to:

8.26 (1) assist startups and small businesses in
8.27 securing federal research and development
8.28 funding including the small business
8.29 innovation research and small business
8.30 technology transfer programs;

8.31 (2) support technology transfer and
8.32 commercialization from the University of
8.33 Minnesota, Mayo Clinic, and federal
8.34 laboratories;

- 9.1 (3) collaborate with corporate venture groups
9.2 and large businesses nationally;
- 9.3 (4) conduct statewide outreach, education, and
9.4 training on federal rules, regulations, and
9.5 requirements;
- 9.6 (5) assist with scientific and technical writing;
- 9.7 (6) help manage federal grants and contracts;
9.8 and
- 9.9 (7) support cost accounting and federal
9.10 sole-source procurement opportunities.
- 9.11 (v) \$4,523,000 the first year is for the
9.12 PROMISE grant program. This is a onetime
9.13 appropriation and is available until June 30,
9.14 2029. Of this amount:
- 9.15 (1) \$905,000 the first year is for grants in
9.16 equal amounts to each of the Minnesota
9.17 Initiative Foundations to serve businesses in
9.18 greater Minnesota. Of this amount, \$72,000
9.19 is for grants to businesses with less than
9.20 \$100,000 in revenue the prior year; and
- 9.21 (2) \$3,618,000 the first year is for grants to
9.22 the Neighborhood Development Center. Of
9.23 this amount, the following amounts are
9.24 designated for the following areas:
- 9.25 (i) \$905,000 the first year is for North
9.26 Minneapolis' West Broadway, Camden, and
9.27 other Northside neighborhoods. Of this
9.28 amount, \$72,000 is for grants to businesses
9.29 with less than \$100,000 in revenue in the prior
9.30 year;
- 9.31 (ii) \$905,000 the first year is for South
9.32 Minneapolis' Lake Street, 38th and Chicago,
9.33 Franklin, Nicollet, and Riverside corridors.

10.1 Of this amount, \$72,000 is for grants to
10.2 businesses with less than \$100,000 in revenue
10.3 in the prior year;
10.4 (iii) \$904,000 the first year is for St. Paul's
10.5 University Avenue, Midway, Eastside, or other
10.6 St. Paul neighborhoods. Of this amount,
10.7 \$72,000 is for grants to businesses with less
10.8 than \$100,000 in revenue in the prior year;
10.9 and
10.10 (iv) \$904,000 the first year is for grants to
10.11 businesses in the counties of Anoka, Carver,
10.12 Dakota, Hennepin, Ramsey, Scott, and
10.13 Washington, excluding the cities of
10.14 Minneapolis and St. Paul.
10.15 (w) \$500,000 each year is for a grant to the
10.16 Neighborhood Development Center (NDC) to
10.17 support small business programs, including
10.18 training, lending, business services, and real
10.19 estate initiatives. Money may be used to assist
10.20 organizations outside of the seven-county
10.21 metropolitan area with technical assistance
10.22 and grants to help implement elements of
10.23 NDC's small business support model; provide
10.24 one-on-one technical assistance for
10.25 entrepreneurs; and support the operations and
10.26 marketing of a cybersecurity center. This is a
10.27 onetime appropriation. Any unencumbered
10.28 balance remaining at the end of the first year
10.29 does not cancel and is available for use in the
10.30 second year.
10.31 (x) \$627,000 the first year is for a grant to
10.32 Community and Economic Development
10.33 Associates (CEDA) to provide funding for
10.34 economic development technical assistance
10.35 and economic development project grants to

11.1 small communities across rural Minnesota and
11.2 for CEDA to design, implement, market, and
11.3 administer specific types of basic community
11.4 and economic development programs tailored
11.5 to individual community needs. Technical
11.6 assistance grants shall be based on need and
11.7 given to communities that are otherwise
11.8 unable to afford these services. Of the amount
11.9 appropriated, up to \$270,000 may be used for
11.10 economic development project implementation
11.11 in conjunction with the technical assistance
11.12 received. This is a onetime appropriation. Any
11.13 unencumbered balance remaining at the end
11.14 of the first year does not cancel but is available
11.15 the second year.

11.16 (y) \$250,000 each year is for a grant to
11.17 Enterprise Minnesota, Inc. to directly invest
11.18 in Minnesota manufacturers under the Made
11.19 in Minnesota program under Minnesota
11.20 Statutes, section 116O.115. This is a onetime
11.21 appropriation.

11.22 (z) \$250,000 each year is for a grant to
11.23 Enterprise Minnesota, Inc., to reach and
11.24 deliver talent, leadership, employee retention,
11.25 continuous improvement, strategy, quality
11.26 management systems, revenue growth, and
11.27 manufacturing peer-to-peer advisory services
11.28 to small manufacturing companies employing
11.29 250 or fewer full-time equivalent employees
11.30 and for operations of Enterprise Minnesota.
11.31 This is a onetime appropriation. No later than
11.32 February 1, 2026, and February 1, 2027,
11.33 Enterprise Minnesota, Inc. must provide a
11.34 report to the chairs and ranking minority
11.35 members of the legislative committees with

- 12.1 jurisdiction over economic development that
12.2 includes:
- 12.3 (1) the amount of money awarded during the
12.4 past 12 months;
- 12.5 (2) the estimated financial impact of the
12.6 money awarded to each company receiving
12.7 service under the program;
- 12.8 (3) the actual financial impact of the money
12.9 awarded during the past 24 months; and
- 12.10 (4) the total amount of federal money
12.11 leveraged from the Manufacturing Extension
12.12 Partnership at the United States Department
12.13 of Commerce.
- 12.14 (aa) \$500,000 each year is for a grant to the
12.15 Coalition of Asian American Leaders to
12.16 support outreach, training, technical assistance,
12.17 peer network development, and direct financial
12.18 assistance for Asian Minnesotan women
12.19 entrepreneurs and Asian-owned businesses.
- 12.20 This is a onetime appropriation and is
12.21 available until June 30, 2027.
- 12.22 (bb) \$500,000 each year from the workforce
12.23 development fund is for a grant to the Asian
12.24 Economic Development Association (AEDA),
12.25 in cooperation with and in support of the
12.26 coalition of Minnesota Asian Building Trades
12.27 Entrepreneurs (MABTE) and related firms to
12.28 grow their businesses through training, hiring,
12.29 and capacity building. This is a onetime
12.30 appropriation and is available until June 30,
12.31 2029.
- 12.32 (cc) \$500,000 each year from the workforce
12.33 development fund is for a grant to
12.34 WomenVenture to:

- 13.1 (1) support child care providers through
13.2 business training and shared services programs
13.3 and to create materials that may be used, at no
13.4 cost to child care providers, for start-up,
13.5 expansion, and operation of child care
13.6 businesses statewide, with the goal of helping
13.7 new and existing child care businesses in
13.8 underserved areas of the state become
13.9 profitable and sustainable; and
- 13.10 (2) support business expansion for women
13.11 food entrepreneurs throughout Minnesota's
13.12 food supply chain to help stabilize and
13.13 strengthen their business operations, create
13.14 distribution networks, offer technical
13.15 assistance and support to women entrepreneurs
13.16 in agribusiness, develop business plans,
13.17 develop a workforce, research expansion
13.18 strategies, and for other related activities.
- 13.19 Eligible uses of the money include but are not
13.20 limited to leasehold improvements; additions,
13.21 alterations, remodeling, or renovations to
13.22 rented space; emergency grant funding for
13.23 damage caused by natural disasters; inventory
13.24 or supplies; machinery or equipment
13.25 purchases; working capital; and debt
13.26 refinancing.
- 13.27 Money distributed to entrepreneurs may be
13.28 loans, forgivable loans, and grants. Of this
13.29 amount, up to five percent may be used for
13.30 WomenVenture's technical assistance and
13.31 administrative costs. This is a onetime
13.32 appropriation and is available until June 30,
13.33 2028.
- 13.34 By December 15, 2028, WomenVenture must
13.35 submit a report to the chairs and ranking

14.1 minority members of the legislative
14.2 committees with jurisdiction over agriculture
14.3 and employment and economic development.
14.4 The report must include a summary of the uses
14.5 of the appropriation, including the amount of
14.6 the appropriation used for administration. The
14.7 report must also provide a breakdown of the
14.8 amount of funding used for loans, forgivable
14.9 loans, and grants; information about the terms
14.10 of the loans issued; a discussion of how money
14.11 from repaid loans will be used; the number of
14.12 entrepreneurs assisted; and a breakdown of
14.13 how many entrepreneurs received assistance
14.14 in each county.

14.15	Subd. 3. Workforce Development Services	47,560,000	42,498,000
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14.16 Appropriations by Fund

14.17	General	12,371,000	12,071,000
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14.18 Workforce

14.19	<u>Development</u>	35,189,000	30,427,000
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14.20 (a) \$500,000 each year from the general fund

14.21 and \$500,000 each year from the workforce

14.22 development fund are for rural career

14.23 counseling coordinators in the workforce

14.24 service areas and for the purposes specified

14.25 under Minnesota Statutes, section 116L.667.

14.26 (b) \$750,000 each year is for the women and

14.27 high-wage, high-demand, nontraditional jobs

14.28 grant program under Minnesota Statutes,

14.29 section 116L.99. Of this amount, up to five

14.30 percent is for administration and monitoring

14.31 of the program.

14.32 (c) \$2,546,000 each year from the general fund

14.33 and \$4,604,000 each year from the workforce

14.34 development fund are for the pathways to

14.35 prosperity competitive grant program. Of this

- 15.1 amount, up to five percent is for administration
15.2 and monitoring of the program.
- 15.3 (d) \$500,000 each year is from the workforce
15.4 development fund for current Minnesota
15.5 affiliates of OIC of America, Inc. This
15.6 appropriation shall be divided equally among
15.7 the eligible centers.
- 15.8 (e) \$1,000,000 each year is for competitive
15.9 grants to organizations providing services to
15.10 relieve economic disparities in the Southeast
15.11 Asian community through workforce
15.12 recruitment, development, job creation,
15.13 assistance of smaller organizations to increase
15.14 capacity, and outreach. Of this amount, up to
15.15 five percent is for administration and
15.16 monitoring of the program.
- 15.17 (f) \$1,000,000 each year is for a competitive
15.18 grant program to provide grants to
15.19 organizations that provide support services for
15.20 individuals, such as job training, employment
15.21 preparation, internships, job assistance to
15.22 parents, financial literacy, academic and
15.23 behavioral interventions for low-performing
15.24 students, and youth intervention. Grants made
15.25 under this section must focus on low-income
15.26 communities, young adults from families with
15.27 a history of intergenerational poverty, and
15.28 communities of color. Of this amount, up to
15.29 five percent is for administration and
15.30 monitoring of the program.
- 15.31 (g) \$750,000 each year from the general fund
15.32 and \$3,348,000 each year from the workforce
15.33 development fund are for the youth-at-work
15.34 competitive grant program under Minnesota
15.35 Statutes, section 116L.562. Of this amount,

16.1 up to five percent is for administration and
16.2 monitoring of the youth workforce
16.3 development competitive grant program. All
16.4 grant awards shall be for two consecutive
16.5 years. Grants shall be awarded in the first year.

16.6 (h) \$1,000,000 each year is from the
16.7 workforce development fund for the
16.8 youthbuild program under Minnesota Statutes,
16.9 sections 116L.361 to 116L.366.

16.10 (i) \$4,050,000 each year is from the workforce
16.11 development fund for the Minnesota youth
16.12 program under Minnesota Statutes, sections
16.13 116L.56 and 116L.561.

16.14 (j) \$1,275,000 each year is for the targeted
16.15 populations workforce grants under Minnesota
16.16 Statutes, section 116L.43. The department
16.17 may use up to five percent of this
16.18 appropriation for administration, monitoring,
16.19 and oversight of the program.

16.20 (k) \$25,000 each year is for a grant to the
16.21 University of Minnesota Tourism Center for
16.22 ongoing system maintenance, management,
16.23 and content updates of an online hospitality
16.24 training program in partnership with Explore
16.25 Minnesota Tourism. This training program
16.26 must be made available at no cost to
16.27 Minnesota residents in an effort to address
16.28 critical workforce shortages in the hospitality
16.29 and tourism industries and assist in career
16.30 development. The grant provided under this
16.31 paragraph is not subject to Minnesota Statutes,
16.32 section 116L.98.

17.1 (l) \$150,000 each year is for prevailing wage
17.2 staff under Minnesota Statutes, section
17.3 116J.871, subdivision 2.

17.4 (m) \$750,000 each year is for the Office of
17.5 New Americans under Minnesota Statutes,
17.6 section 116J.4231.

17.7 (n) \$2,000,000 each year is for the CanTrain
17.8 program established under Minnesota Statutes,
17.9 section 116L.90. Of this amount, up to four
17.10 percent may be used for administrative
17.11 purposes.

17.12 (o) \$375,000 each year is for a grant to
17.13 Comunidades Organizando el Poder y la
17.14 Acción Latina (COPAL) for capacity building,
17.15 worker's center programming, youth
17.16 workforce programming, career planning,
17.17 GED attainment classes, educational resources
17.18 and materials, health resources, training
17.19 programs, and job navigation. This is a
17.20 onetime appropriation.

17.21 (p) \$450,000 each year is for grants to
17.22 Minnesota Diversified Industries to provide
17.23 inclusive employment opportunities and
17.24 services for people with disabilities. This is a
17.25 onetime appropriation.

17.26 (q) \$250,000 the first year from the workforce
17.27 development fund is for a grant to Minnesota
17.28 Diversified Industries to assist individuals with
17.29 disabilities through the unified work model
17.30 by offering virtual, online, and in-person
17.31 career skills classes augmented with virtual
17.32 reality tools. Minnesota Diversified Industries
17.33 shall submit a report on the number and
17.34 demographics of individuals served, hours of

18.1 career skills programming delivered, outreach
18.2 to employers, and recommendations for future
18.3 career skills delivery methods to the chairs
18.4 and ranking minority members of the
18.5 legislative committees with jurisdiction over
18.6 labor and workforce development policy and
18.7 finance by January 15, 2028. This is a onetime
18.8 appropriation and is available until June 30,
18.9 2027.

18.10 (r) \$300,000 the first year is for a grant to All
18.11 Square of Minnesota. The grant must be used
18.12 to support the operations of All Square's
18.13 workforce development programs that operate
18.14 in the cities of Minneapolis and St. Paul and
18.15 correctional facilities in the surrounding area
18.16 to assist Minnesotans who are incarcerated,
18.17 formerly incarcerated, or directly impacted by
18.18 the existence of a criminal record in
18.19 overcoming employment barriers that prevent
18.20 economic and emotional freedom. Grant
18.21 proceeds may be used for any or all of the
18.22 following All Square programs: (1) the
18.23 Restaurant and Food Truck Fellowship
18.24 program; (2) the Prison to Law Pipeline
18.25 program; or (3) the Legal Revolution Law
18.26 Firm. This is a onetime appropriation.

18.27 (s) \$500,000 each year is for a grant to Al
18.28 Maa'uun, previously known as the North at
18.29 Work program, for a strategic intervention
18.30 program designed to target and connect
18.31 program participants to meaningful and
18.32 sustainable living-wage employment. This is
18.33 a onetime appropriation.

18.34 (t) \$400,000 each year from the workforce
18.35 development fund is for a grant to Ujamaa

- 19.1 Place to provide workforce development
19.2 services targeted to the needs of African
19.3 American men, including job training,
19.4 employment preparation, internships,
19.5 education, and vocational housing, as well as
19.6 for organizational capacity building. This is a
19.7 onetime appropriation.
- 19.8 (u) \$400,000 each year from the workforce
19.9 development fund is for a grant to Hired to
19.10 support their workforce development
19.11 programming and services. Grant proceeds
19.12 may be used to expand their career pathway
19.13 job training and placement program that
19.14 connects lower-skilled job seekers to
19.15 entry-level and gateway jobs in high-growth
19.16 sectors. Grant proceeds may also be used to
19.17 create services for low-income Minnesotans
19.18 designed to increase job retention and create
19.19 a more stable workforce for employers by
19.20 offering a continuum of employment coaching,
19.21 navigation, and support services to
19.22 economically disadvantaged employees. This
19.23 is a onetime appropriation.
- 19.24 (v) \$500,000 each year from the workforce
19.25 development fund is for a grant to the
19.26 American Indian Opportunities and
19.27 Industrialization Center for workforce
19.28 development programming. This is a onetime
19.29 appropriation.
- 19.30 (w) \$1,000,000 each year from the workforce
19.31 development fund is for a grant to Goodwill
19.32 Easter Seals Minnesota and its partners. The
19.33 grant must be used to continue the FATHER
19.34 Project in Rochester, St. Cloud, St. Paul,
19.35 Minneapolis, and the surrounding areas to

20.1 assist fathers in overcoming barriers that
20.2 prevent fathers from supporting their children
20.3 economically and emotionally, including with
20.4 community reentry following confinement.
20.5 This is a onetime appropriation.

20.6 (x) \$250,000 each year from the workforce
20.7 development fund is for a grant to Big
20.8 Brothers Big Sisters of the Greater Twin Cities
20.9 to provide disadvantaged youth ages 12 to 21
20.10 with job-seeking skills, connections to job
20.11 training and education opportunities, and
20.12 mentorship while exploring careers. The grant
20.13 shall serve youth in the Big Brothers Big
20.14 Sisters chapters in the Twin Cities, central
20.15 Minnesota, and southern Minnesota. This is a
20.16 onetime appropriation.

20.17 (y) \$250,000 each year from the workforce
20.18 development fund is for grants to the
20.19 Minnesota Grocers Association Foundation
20.20 for Carts to Careers, a statewide initiative to
20.21 promote careers in the food industry, conduct
20.22 outreach, provide job skills training, and award
20.23 scholarships for students pursuing careers in
20.24 the food industry. The amount may also be
20.25 used for training and development costs;
20.26 certifications; hiring support for employers
20.27 who hire workers with disabilities, a history
20.28 of chemical or substance abuse, a previous
20.29 criminal record, or other variables that cause
20.30 a potential employee to have an increased cost
20.31 to train or retain; and other activities aimed at
20.32 strengthening the workforce pipeline in the
20.33 food retail sector. This is a onetime
20.34 appropriation.

21.1 (z) \$250,000 each year from the workforce
21.2 development fund is for grants to the
21.3 Hospitality Minnesota Education Foundation
21.4 for the ProStart hospitality and tourism
21.5 management program, a statewide initiative
21.6 in high schools to address the critical
21.7 workforce shortages in hospitality. Grant
21.8 money must be used by the recipient to
21.9 provide students culinary and management
21.10 education curriculum, tools, skills,
21.11 professional development opportunities within
21.12 the hospitality industry, and scholarships. This
21.13 is a onetime appropriation.

21.14 (aa) \$700,000 each year from the workforce
21.15 development fund is for a grant to
21.16 Comunidades Latinas Unidas En Servicio
21.17 (CLUES) to address employment, economic,
21.18 and technology access disparities for
21.19 low-income unemployed or underemployed
21.20 individuals. Funds must support short-term
21.21 certifications and transferable skills in
21.22 high-demand fields, workforce readiness,
21.23 customized financial capability, and
21.24 employment supports. At least 50 percent of
21.25 this amount must be used for programming
21.26 targeted at greater Minnesota. These are
21.27 onetime appropriations.

21.28 (bb) \$700,000 each year from the workforce
21.29 development fund is for performance grants
21.30 under Minnesota Statutes, section 116J.8747,
21.31 to Twin Cities R!SE to provide training to
21.32 individuals facing barriers to employment.
21.33 This appropriation is onetime and available
21.34 until June 30, 2028.

22.1 (cc) \$275,000 each year from the workforce
22.2 development fund is for a grant to Workforce
22.3 Development, Inc., of the Southeast Minnesota
22.4 Workforce Development Area #8, to provide
22.5 career planning, career pathway training and
22.6 education, wraparound support services, and
22.7 job skills advancement in high-demand careers
22.8 to individuals with barriers to employment in
22.9 Steele County, helping families build secure
22.10 pathways out of poverty and addressing
22.11 worker shortages in the Owatonna and Steele
22.12 County area. Grant proceeds must support
22.13 employer outreach services by providing
22.14 solutions to workforce challenges and direct
22.15 connections to workforce programming. Grant
22.16 proceeds may be used for program expenses,
22.17 including but not limited to hiring instructors
22.18 and navigators; space rental; and supportive
22.19 services to help participants attend classes,
22.20 including assistance with course fees, child
22.21 care, incentive and training completion
22.22 payments, transportation, and safe and stable
22.23 housing. Up to five percent of grant money
22.24 may be used for Workforce Development,
22.25 Inc.'s administrative costs. This is a onetime
22.26 appropriation and is available until June 30,
22.27 2027. Any unencumbered balance remaining
22.28 at the end of the first year does not cancel but
22.29 is available for the second year.

22.30 By January 15 each year, the commissioner
22.31 of employment and economic development
22.32 must report to the chairs and ranking minority
22.33 members of the legislative committees with
22.34 jurisdiction over economic development and
22.35 workforce development regarding the uses of
22.36 this grant, including any amounts used for

23.1 administration of the grant. The report must
23.2 also be filed with the Legislative Reference
23.3 Library in compliance with Minnesota
23.4 Statutes, section 3.195. As a condition of
23.5 receiving the grant, Workforce Development,
23.6 Inc., of the Southeast Minnesota Workforce
23.7 Development Area #8, must agree to provide
23.8 the commissioner any information needed to
23.9 complete the report.

23.10 (dd) \$500,000 each year from the workforce
23.11 development fund is for a grant to Project for
23.12 Pride in Living for job training and workforce
23.13 development services focusing on individuals
23.14 who are unemployed or underemployed. This
23.15 is a onetime appropriation.

23.16 (ee) \$125,000 each year from the workforce
23.17 development fund is for a grant to Pillsbury
23.18 United Communities to provide job training
23.19 and workforce development services for
23.20 individuals who are unemployed or
23.21 underemployed. This is a onetime
23.22 appropriation.

23.23 (ff) \$550,000 each year from the workforce
23.24 development fund is for a grant to the
23.25 International Institute of Minnesota. Grant
23.26 funds must be used for workforce training for
23.27 New Americans in industries in need of a
23.28 trained workforce. This is a onetime
23.29 appropriation.

23.30 (gg) \$200,000 each year from the workforce
23.31 development fund is for the Minnesota Family
23.32 Resiliency Partnership under Minnesota
23.33 Statutes, section 116L.96. The commissioner,
23.34 through the adult career pathways program,
23.35 shall distribute the funds to existing nonprofit

24.1 and state displaced homemaker programs. This
24.2 is a onetime appropriation.

24.3 (hh) \$250,000 each year from the workforce
24.4 development fund is for a grant to Emerge
24.5 Community Development to support and
24.6 reinforce critical workforce at the Emerge
24.7 Career and Technical Center, Cedar Riverside
24.8 Opportunity Center, and Emerge Second
24.9 Chance programs in the city of Minneapolis.
24.10 This is a onetime appropriation.

24.11 (ii) \$500,000 each year from the workforce
24.12 development fund is for a grant to Workforce
24.13 Development, Inc., for their Bridges to
24.14 Healthcare program to provide career
24.15 education, wraparound support services, and
24.16 job skills training in high-demand health care
24.17 fields to low-income parents, nonnative
24.18 speakers of English, and other hard-to-train
24.19 individuals, helping families build secure
24.20 pathways out of poverty while also addressing
24.21 worker shortages in one of Minnesota's most
24.22 innovative industries. Grant proceeds may be
24.23 used for program expenses, including but not
24.24 limited to hiring instructors and navigators;
24.25 space rental; and supportive services to help
24.26 participants attend classes, including assistance
24.27 with course fees, child care, transportation,
24.28 and safe and stable housing. In addition, up to
24.29 five percent of grant proceeds may be used
24.30 for Workforce Development, Inc.'s (Bridges
24.31 to Healthcare) administrative costs. This is a
24.32 onetime appropriation.

24.33 (jj) \$1,000,000 each year from the workforce
24.34 development fund is for a grant to Propel
24.35 Nonprofits. Grant proceeds may be used for

25.1 purposes including but not limited to capacity
25.2 building, technical assistance and training, and
25.3 strategic consulting to community-based
25.4 organizations. Of this amount, up to five
25.5 percent may be used by Propel Nonprofits for
25.6 administrative costs. This is a onetime
25.7 appropriation.

25.8 (kk) \$750,000 each year from the workforce
25.9 development fund is for a grant to Summit
25.10 Academy OIC to expand student enrollment,
25.11 employment placement, and program access
25.12 in the Twin Cities and throughout Minnesota;
25.13 to expand GED preparation and administration
25.14 and STEM programming; and to start and
25.15 enroll students in a dental assistant program
25.16 and work with employers to place students
25.17 upon successful completion of the program.
25.18 This is a onetime appropriation.

25.19 (ll) \$300,000 each year from the workforce
25.20 development fund is for a grant to Better
25.21 Futures Minnesota to provide job skills
25.22 training to individuals who have been released
25.23 from incarceration for a felony-level offense
25.24 and are no more than 12 months from the date
25.25 of release. Better Futures Minnesota shall
25.26 annually report to the commissioner on how
25.27 the money was spent and what results were
25.28 achieved. The report must include, at a
25.29 minimum, information and data about the
25.30 number of participants; participant
25.31 homelessness, employment, recidivism, and
25.32 child support compliance; and job skills
25.33 training provided to program participants. This
25.34 is a onetime appropriation.

26.1 (mm) \$125,000 each year from the workforce
26.2 development fund is for a grant to 30,000 Feet,
26.3 a nonprofit organization, to fund youth
26.4 apprenticeship jobs, wraparound services,
26.5 after-school programming, and summer
26.6 learning loss prevention efforts targeted at
26.7 African American youth. This is a onetime
26.8 appropriation.

26.9 (nn) \$300,000 each year from the workforce
26.10 development fund is for a grant to the Hmong
26.11 American Partnership for job training,
26.12 employment services, technology, business
26.13 development, lending and financial services,
26.14 capacity building, wealth management, and
26.15 empowerment services. This is a onetime
26.16 appropriation. Any unencumbered balance
26.17 remaining at the end of the first year does not
26.18 cancel but is available the second year.

26.19 (oo) \$500,000 each year from the workforce
26.20 development fund is for a grant to Bolder
26.21 Options Youth Mentoring Program to provide
26.22 disadvantaged youth ages 12 through 22 with
26.23 intensive one-to-one wellness, goal setting,
26.24 and academic-focused mentorship;
26.25 programming that teaches life and job-seeking
26.26 skills; career and college achievement coaches;
26.27 and connections to employment, job training,
26.28 and education opportunities. The grant must
26.29 serve youth in the Bolder Options program in
26.30 the Twin Cities and Rochester. This is a
26.31 onetime appropriation.

26.32 (pp) \$1,000,000 the first year from the
26.33 workforce development fund is for a grant to
26.34 Change Starts With Community for a violence
26.35 prevention jobs program. Grant money must

27.1 be used to establish and deliver a
27.2 comprehensive workforce development
27.3 initiative, specifically tailored for youth and
27.4 adults who are Black, Indigenous, and People
27.5 of Color and at-risk, located on site at Shiloh
27.6 Cares Food Shelf - Northside Community
27.7 Safety Resource Center in the city of
27.8 Minneapolis. This is a onetime appropriation
27.9 and is available until June 30, 2027.

27.10 (qq) \$100,000 each year from the workforce
27.11 development fund is for a grant to InspireMSP
27.12 to develop and execute programming to assist
27.13 middle and high school aged children in
27.14 Minneapolis and St. Paul to develop an interest
27.15 in and connect with the creative industry in
27.16 Minnesota. Money must be used for program
27.17 development and career exploration in the
27.18 creative industry for historically excluded
27.19 youth by providing access to essential
27.20 resources, networks, and hands-on experience.
27.21 This is a onetime appropriation.

27.22 (rr) \$125,000 each year from the workforce
27.23 development fund is for a grant to Jobs
27.24 Foundation to support the Repowered
27.25 workforce readiness program. Money may be
27.26 used for direct training, support services,
27.27 safety enhancements, and economic support
27.28 for formerly incarcerated individuals
27.29 experiencing barriers to employment. This is
27.30 a onetime appropriation.

27.31 (ss) \$500,000 each year from the workforce
27.32 development fund is for a grant to the city of
27.33 Brooklyn Park for the city to expand the
27.34 workforce development programming of
27.35 Brooklyn Park and Brooklyn Center through

28.1 workforce development programs serving
28.2 primarily underrepresented populations,
28.3 including such programs as Brooklynk, Career
28.4 Pathways, Youth Entrepreneurship, and
28.5 Community Partnership. This is a onetime
28.6 appropriation and is available until June 30,
28.7 2028.

28.8 (tt) \$170,000 the first year from the workforce
28.9 development fund is for a grant to Equitable
28.10 Development Action to enhance the training
28.11 and support provided to direct support
28.12 professionals (DSPs) who work with residents
28.13 24 hours per day, seven days per week,
28.14 provide DSPs with the necessary skills and
28.15 resources to meet the evolving needs of the
28.16 residents, and ensure compliance with the
28.17 latest regulations. This is a onetime
28.18 appropriation and is available until June 30,
28.19 2027. Equitable Development Action must
28.20 use the money appropriated to:

28.21 (1) implement a training program for DSPs
28.22 with a focus on best practices, safety protocols,
28.23 emergency response, and effective
28.24 communication skills and offer specialized
28.25 training modules to address specific needs of
28.26 residents, including residents with disabilities,
28.27 mental health issues, and chronic illnesses;

28.28 (2) provide ongoing support and development
28.29 by establishing a support network for DSPs,
28.30 including access to mental health resources,
28.31 peer support groups, and professional
28.32 counseling services;

28.33 (3) create opportunities for continuing
28.34 education and professional development to

29.1 ensure DSPs stay updated with the latest
29.2 industry standards and practices; and
29.3 (4) reduce the cost burden to the state by
29.4 training DSPs to de-escalate issues with
29.5 residents resulting in fewer 911 calls and
29.6 emergency interventions. The expected
29.7 program outcomes include improved safety
29.8 and quality of care for residents; increased
29.9 career stability and job satisfaction for DSPs;
29.10 enhanced compliance with state and federal
29.11 regulations; reduced turnover rates and
29.12 recruitment challenges in the DSP industry;
29.13 and enhanced delivery services by minority
29.14 service providers.
29.15 (uu) \$200,000 each year from the workforce
29.16 development fund is for a grant to YMCA of
29.17 the North to provide career exploration, job
29.18 training, a workforce development partnership
29.19 with the Beacons program at Minneapolis
29.20 Community and Technical College, and
29.21 workforce development services for
29.22 underserved youth and young adults. This is
29.23 a onetime appropriation.
29.24 (vv) \$200,000 each year from the workforce
29.25 development fund is for a grant to Urban
29.26 League Twin Cities for support and expansion
29.27 of its workforce solutions and wealth building
29.28 programs. This is a onetime appropriation.
29.29 (ww) \$250,000 each year from the workforce
29.30 development fund is for a grant to Abijah's on
29.31 the Backside to provide equine-experiential
29.32 mental health therapy to first responders
29.33 suffering from job-related trauma and
29.34 post-traumatic stress disorder. The grant
29.35 provided under this paragraph is not subject

30.1 to Minnesota Statutes, section 116L.98. This
30.2 is a onetime appropriation. Any unencumbered
30.3 balance remaining at the end of the first year
30.4 does not cancel but is available the second
30.5 year.

30.6 For purposes of this paragraph, a "first
30.7 responder" is an active or retired:

30.8 (1) peace officer as defined in Minnesota
30.9 Statutes, section 626.84, subdivision 1,
30.10 paragraph (c);

30.11 (2) full-time firefighter as defined in
30.12 Minnesota Statutes, section 299N.03,
30.13 subdivision 5;

30.14 (3) volunteer firefighter as defined in
30.15 Minnesota Statutes, section 299N.03,
30.16 subdivision 7;

30.17 (4) ambulance service personnel as defined in
30.18 Minnesota Statutes, section 144E.001,
30.19 subdivision 3a;

30.20 (5) 911 telecommunicator as defined in
30.21 Minnesota Statutes, section 403.02,
30.22 subdivision 17c; or

30.23 (6) correctional officer as defined in
30.24 Minnesota Statutes, section 241.026,
30.25 subdivision 1, paragraph (b).

30.26 Abijah's on the Backside must report to the
30.27 commissioner of employment and economic
30.28 development and the chairs and ranking
30.29 minority members of the legislative
30.30 committees with jurisdiction over employment
30.31 and economic development policy and finance
30.32 on the equine-experiential mental health
30.33 therapy provided to first responders under this

31.1 paragraph. The report must include an
 31.2 overview of the program's budget, a detailed
 31.3 explanation of program expenditures, the
 31.4 number of first responders served by the
 31.5 program, and a list and explanation of the
 31.6 services provided to and benefits received by
 31.7 program participants. An initial report is due
 31.8 by January 15, 2026, and a final report is due
 31.9 by January 15, 2028.

31.10 (xx) \$500,000 each year from the workforce
 31.11 development fund is for a grant to the Latino
 31.12 Economic Development Center (LEDC). Grant
 31.13 proceeds may be used to assist, support,
 31.14 finance, and launch microentrepreneurs by
 31.15 delivering training, workshops, and
 31.16 one-on-one consultations to businesses as well
 31.17 as capacity building and general operations.
 31.18 Proceeds may also be used to assist
 31.19 prospective entrepreneurs in the start-up
 31.20 process by introducing prospective
 31.21 entrepreneurs to key business concepts,
 31.22 including business start-up readiness and
 31.23 innovating career pathways into trades, green
 31.24 lending, technology, coding, STEM careers,
 31.25 translation services, and manufacturing. This
 31.26 is a onetime appropriation.

31.27 (yy) \$250,000 the first year from the
 31.28 workforce development fund is for a grant to
 31.29 Northside Boxing Club to provide business
 31.30 and life skills to youth through mentorships
 31.31 and training in the craft of barbering.
 31.32 Northside Boxing shall select barbers to act
 31.33 as positive role models for youth, instilling
 31.34 Northside Boxing's core values of discipline,
 31.35 respect, and hard work. Programming for

32.1 youth participants shall include development
 32.2 of essential and transferable skills such as
 32.3 customer service, communication, money
 32.4 management, and professionalism. Northside
 32.5 Boxing may use funds to provide wraparound
 32.6 services, including but not limited to meals,
 32.7 nutrition education, homework help, and
 32.8 tutoring to help participants start and stay in
 32.9 the program. This is a onetime appropriation
 32.10 and is available until June 30, 2027.

 32.11 (zz) \$500,000 each year from the workforce
 32.12 development fund is for a grant to the Black
 32.13 Women's Wealth Alliance to provide
 32.14 individuals with job skills training, career
 32.15 counseling, and career placement assistance.
 32.16 This is a onetime appropriation.

 32.17 (aaa) \$42,000 the first year from the workforce
 32.18 development fund is for a grant to Aspirus
 32.19 Lake View Hospital, a nonprofit organization,
 32.20 to provide workforce training to create a
 32.21 minimum of 12 new certified nursing
 32.22 assistants for local employers. Grant money
 32.23 may be used for training and curriculum costs,
 32.24 certification testing, and a retention bonus for
 32.25 trainees. This is a onetime appropriation and
 32.26 is available until June 30, 2027.

 32.27 (bbb) \$125,000 each year from the workforce
 32.28 development fund is for a grant to West
 32.29 Broadway Business and Area Coalition to
 32.30 support their Youth Jobs program to provide
 32.31 soft skills, marketing, and advertising training
 32.32 for youth in North Minneapolis. This is a
 32.33 onetime appropriation.

 32.34 (ccc) \$750,000 each year from the workforce
 32.35 development fund is for a grant to the Sanneh

33.1 Foundation, a nonprofit organization, to fund
 33.2 out-of-school and summer programs focused
 33.3 on mentoring and behavioral, social, and
 33.4 emotional learning interventions and
 33.5 enrichment activities directed toward
 33.6 low-income students of color. This
 33.7 appropriation is onetime and available until
 33.8 June 30, 2029.

33.9 (ddd) \$750,000 each year from the workforce
 33.10 development fund is for a grant to the
 33.11 Minnesota Alliance of Boys and Girls Clubs
 33.12 to administer a statewide project of youth job
 33.13 skills and career development. This project,
 33.14 which may have career guidance components
 33.15 including health and life skills, must be
 33.16 designed to encourage, train, and assist youth
 33.17 in early access to education and job-seeking
 33.18 skills, work-based learning experience,
 33.19 including career pathways in STEM learning,
 33.20 career exploration and matching, and first job
 33.21 placement through local community
 33.22 partnerships and on-site job opportunities. This
 33.23 grant requires a 25 percent match from
 33.24 nonstate resources. This is a onetime
 33.25 appropriation.

33.26 (eee) \$750,000 each year from the workforce
 33.27 development fund is for a grant to Mind the
 33.28 G.A.P.P. (Gaining Assistance to Prosperity
 33.29 Program) to improve the quality of life of
 33.30 unemployed and underemployed individuals
 33.31 by improving their employment outcomes and
 33.32 developing individual earnings potential. This
 33.33 is a onetime appropriation. Any unencumbered
 33.34 balance remaining at the end of the first year

34.1 does not cancel but is available in the second
34.2 year.

34.3 (fff) \$500,000 each year from the workforce
34.4 development fund is for a grant to Minnesota
34.5 Independence College and Community
34.6 (MICC) to provide employment preparation,
34.7 job placement, job retention, and service
34.8 coordination services to adults with autism
34.9 and learning differences. This is a onetime
34.10 appropriation. Any unencumbered balance
34.11 remaining at the end of the first year does not
34.12 cancel but is available the second year.

34.13 (ggg) \$250,000 each year from the workforce
34.14 development fund is for a grant to the city of
34.15 St. Paul to expand the city's Right Track youth
34.16 internship program. The Right Track program
34.17 connects young people from cost-burdened
34.18 households to internships that develop work
34.19 readiness skills and provides opportunities for
34.20 mentorship and exploring career pathways.
34.21 This is a onetime appropriation.

34.22 (hhh) \$3,000,000 the first year from the
34.23 workforce development fund is for competitive
34.24 grants to support high school robotics teams
34.25 and prepare youth for careers in STEM fields.
34.26 Of this amount, \$2,000,000 is for creating
34.27 internships for high school students to work
34.28 at private companies in STEM fields,
34.29 including the payment of student stipends.
34.30 This is a onetime appropriation and is
34.31 available until June 30, 2029.

34.32 (iii) \$350,000 each year from the workforce
34.33 development fund is for a grant to the
34.34 Minnesota Association of Black Lawyers to
34.35 be used for a program supporting Black

35.1 undergraduate students pursuing admission to
35.2 law school. This is a onetime appropriation.

35.3 The program must:

35.4 (1) enroll Black Minnesota resident students
35.5 attending a baccalaureate degree-granting
35.6 postsecondary institution in Minnesota
35.7 full-time;

35.8 (2) support each of the program's students with
35.9 an academic scholarship in the amount of
35.10 \$4,000 per academic year;

35.11 (3) organize events and programming,
35.12 including but not limited to one-on-one
35.13 mentoring, to familiarize enrolled students
35.14 with law school and legal careers; and

35.15 (4) provide the program's students free test
35.16 preparation materials, academic support, and
35.17 registration for the Law School Admission
35.18 Test (LSAT) examination.

35.19 The Minnesota Association of Black Lawyers
35.20 may use grant money under this paragraph for
35.21 costs related to student scholarships; academic
35.22 events and programming, including food and
35.23 transportation costs for students; LSAT
35.24 preparation materials, courses, and
35.25 registrations; and hiring staff for the program.

35.26 By January 30, 2026, and again by January
35.27 30, 2027, the Minnesota Association of Black
35.28 Lawyers must submit a report to the
35.29 commissioner of employment and economic
35.30 development and to the chairs and ranking
35.31 minority members of the legislative
35.32 committees with jurisdiction over workforce
35.33 development and policy. The report must
35.34 include an accurate and detailed account of

36.1 the program, the program's outcomes, and the
36.2 program's revenues and expenses, including
36.3 the use of all state money appropriated in this
36.4 paragraph.

36.5 (jjj) \$100,000 each year from the workforce
36.6 development fund is for a grant to
36.7 OneCommunity Alliance to assist individuals
36.8 seeking careers with local businesses in
36.9 Central Minnesota within the manufacturing,
36.10 food production, agriculture, and health care
36.11 sectors. OneCommunity Alliance, through the
36.12 nonprofit's employment and economy action
36.13 committee, must launch a program in 2025 to
36.14 equip job seekers in central Minnesota with
36.15 the knowledge and skills they need to
36.16 successfully secure employment.

36.17 OneCommunity Alliance shall provide the
36.18 following services with the money
36.19 appropriated: workforce training, career
36.20 readiness training, job placement assistance,
36.21 and ongoing support. OneCommunity Alliance
36.22 must focus program participation on primarily
36.23 unemployed and underemployed people,
36.24 recent graduates struggling to find work, and
36.25 those looking to transition into new career
36.26 fields. This is a onetime appropriation.

36.27 (kkk) \$150,000 each year from the workforce
36.28 development fund is for grants to
36.29 Ambassadors of Culture, Hooyo Hour, and
36.30 United Way of Central Minnesota to work
36.31 collaboratively in providing workforce
36.32 development services for diverse communities,
36.33 particularly young adults, mothers from
36.34 immigrant backgrounds, and youth from East
36.35 African communities. The services must focus

37.1 on enhancing skills, education, and
37.2 employment opportunities through job
37.3 training, job coaching, employer engagement,
37.4 and career coaching. This is a onetime
37.5 appropriation. Of this amount:
37.6 (1) \$50,000 each year is for a grant to
37.7 Ambassadors of Culture;
37.8 (2) \$50,000 each year is for a grant to Hooyo
37.9 Hour; and
37.10 (3) \$50,000 each year is for a grant to United
37.11 Way of Central Minnesota.
37.12 (III) \$300,000 each year from the workforce
37.13 development fund is for a grant to the Rural
37.14 Cancer Institute for a pilot program to expand
37.15 the clinical workforce specific to oncology
37.16 care in rural districts. This program must
37.17 increase the number of cancer care clinicians
37.18 in rural districts and provide health care
37.19 students with skills critical to the challenges
37.20 of providing cancer care in a rural setting
37.21 using a community-based model. The
37.22 community-based model must grow the
37.23 oncology clinical workforce in rural districts
37.24 and directly address the cancer care workforce
37.25 shortage in rural districts. This is a onetime
37.26 appropriation.
37.27 (mmm) \$50,000 the first year from the
37.28 workforce development fund is for a grant to
37.29 the Somali American Youth Enrichment Club
37.30 (SAYEC) to support the youth sports program
37.31 and parent education program. Money may be
37.32 used for direct training, support services, and
37.33 economic support for individuals experiencing

38.1 barriers to employment. This is a onetime
 38.2 appropriation.
 38.3 (nnn) \$200,000 each year from the workforce
 38.4 development fund is for a grant to MAD
 38.5 DADS of Minneapolis to implement a youth
 38.6 workforce development program for youth
 38.7 ages 16 to 24 with a focus on underserved
 38.8 communities. This earn-to-learn initiative must
 38.9 provide career exploration opportunities,
 38.10 hands-on job training, mentorships, and
 38.11 certification pathways in high-demand
 38.12 industries. The program must include training
 38.13 in fields including but not limited to HVAC,
 38.14 energy efficiency, and solar panel installation.
 38.15 This is a onetime appropriation.

38.16 (ooo) \$250,000 the first year from the
 38.17 workforce development fund for the test
 38.18 preparation pilot program under Minnesota
 38.19 Statutes, section 116J.9927.

38.20 <u>Subd. 4. General Support Services</u>	<u>6,605,000</u>	<u>7,375,000</u>
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38.21 Appropriations by Fund

38.22 <u>General Fund</u>	<u>6,510,000</u>	<u>7,280,000</u>
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38.23 Workforce

38.24 <u>Development</u>	<u>95,000</u>	<u>95,000</u>
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38.25 \$1,269,000 each year from the general fund
 38.26 is for transfer to the Minnesota Housing
 38.27 Finance Agency for operating the Olmstead
 38.28 Compliance Office.

38.29 <u>Subd. 5. Minnesota Trade Office</u>	<u>2,242,000</u>	<u>2,242,000</u>
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38.30 (a) \$300,000 each year is for the STEP grants
 38.31 in Minnesota Statutes, section 116J.979.

38.32 (b) \$180,000 each year is for the Invest
 38.33 Minnesota marketing initiative in Minnesota
 38.34 Statutes, section 116J.9781.

39.1	<u>(c) \$270,000 each year is for the Minnesota</u>		
39.2	<u>Trade Offices under Minnesota Statutes,</u>		
39.3	<u>section 116J.978.</u>		
39.4	<u>Subd. 6. Vocational Rehabilitation</u>	<u>40,191,000</u>	<u>40,191,000</u>
39.5	<u>Appropriations by Fund</u>		
39.6	<u>General</u>	<u>32,361,000</u>	<u>32,361,000</u>
39.7	<u>Workforce</u>		
39.8	<u>Development</u>	<u>7,830,000</u>	<u>7,830,000</u>
39.9	<u>(a) \$15,300,000 each year is for the state's</u>		
39.10	<u>vocational rehabilitation program under</u>		
39.11	<u>Minnesota Statutes, chapter 268A.</u>		
39.12	<u>(b) \$11,495,000 each year from the general</u>		
39.13	<u>fund and \$6,830,000 each year from the</u>		
39.14	<u>workforce development fund are for extended</u>		
39.15	<u>employment services for persons with severe</u>		
39.16	<u>disabilities under Minnesota Statutes, section</u>		
39.17	<u>268A.15. Of the amounts appropriated from</u>		
39.18	<u>the general fund, \$4,500,000 each year is for</u>		
39.19	<u>maintaining prior rate increases to providers</u>		
39.20	<u>of extended employment services for persons</u>		
39.21	<u>with severe disabilities under Minnesota</u>		
39.22	<u>Statutes, section 268A.15.</u>		
39.23	<u>(c) \$2,555,000 each year is for grants to</u>		
39.24	<u>programs that provide employment support</u>		
39.25	<u>services to persons with mental illness under</u>		
39.26	<u>Minnesota Statutes, sections 268A.13 and</u>		
39.27	<u>268A.14.</u>		
39.28	<u>(d) \$3,011,000 each year is for grants to</u>		
39.29	<u>centers for independent living under</u>		
39.30	<u>Minnesota Statutes, section 268A.11.</u>		
39.31	<u>(e) \$1,000,000 each year is from the workforce</u>		
39.32	<u>development fund for grants under Minnesota</u>		
39.33	<u>Statutes, section 268A.16, for employment</u>		
39.34	<u>services for persons, including transition-age</u>		

40.1	<u>youth, who are deaf, deafblind, or</u>		
40.2	<u>hard-of-hearing. If the amount in the first year</u>		
40.3	<u>is insufficient, the amount in the second year</u>		
40.4	<u>is available in the first year.</u>		
40.5	<u>Subd. 7. Services for the Blind</u>	<u>8,425,000</u>	<u>8,425,000</u>
40.6	<u>Of this amount, \$500,000 each year is for</u>		
40.7	<u>senior citizens who are becoming blind. At</u>		
40.8	<u>least one-half of the funds for this purpose</u>		
40.9	<u>must be used to provide training services for</u>		
40.10	<u>seniors who are becoming blind. Training</u>		
40.11	<u>services must provide independent living skills</u>		
40.12	<u>to seniors who are becoming blind to allow</u>		
40.13	<u>them to continue to live independently in their</u>		
40.14	<u>homes.</u>		
40.15	<u>Sec. 3. EXPLORE MINNESOTA</u>	<u>\$ 24,481,000</u>	<u>\$ 18,108,000</u>
40.16	<u>(a) \$500,000 each year must be matched from</u>		
40.17	<u>nonstate sources to develop maximum private</u>		
40.18	<u>sector involvement in tourism. Each \$1 of state</u>		
40.19	<u>incentive must be matched with \$6 of private</u>		
40.20	<u>sector money. "Matched" means revenue to</u>		
40.21	<u>the state or documented in-kind, soft match,</u>		
40.22	<u>or cash expenditures directly expended to</u>		
40.23	<u>support Explore Minnesota under Minnesota</u>		
40.24	<u>Statutes, section 116U.05. The incentive in</u>		
40.25	<u>fiscal year 2026 is based on fiscal year 2025</u>		
40.26	<u>private sector contributions. The incentive in</u>		
40.27	<u>fiscal year 2027 is based on fiscal year 2026</u>		
40.28	<u>private sector contribution. This incentive is</u>		
40.29	<u>ongoing.</u>		
40.30	<u>(b) \$825,000 each year is for Explore</u>		
40.31	<u>Minnesota Film under Minnesota Statutes,</u>		
40.32	<u>section 116U.255.</u>		

41.1 (c) \$1,500,000 the first year is for a grant to
41.2 the 2026 Special Olympics USA Games. This
41.3 is a onetime appropriation.

41.4 (d) \$5,000,000 the first year is for a grant to
41.5 Minnesota Sports and Events for costs related
41.6 to the World Junior Hockey Championships,
41.7 which will occur in Minnesota in December
41.8 of 2025 and January of 2026. This
41.9 appropriation is available until June 30, 2027.

41.10 **Sec. 4. GRANTEE EVALUATIONS; REPORT TO LEGISLATURE.**

41.11 (a) This section applies to any grant funded under this act where the recipient of the
41.12 grant is individually specified in this act. The commissioner of employment and economic
41.13 development must ensure compliance with the requirements of this section, and all applicable
41.14 requirements under existing law, including applicable grants management policies and
41.15 procedures established by the Office of Grants Management.

41.16 (b) In addition to meeting any reporting requirements included in the grant agreement,
41.17 each grant recipient subject to this section must provide the following information to the
41.18 commissioner of employment and economic development:

41.19 (1) a summary of the purpose of the grant;

41.20 (2) the amount of the grant awarded to the grantee;

41.21 (3) the amount of previous grants issued by the commissioner of employment and
41.22 economic development to the grantee;

41.23 (4) the amount of other state and federal grants awarded to the grantee in the most recent
41.24 fiscal year;

41.25 (5) the number of Minnesotans served by the organization and, if applicable, completing
41.26 the organization's job training program;

41.27 (6) the number of Minnesotans successfully placed in a living wage job by the
41.28 organization;

41.29 (7) the placement effectiveness, calculated by dividing the number of Minnesotans
41.30 calculated in clause (6) by the number in clause (5);

41.31 (8) the cost effectiveness, calculated by dividing the sum of clauses (2) and (4) by the
41.32 number of Minnesotans calculated in clause (6); and

42.1 (9) the organization's charitable giving ratio.

42.2 (c) As a condition of receiving a grant from the Department of Employment and
42.3 Economic Development, a grantee must agree to provide the commissioner any information
42.4 necessary to complete the report required by this section.

42.5 (d) If a grantee uses grant money to provide services to persons who reside outside of
42.6 Minnesota, the grantee must list the states where non-Minnesotan participants reside and
42.7 an explanation of why grant money was used to provide services to non-Minnesota residents.

42.8 (e) The commissioner is not required to provide information in response to paragraph
42.9 (b), clauses (5) to (8), for a grantee that does not offer programming that requires completion
42.10 or that cannot be measured by objective standards.

42.11 (f) Beginning January 15, 2026, the commissioner of employment and economic
42.12 development must submit a report containing the information provided by grant recipients
42.13 as required in paragraph (b) to the chairs and ranking minority members of the legislative
42.14 committees with jurisdiction over workforce development. The report submitted under this
42.15 section must also include an analysis of the grant recipients' success in meeting the purpose
42.16 and any goals or measurable outcomes specified for the grant. An updated version of this
42.17 report must be submitted on January 15 of each succeeding year until January 15 in the year
42.18 following the date when all of the grant funds have been spent.

42.19 **Sec. 5. CARRYFORWARD; EXTENSIONS.**

42.20 Notwithstanding any other law to the contrary, the availability of the appropriations for
42.21 the following projects is extended to June 30, 2029:

42.22 (1) Laws 2023, chapter 53, article 20, section 2, subdivision 3, paragraph (nn);

42.23 (2) Laws 2023, chapter 53, article 20, section 2, subdivision 3, paragraph (ccc); and

42.24 (3) Laws 2023, chapter 53, article 20, section 2, subdivision 3, paragraph (yyy).

42.25 **Sec. 6. TRANSFERS.**

42.26 (a) \$1,000,000 in fiscal year 2026 and \$1,000,000 in fiscal year 2027 are transferred
42.27 from the general fund to the emerging entrepreneur program special revenue fund account
42.28 created under Minnesota Statutes, section 116M.18. The commissioner of employment and
42.29 economic development may use up to four percent of this transfer for administration and
42.30 monitoring of the program. For fiscal years 2028 to 2031, the commissioner of management
42.31 and budget must include a transfer of \$1,000,000 each year from the general fund to the

43.1 emerging entrepreneur program special revenue fund account when preparing each forecast
43.2 through the February 2027 forecast, under Minnesota Statutes, section 16A.103.

43.3 (b) \$3,000,000 in fiscal year 2026 and \$3,000,000 in fiscal year 2027 are transferred
43.4 from the general fund to the CanStartup revolving loan account established under Minnesota
43.5 Statutes, section 116J.659, subdivision 3. The commissioner of employment and economic
43.6 development may use up to four percent of this transfer for administrative purposes. For
43.7 fiscal years 2028 to 2031, the commissioner of management and budget must include a
43.8 transfer of \$3,000,000 each year from the general fund to the CanStartup revolving loan
43.9 account when preparing each forecast through the February 2027 forecast, under Minnesota
43.10 Statutes, section 16A.103.

43.11 (c) \$5,000,000 in fiscal year 2026 is transferred from the Minnesota 21st century fund
43.12 account in the special revenue fund under Minnesota Statutes, section 116J.423, to the
43.13 general fund. This is a onetime transfer.

43.14 (d) \$9,000,000 in fiscal year 2026 is transferred from the Minnesota 21st century fund
43.15 account in the special revenue fund under Minnesota Statutes, section 116J.423, to the
43.16 general fund. This is a onetime transfer.

43.17 Sec. 7. **APPROPRIATION CANCELLATION; JOB CREATION FUND.**

43.18 \$3,000,000 of the appropriation in fiscal year 2025 from the general fund as appropriated
43.19 under Laws 2023, chapter 53, article 20, section 2, subdivision 2, paragraph (q), is canceled
43.20 to the general fund. This is a onetime cancellation.

43.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

43.22 Sec. 8. **REPEALER.**

43.23 Laws 2024, chapter 120, article 1, section 13, is repealed retroactively from July 1, 2024.

43.24 **ARTICLE 2**

43.25 **EMPLOYMENT AND ECONOMIC DEVELOPMENT POLICY**

43.26 Section 1. Minnesota Statutes 2024, section 116J.431, subdivision 2, is amended to read:

43.27 Subd. 2. **Eligible projects.** (a) An economic development project for which a county or
43.28 city may be eligible to receive a grant under this section includes:

43.29 (1) manufacturing;

43.30 (2) technology;

44.1 (3) warehousing and distribution;

44.2 (4) research and development;

44.3 (5) agricultural processing, defined as transforming, packaging, sorting, or grading
44.4 livestock or livestock products or plants and plant-based products into goods that are used
44.5 for intermediate or final consumption, including goods for nonfood use; or

44.6 (6) industrial park development that would be used by any other business listed in this
44.7 subdivision even if no business has committed to locate in the industrial park at the time
44.8 the grant application is made.

44.9 (b) Up to 15 percent of the development of a project may be for a purpose that is not
44.10 included under this subdivision as an eligible project. A city or county must provide notice
44.11 to the commissioner for the commissioner's approval of the proposed project.

44.12 **EFFECTIVE DATE.** This section is effective July 1, 2027.

44.13 Sec. 2. Minnesota Statutes 2024, section 116J.8733, subdivision 4, is amended to read:

44.14 Subd. 4. ~~Revolving loan fund~~ **Minnesota expanding opportunity account.** (a) ~~The~~
44.15 ~~commissioner shall establish a revolving loan fund to make loans to nonprofit corporations,~~
44.16 ~~Tribal economic development entities, and community development financial institutions~~
44.17 ~~for the purpose of increasing nonprofit corporation, Tribal economic development entity,~~
44.18 ~~and community development financial institution capital and lending activities with~~
44.19 ~~Minnesota small businesses.~~ A Minnesota expanding opportunity account is created in the
44.20 special revenue fund in the state treasury. Money in the account is appropriated to the
44.21 commissioner for revolving loans to nonprofit corporations for the purpose of increasing
44.22 nonprofit corporation capital and lending activities with Minnesota small businesses.

44.23 (b) ~~Nonprofit corporations, Tribal economic development entities, and community~~
44.24 ~~development financial institutions~~ that receive loans from the commissioner under the
44.25 program must establish appropriate accounting practices for the purpose of tracking eligible
44.26 loans.

44.27 (c) All loan repayments must be paid into the Minnesota expanding opportunity account
44.28 created in this section to fund additional loans.

44.29 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2023.

Sec. 3. Minnesota Statutes 2024, section 116J.8752, subdivision 2, is amended to read:

Subd. 2. **Purpose.** The Minnesota forward fund account is created to increase the state's competitiveness by providing the state the authority and flexibility to facilitate private investment. The fund serves as a closing fund to allow the authority and flexibility to negotiate incentives to better compete with other states for business retention, expansion and attraction of projects in existing and new industries, and develop properties for business use, and leverage to meet matching requirements of federal funding for resiliency in economic security and economic enhancement opportunities that provide the public high-quality employment opportunities.

Sec. 4. **[116J.9927] PREPARE MINNESOTA.**

Subdivision 1. **Establishment.** (a) The commissioner must establish and administer a comprehensive test and professional licensure pilot program that must be provided at no cost to students at one University of Minnesota system campus, one Minnesota State Colleges and Universities system campus, and dislocated workers as defined in section 116L.17.

(b) The pilot program must, at a minimum, offer students and dislocated workers test preparation services for the Medical College Admission Test, Law School Admission Test, Graduate Record Examination, Graduate Management Admission Test, and other preparation programs for professional exams, including but not limited to the areas of nursing, teaching, real estate, securities, and law. The pilot program must, at a minimum, also provide preparation for the Securities Industry Essentials exam, a Financial Paraplanner Qualified Professional exam, and a Wealth Management Specialist exam.

Subd. 2. **Vendors.** The commissioner must procure and contract with a vendor to provide comprehensive test and professional licensure preparation services.

Subd. 3. **Priority of recipients.** If money is insufficient to provide comprehensive test and professional licensure preparation to all students or dislocated workers seeking to participate in the program, the commissioner may prioritize offering the services to recipients of a state grant under section 136A.121.

Subd. 4. **Reporting.** (a) By February 15 of each year, the commissioner must submit a report on the details of the pilot program under this section to the legislative committees with jurisdiction over workforce development and higher education finance and policy. The report must include the following information:

(1) research and analysis on the effectiveness and impact of the program that considers the following:

- 46.1 (i) recruitment and retention of students at eligible institutions;
46.2 (ii) the number of students who remain in Minnesota after graduating; and
46.3 (iii) the long-term value the program offers to students;
46.4 (2) the number of students who participated in the program in the prior academic year,
46.5 including identifying the number of each exam type for which preparation was provided;
46.6 and
46.7 (3) updated spending projections for the program.
46.8 (b) Institutions with students participating in the program must provide information to
46.9 the commissioner annually to facilitate reporting.
46.10 Sec. 5. Minnesota Statutes 2024, section 116L.04, subdivision 1, is amended to read:
46.11 Subdivision 1. **Partnership program.** (a) The partnership program may provide
46.12 grants-in-aid to educational or other nonprofit educational institutions using the following
46.13 guidelines:
46.14 (1) the educational or other nonprofit educational institution is a provider of training
46.15 within the state in either the public or private sector;
46.16 (2) the program involves skills training that is an area of employment need; and
46.17 (3) preference will be given to educational or other nonprofit training institutions which
46.18 serve economically disadvantaged people, minorities, or those who are victims of economic
46.19 dislocation and to businesses located in rural areas.
46.20 (b) A single grant to any one institution shall not exceed ~~\$400,000~~ \$500,000. A portion
46.21 of a grant may be used for preemployment training.
46.22 (c) Each institution must provide for the dissemination of summary results of a
46.23 grant-funded project, including, but not limited to, information about curriculum and all
46.24 supporting materials developed in conjunction with the grant. Results of projects developed
46.25 by any Minnesota State Colleges and Universities system institution must be disseminated
46.26 throughout the system.
46.27 (d) At the discretion of the board, higher education institutions may charge up to a
46.28 30-percent increase on the direct project costs, not including equipment costs.

Sec. 6. Minnesota Statutes 2024, section 116L.04, subdivision 1a, is amended to read:

Subd. 1a. **Pathways program.** (a) The pathways program may provide grants-in-aid for developing programs which assist in the transition of persons from welfare to work and assist individuals at or below 200 percent of the federal poverty guidelines. The program is to be operated by the board. The board shall consult and coordinate with program administrators at the Department of Employment and Economic Development to design and provide services for temporary assistance for needy families recipients.

(b) Pathways grants-in-aid may be awarded to educational or other nonprofit training institutions or to workforce development intermediaries for education and training programs and services supporting education and training programs that serve eligible recipients.

Preference shall be given to projects that:

(1) provide employment with benefits paid to employees;

(2) provide employment where there are defined career paths for trainees;

(3) pilot the development of an educational pathway that can be used on a continuing basis for transitioning persons from welfare to work; and

(4) demonstrate the active participation of Department of Employment and Economic Development workforce centers, Minnesota State College and University institutions and other educational institutions, and local welfare agencies.

(c) Pathways projects must demonstrate the active involvement and financial commitment of a participating business. Pathways projects must be matched with cash or in-kind contributions on at least a one-half-to-one ratio by a participating business.

(d) A single grant to any one institution shall not exceed ~~\$400,000~~ \$500,000. A portion of a grant may be used for preemployment training.

(e) At the discretion of the board, higher education institutions may charge up to a 30-percent increase on the direct project costs, not including equipment costs.

Sec. 7. Minnesota Statutes 2024, section 116L.98, subdivision 2, is amended to read:

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

(b) "Credential" means ~~postsecondary~~ degrees, diplomas, licenses, and certificates awarded in recognition of an individual's attainment of measurable technical or occupational skills necessary to obtain employment or advance with an occupation. This definition does

48.1 not include certificates awarded by workforce investment boards or work-readiness
48.2 certificates.

48.3 (c) "Exit" means to have not received service under a workforce program for 90
48.4 consecutive calendar days. The exit date is the last date of service.

48.5 (d) "Net impact" means the use of matched control groups and regression analysis to
48.6 estimate the impacts attributable to program participation net of other factors, including
48.7 observable personal characteristics and economic conditions.

48.8 (e) "Pre-enrollment" means the period of time before an individual was enrolled in a
48.9 workforce program.

48.10 Sec. 8. Minnesota Statutes 2024, section 116M.18, subdivision 3, is amended to read:

48.11 Subd. 3. ~~Revolving loan fund~~ Minnesota emerging entrepreneur program account. (a)
48.12 ~~The department shall establish a revolving loan fund~~ A Minnesota emerging entrepreneur
48.13 program account is created in the special revenue fund in the state treasury. Money in the
48.14 account is appropriated to the commissioner for revolving loans to make grants to nonprofit
48.15 corporations, Tribal economic development entities, and community development financial
48.16 institutions for the purpose of making loans to businesses owned by minority or low-income
48.17 persons, women, veterans, or people with disabilities, and to support minority business
48.18 enterprises and job creation for minority and low-income persons.

48.19 (b) Nonprofit corporations, Tribal economic development entities, and community
48.20 development financial institutions that receive grants from the department under the program
48.21 must establish a commissioner-certified revolving loan fund for the purpose of making
48.22 eligible loans.

48.23 (c) Eligible business enterprises include, but are not limited to, technologically innovative
48.24 industries, value-added manufacturing, and information industries.

48.25 (d) Loan applications given preliminary approval by the nonprofit corporation, Tribal
48.26 economic development entity, or community development financial institution must be
48.27 forwarded to the department. Nonprofit corporations, Tribal economic development entities,
48.28 and community development financial institutions designated as preferred partners do not
48.29 need final approval by the commissioner. All other loans must be approved by the
48.30 commissioner and the commissioner must make approval decisions within 20 days of
48.31 receiving a loan application unless the application contains insufficient information to make
48.32 an approval decision. The amount of the state funds contributed to any loan may not exceed

49.1 50 percent of each loan. The commissioner must develop the criteria necessary to receive
49.2 loan forgiveness.

49.3 Sec. 9. Minnesota Statutes 2024, section 469.54, subdivision 4, is amended to read:

49.4 Subd. 4. **Credit for parking revenue.** (a) By March 1 of the year following the year in
49.5 which the parking facilities or structures are constructed within the district, the city must
49.6 certify to the commissioner:

49.7 (1) the total amount of revenue generated by the parking facilities and structures in the
49.8 preceding year; and

49.9 (2) the total amount necessary for operational and maintenance expenses of the facilities
49.10 or structures in the ~~current~~ preceding year.

49.11 (b) By July 1 of each year thereafter, for a period of 25 years, the commissioner must
49.12 confirm or revise the amounts as reported. An amount equal to 50 percent of the amount of
49.13 revenue received by the city by the parking structures and facilities in the ~~previous~~ preceding
49.14 year that is greater than the amount necessary for operational and maintenance expenses of
49.15 the facilities or structures in the ~~current~~ preceding year must be paid by the city to the
49.16 commissioner of employment and economic development by September 1 for deposit into
49.17 the general fund.

49.18 Sec. 10. Laws 2023, chapter 53, article 15, section 33, subdivision 4, as amended by Laws
49.19 2024, chapter 120, article 9, section 5, is amended to read:

49.20 Subd. 4. **Loans to community businesses.** (a) A partner organization that receives a
49.21 grant under subdivision 3 shall establish a plan for making low-interest loans to community
49.22 businesses. The plan requires approval by the commissioner.

49.23 (b) Under the plan:

49.24 (1) the state contribution to each loan shall be no less than ~~\$50,000~~ \$10,000 and no more
49.25 than \$500,000;

49.26 (2) loans shall be made for projects that are unlikely to be undertaken unless a loan is
49.27 received under the program;

49.28 (3) priority shall be given to loans to businesses in the lowest income areas;

49.29 (4) the fee or interest rate on a loan shall not be higher than the Wall Street Journal prime
49.30 rate plus two percent, with a maximum of ten percent;

50.1 (5) 50 percent of all repayments of principal on a loan under the program shall be used
50.2 to fund additional related lending. The partner organization may retain the remainder of
50.3 loan repayments to service loans and provide further technical assistance;

50.4 (6) the partner organization may charge a loan origination fee of no more than one
50.5 percent of the loan value and may retain that origination fee;

50.6 (7) a partner organization may not make a loan to a project in which it has an ownership
50.7 interest; and

50.8 (8) up to 15 percent of a loan's principal amount may be forgiven by the partner
50.9 organization if the borrower has met all lending criteria developed by the partner organization
50.10 and the commissioner, including creating or retaining jobs and being current with all loan
50.11 payments, for at least two years.

50.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

50.13 Sec. 11. Laws 2023, chapter 53, article 20, section 2, subdivision 2, as amended by Laws
50.14 2024, chapter 120, article 1, section 6, is amended to read:

50.15	Subd. 2. Business and Community Development	195,061,000	139,104,000
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50.16	Appropriations by Fund		
50.17	General	193,011,000	137,054,000
50.18	Remediation	700,000	700,000
50.19	Workforce		
50.20	Development	1,350,000	1,350,000

50.21 (a) \$2,287,000 each year is for the greater
50.22 Minnesota business development public
50.23 infrastructure grant program under Minnesota
50.24 Statutes, section 116J.431. This appropriation
50.25 is available until June 30, 2027.

50.26 (b) \$500,000 each year is for grants to small
50.27 business development centers under Minnesota
50.28 Statutes, section 116J.68. Money made
50.29 available under this paragraph may be used to
50.30 match funds under the federal Small Business
50.31 Development Center (SBDC) program under
50.32 United States Code, title 15, section 648, to
50.33 provide consulting and technical services or

51.1 to build additional SBDC network capacity to
51.2 serve entrepreneurs and small businesses.

51.3 (c) \$2,500,000 the first year is for Launch
51.4 Minnesota. This is a onetime appropriation.

51.5 Of this amount:

51.6 (1) \$1,500,000 is for innovation grants to
51.7 eligible Minnesota entrepreneurs or start-up
51.8 businesses to assist with their operating needs;

51.9 (2) \$500,000 is for administration of Launch
51.10 Minnesota; and

51.11 (3) \$500,000 is for grantee activities at Launch
51.12 Minnesota.

51.13 (d)(1) \$500,000 each year is for grants to
51.14 MNSBIR, Inc., to support moving scientific
51.15 excellence and technological innovation from
51.16 the lab to the market for start-ups and small
51.17 businesses by securing federal research and
51.18 development funding. The purpose of the grant
51.19 is to build a strong Minnesota economy and
51.20 stimulate the creation of novel products,
51.21 services, and solutions in the private sector;
51.22 strengthen the role of small business in
51.23 meeting federal research and development
51.24 needs; increase the commercial application of
51.25 federally supported research results; and
51.26 develop and increase the Minnesota
51.27 workforce, especially by fostering and
51.28 encouraging participation by small businesses
51.29 owned by women and people who are Black,
51.30 Indigenous, or people of color. This is a
51.31 onetime appropriation.

51.32 (2) MNSBIR, Inc., shall use the grant money
51.33 to be the dedicated resource for federal
51.34 research and development for small businesses

52.1 of up to 500 employees statewide to support
52.2 research and commercialization of novel ideas,
52.3 concepts, and projects into cutting-edge
52.4 products and services for worldwide economic
52.5 impact. MNSBIR, Inc., shall use grant money
52.6 to:

52.7 (i) assist small businesses in securing federal
52.8 research and development funding, including
52.9 the Small Business Innovation Research and
52.10 Small Business Technology Transfer programs
52.11 and other federal research and development
52.12 funding opportunities;

52.13 (ii) support technology transfer and
52.14 commercialization from the University of
52.15 Minnesota, Mayo Clinic, and federal
52.16 laboratories;

52.17 (iii) partner with large businesses;

52.18 (iv) conduct statewide outreach, education,
52.19 and training on federal rules, regulations, and
52.20 requirements;

52.21 (v) assist with scientific and technical writing;

52.22 (vi) help manage federal grants and contracts;
52.23 and

52.24 (vii) support cost accounting and sole-source
52.25 procurement opportunities.

52.26 (e) \$10,000,000 the first year is ~~for~~ transferred
52.27 from the general fund to the Minnesota
52.28 Expanding Opportunity Fund Program special
52.29 revenue account under Minnesota Statutes,
52.30 section 116J.8733. This is a onetime
52.31 ~~appropriation~~ transfer and is available until
52.32 June 30, 2025.

53.1 (f) \$6,425,000 each year is for the small
53.2 business assistance partnerships program
53.3 under Minnesota Statutes, section 116J.682.
53.4 All grant awards shall be for two consecutive
53.5 years. Grants shall be awarded in the first year.
53.6 The department may use up to five percent of
53.7 the appropriation for administrative purposes.
53.8 The base for this appropriation is \$2,725,000
53.9 in fiscal year 2026 and each year thereafter.

53.10 (g) \$350,000 each year is for administration
53.11 of the community energy transition office.

53.12 (h) \$5,000,000 each year is transferred from
53.13 the general fund to the community energy
53.14 transition account for grants under Minnesota
53.15 Statutes, section 116J.55. This is a onetime
53.16 transfer.

53.17 (i) \$1,772,000 each year is for contaminated
53.18 site cleanup and development grants under
53.19 Minnesota Statutes, sections 116J.551 to
53.20 116J.558. This appropriation is available until
53.21 expended.

53.22 (j) \$700,000 each year is from the remediation
53.23 fund for contaminated site cleanup and
53.24 development grants under Minnesota Statutes,
53.25 sections 116J.551 to 116J.558. This
53.26 appropriation is available until expended.

53.27 (k) \$389,000 each year is for the Center for
53.28 Rural Policy and Development. The base for
53.29 this appropriation is \$139,000 in fiscal year
53.30 2026 and each year thereafter.

53.31 (l) \$25,000 each year is for the administration
53.32 of state aid for the Destination Medical Center
53.33 under Minnesota Statutes, sections 469.40 to
53.34 469.47.

54.1 (m) \$875,000 each year is for the host
54.2 community economic development program
54.3 established in Minnesota Statutes, section
54.4 116J.548.

54.5 (n) \$6,500,000 each year is for grants to local
54.6 communities to increase the number of quality
54.7 child care providers to support economic
54.8 development. Fifty percent of grant money
54.9 must go to communities located outside the
54.10 seven-county metropolitan area as defined in
54.11 Minnesota Statutes, section 473.121,
54.12 subdivision 2. The base for this appropriation
54.13 is \$1,500,000 in fiscal year 2026 and each year
54.14 thereafter.

54.15 Grant recipients must obtain a 50 percent
54.16 nonstate match to grant money in either cash
54.17 or in-kind contribution, unless the
54.18 commissioner waives the requirement. Grant
54.19 money available under this subdivision must
54.20 be used to implement projects to reduce the
54.21 child care shortage in the state, including but
54.22 not limited to funding for child care business
54.23 start-ups or expansion, training, facility
54.24 modifications, direct subsidies or incentives
54.25 to retain employees, or improvements required
54.26 for licensing, and assistance with licensing
54.27 and other regulatory requirements. In awarding
54.28 grants, the commissioner must give priority
54.29 to communities that have demonstrated a
54.30 shortage of child care providers.

54.31 Within one year of receiving grant money,
54.32 grant recipients must report to the
54.33 commissioner on the outcomes of the grant
54.34 program, including but not limited to the
54.35 number of new providers, the number of

55.1 additional child care provider jobs created, the
55.2 number of additional child care openings, and
55.3 the amount of cash and in-kind local money
55.4 invested. Within one month of all grant
55.5 recipients reporting on program outcomes, the
55.6 commissioner must report the grant recipients'
55.7 outcomes to the chairs and ranking members
55.8 of the legislative committees with jurisdiction
55.9 over early learning and child care and
55.10 economic development.

55.11 (o) \$500,000 each year is for the Office of
55.12 Child Care Community Partnerships. Of this
55.13 amount:

55.14 (1) \$450,000 each year is for administration
55.15 of the Office of Child Care Community
55.16 Partnerships; and

55.17 (2) \$50,000 each year is for the Labor Market
55.18 Information Office to conduct research and
55.19 analysis related to the child care industry.

55.20 (p) \$3,500,000 each year is for grants in equal
55.21 amounts to each of the Minnesota Initiative
55.22 Foundations. This appropriation is available
55.23 until June 30, 2027. The base for this
55.24 appropriation is \$1,000,000 in fiscal year 2026
55.25 and each year thereafter. The Minnesota
55.26 Initiative Foundations must use grant money
55.27 under this section to:

55.28 (1) facilitate planning processes for rural
55.29 communities resulting in a community solution
55.30 action plan that guides decision making to
55.31 sustain and increase the supply of quality child
55.32 care in the region to support economic
55.33 development;

56.1 (2) engage the private sector to invest local
56.2 resources to support the community solution
56.3 action plan and ensure quality child care is a
56.4 vital component of additional regional
56.5 economic development planning processes;

56.6 (3) provide locally based training and technical
56.7 assistance to rural business owners
56.8 individually or through a learning cohort.
56.9 Access to financial and business development
56.10 assistance must prepare child care businesses
56.11 for quality engagement and improvement by
56.12 stabilizing operations, leveraging funding from
56.13 other sources, and fostering business acumen
56.14 that allows child care businesses to plan for
56.15 and afford the cost of providing quality child
56.16 care; and

56.17 (4) recruit child care programs to participate
56.18 in quality rating and improvement
56.19 measurement programs. The Minnesota
56.20 Initiative Foundations must work with local
56.21 partners to provide low-cost training,
56.22 professional development opportunities, and
56.23 continuing education curricula. The Minnesota
56.24 Initiative Foundations must fund, through local
56.25 partners, an enhanced level of coaching to
56.26 rural child care providers to obtain a quality
56.27 rating through measurement programs.

56.28 (q) \$8,000,000 each year is for the Minnesota
56.29 job creation fund under Minnesota Statutes,
56.30 section 116J.8748. Of this amount, the
56.31 commissioner of employment and economic
56.32 development may use up to three percent for
56.33 administrative expenses. This appropriation
56.34 is available until expended. Notwithstanding
56.35 Minnesota Statutes, section 116J.8748, money

57.1 appropriated for the job creation fund may be
57.2 used for redevelopment under Minnesota
57.3 Statutes, sections 116J.575 and 116J.5761, at
57.4 the discretion of the commissioner.

57.5 (r) \$12,370,000 each year is for the Minnesota
57.6 investment fund under Minnesota Statutes,
57.7 section 116J.8731. Of this amount, the
57.8 commissioner of employment and economic
57.9 development may use up to three percent for
57.10 administration and monitoring of the program.
57.11 This appropriation is available until expended.
57.12 Notwithstanding Minnesota Statutes, section
57.13 116J.8731, money appropriated to the
57.14 commissioner for the Minnesota investment
57.15 fund may be used for the redevelopment
57.16 program under Minnesota Statutes, sections
57.17 116J.575 and 116J.5761, at the discretion of
57.18 the commissioner. Grants under this paragraph
57.19 are not subject to the grant amount limitation
57.20 under Minnesota Statutes, section 116J.8731.

57.21 (s) \$4,246,000 each year is for the
57.22 redevelopment program under Minnesota
57.23 Statutes, sections 116J.575 and 116J.5761.
57.24 The base for this appropriation is \$2,246,000
57.25 in fiscal year 2026 and each year thereafter.
57.26 This appropriation is available until expended.

57.27 (t) \$1,000,000 each year is for the Minnesota
57.28 emerging entrepreneur loan program under
57.29 Minnesota Statutes, section 116M.18. Money
57.30 available under this paragraph is for transfer
57.31 into the emerging entrepreneur program
57.32 special revenue fund account created under
57.33 Minnesota Statutes, chapter 116M, and are
57.34 available until expended. Of this amount, up

58.1 to four percent is for administration and
58.2 monitoring of the program.

58.3 (u) \$325,000 the first year is for the Minnesota
58.4 Film and TV Board. The appropriation is
58.5 available only upon receipt by the board of \$1
58.6 in matching contributions of money or in-kind
58.7 contributions from nonstate sources for every
58.8 \$3 provided by this appropriation, except that
58.9 up to \$50,000 is available on July 1 even if
58.10 the required matching contribution has not
58.11 been received by that date. This is a onetime
58.12 appropriation.

58.13 (v) \$12,000 each year is for a grant to the
58.14 Upper Minnesota Film Office.

58.15 (w) \$500,000 the first year is for a grant to the
58.16 Minnesota Film and TV Board for the film
58.17 production jobs program under Minnesota
58.18 Statutes, section 116U.26. This appropriation
58.19 is available until June 30, 2027. This is a
58.20 onetime appropriation.

58.21 (x) \$4,195,000 each year is for the Minnesota
58.22 job skills partnership program under
58.23 Minnesota Statutes, sections 116L.01 to
58.24 116L.17. If the appropriation for either year
58.25 is insufficient, the appropriation for the other
58.26 year is available. This appropriation is
58.27 available until expended.

58.28 (y) \$1,350,000 each year from the workforce
58.29 development fund is for jobs training grants
58.30 under Minnesota Statutes, section 116L.41.

58.31 (z) \$47,475,000 the first year and \$50,475,000
58.32 the second year are for the PROMISE grant
58.33 program. This is a onetime appropriation and
58.34 is available until June 30, 2027. Any

59.1 unencumbered balance remaining at the end
59.2 of the first year does not cancel but is available
59.3 the second year. Of this amount:
59.4 (1) \$475,000 each year is for administration
59.5 of the PROMISE grant program;
59.6 (2) \$7,500,000 each year is for grants in equal
59.7 amounts to each of the Minnesota Initiative
59.8 Foundations to serve businesses in greater
59.9 Minnesota. Of this amount, \$600,000 each
59.10 year is for grants to businesses with less than
59.11 \$100,000 in revenue in the prior year; and
59.12 (3) \$39,500,000 the first year and \$42,500,000
59.13 the second year are for grants to the
59.14 Neighborhood Development Center. Of this
59.15 amount, the following amounts are designated
59.16 for the following areas:
59.17 (i) \$16,000,000 each year is for North
59.18 Minneapolis' West Broadway, Camden, ~~or~~ and
59.19 other Northside neighborhoods. Of this
59.20 amount, \$1,000,000 each year is for grants to
59.21 businesses with less than \$100,000 in revenue
59.22 in the prior year;
59.23 (ii) ~~\$13,500,000 each year is~~ \$12,500,000 the
59.24 first year and \$13,500,000 the second year are
59.25 for South Minneapolis' Lake Street, 38th and
59.26 Chicago, Franklin, Nicollet, and Riverside
59.27 corridors. Of this amount, \$750,000 each year
59.28 is for grants to businesses with less than
59.29 \$100,000 in revenue in the prior year;
59.30 (iii) \$10,000,000 each year is for St. Paul's
59.31 University Avenue, Midway, Eastside, or other
59.32 St. Paul neighborhoods. Of this amount,
59.33 \$750,000 each year is for grants to businesses

60.1 with less than \$100,000 in revenue in the prior
60.2 year;

60.3 (iv) \$1,000,000 the first year is for South
60.4 Minneapolis' Hennepin Avenue Commercial
60.5 corridor, South Hennepin Community
60.6 corridor, and Uptown Special Service District;
60.7 and

60.8 (v) \$3,000,000 the second year is for grants
60.9 to businesses in the counties of Anoka, Carver,
60.10 Dakota, Hennepin, Ramsey, Scott, and
60.11 Washington, excluding the cities of
60.12 Minneapolis and St. Paul.

60.13 (aa) \$15,150,000 each year is for the
60.14 PROMISE loan program. This is a onetime
60.15 appropriation and is available until June 30,
60.16 2027. Of this amount:

60.17 (1) \$150,000 each year is for administration
60.18 of the PROMISE loan program;

60.19 (2) \$3,000,000 each year is for grants in equal
60.20 amounts to each of the Minnesota Initiative
60.21 Foundations to serve businesses in greater
60.22 Minnesota; and

60.23 (3) \$12,000,000 each year is for grants to the
60.24 Metropolitan Economic Development
60.25 Association (MEDA). Of this amount, the
60.26 following amounts are designated for the
60.27 following areas:

60.28 (i) \$4,500,000 each year is for North
60.29 Minneapolis' West Broadway, Camden, ~~or~~ and
60.30 other Northside neighborhoods;

60.31 (ii) \$4,500,000 each year is for South
60.32 Minneapolis' Lake Street, 38th and Chicago,

61.1 Franklin, Nicollet, and Riverside corridors;
61.2 and

61.3 (iii) \$3,000,000 each year is for St. Paul's
61.4 University Avenue, Midway, Eastside, or other
61.5 St. Paul neighborhoods.

61.6 (bb) \$1,500,000 each year is for a grant to the
61.7 Metropolitan Consortium of Community
61.8 Developers for the community wealth-building
61.9 grant program pilot project. Of this amount,
61.10 up to two percent is for administration and
61.11 monitoring of the community wealth-building
61.12 grant program pilot project. This is a onetime
61.13 appropriation.

61.14 (cc) \$250,000 each year is for the publication,
61.15 dissemination, and use of labor market
61.16 information under Minnesota Statutes, section
61.17 116J.401.

61.18 (dd) \$5,000,000 the first year is for a grant to
61.19 the Bloomington Port Authority to provide
61.20 funding for the Expo 2027 host organization.
61.21 The Bloomington Port Authority must enter
61.22 into an agreement with the host organization
61.23 over the use of money, which may be used for
61.24 activities, including but not limited to
61.25 finalizing the community dossier and staffing
61.26 the host organization and for infrastructure
61.27 design and planning, financial modeling,
61.28 development planning and coordination of
61.29 both real estate and public private partnerships,
61.30 and reimbursement of costs the Bloomington
61.31 Port Authority incurred. In selecting vendors
61.32 and exhibitors for Expo 2027, the host
61.33 organization shall prioritize outreach to,
61.34 collaboration with, and inclusion of businesses
61.35 that are majority owned by people of color,

62.1 women, and people with disabilities. The host
62.2 organization and Bloomington Port Authority
62.3 may be reimbursed for expenses 90 days prior
62.4 to encumbrance. This appropriation is
62.5 contingent on approval of the project by the
62.6 Bureau International des Expositions. If the
62.7 project is not approved by the Bureau
62.8 International des Expositions, the money shall
62.9 transfer to the Minnesota investment fund
62.10 under Minnesota Statutes, section 116J.8731.
62.11 Any unencumbered balance remaining at the
62.12 end of the first year does not cancel but is
62.13 available for the second year.

62.14 (ee) \$5,000,000 the first year is for a grant to
62.15 the Neighborhood Development Center for
62.16 small business programs, including training,
62.17 lending, business services, and real estate
62.18 programming; small business incubator
62.19 development in the Twin Cities and outside
62.20 the seven-county metropolitan area; and
62.21 technical assistance activities for partners
62.22 outside the seven-county metropolitan area;
62.23 and for high-risk, character-based loan capital
62.24 for nonrecourse loans. This is a onetime
62.25 appropriation. Any unencumbered balance
62.26 remaining at the end of the first year does not
62.27 cancel but is available for the second year.

62.28 (ff) \$5,000,000 the first year is for transfer to
62.29 the emerging developer fund account in the
62.30 special revenue fund. Of this amount, up to
62.31 five percent is for administration and
62.32 monitoring of the emerging developer fund
62.33 program under Minnesota Statutes, section
62.34 116J.9926, and the remainder is for a grant to
62.35 the Local Initiatives Support Corporation -

63.1 Twin Cities to serve as a partner organization
63.2 under the program. This is a onetime
63.3 appropriation.

63.4 (gg) \$5,000,000 the first year is for the
63.5 Canadian border counties economic relief
63.6 program under article 5. Of this amount, up
63.7 to \$1,000,000 is for Tribal economic
63.8 development and \$2,100,000 is for a grant to
63.9 Lake of the Woods County for the forgivable
63.10 loan program for remote recreational
63.11 businesses. This is a onetime appropriation
63.12 and is available until June 30, 2026.

63.13 (hh) \$1,000,000 each year is for a grant to
63.14 African Economic Development Solutions.
63.15 This is a onetime appropriation and is
63.16 available until June 30, 2026. Of this amount:

63.17 (1) \$500,000 each year is for a loan fund that
63.18 must address pervasive economic inequities
63.19 by supporting business ventures of
63.20 entrepreneurs in the African immigrant
63.21 community; and

63.22 (2) \$250,000 each year is for workforce
63.23 development and technical assistance,
63.24 including but not limited to business
63.25 development, entrepreneur training, business
63.26 technical assistance, loan packing, and
63.27 community development services.

63.28 (ii) \$1,500,000 each year is for a grant to the
63.29 Latino Economic Development Center. This
63.30 is a onetime appropriation and is available
63.31 until June 30, 2025. Of this amount:

63.32 (1) \$750,000 each year is to assist, support,
63.33 finance, and launch microentrepreneurs by

64.1 delivering training, workshops, and
64.2 one-on-one consultations to businesses; and
64.3 (2) \$750,000 each year is to guide prospective
64.4 entrepreneurs in their start-up process by
64.5 introducing them to key business concepts,
64.6 including business start-up readiness. Grant
64.7 proceeds must be used to offer workshops on
64.8 a variety of topics throughout the year,
64.9 including finance, customer service,
64.10 food-handler training, and food-safety
64.11 certification. Grant proceeds may also be used
64.12 to provide lending to business startups.

64.13 (jj) \$627,000 the first year is for a grant to
64.14 Community and Economic Development
64.15 Associates (CEDA) to provide funding for
64.16 economic development technical assistance
64.17 and economic development project grants to
64.18 small communities across rural Minnesota and
64.19 for CEDA to design, implement, market, and
64.20 administer specific types of basic community
64.21 and economic development programs tailored
64.22 to individual community needs. Technical
64.23 assistance grants shall be based on need and
64.24 given to communities that are otherwise
64.25 unable to afford these services. Of the amount
64.26 appropriated, up to \$270,000 may be used for
64.27 economic development project implementation
64.28 in conjunction with the technical assistance
64.29 received. This is a onetime appropriation. Any
64.30 unencumbered balance remaining at the end
64.31 of the first year does not cancel but is available
64.32 the second year.

64.33 (kk) \$2,000,000 the first year is for a grant to
64.34 WomenVenture to:

65.1 (1) support child care providers through
65.2 business training and shared services programs
65.3 and to create materials that could be used, free
65.4 of charge, for start-up, expansion, and
65.5 operation of child care businesses statewide,
65.6 with the goal of helping new and existing child
65.7 care businesses in underserved areas of the
65.8 state become profitable and sustainable; and

65.9 (2) support business expansion for women
65.10 food entrepreneurs throughout Minnesota's
65.11 food supply chain to help stabilize and
65.12 strengthen their business operations, create
65.13 distribution networks, offer technical
65.14 assistance and support to beginning women
65.15 food entrepreneurs, develop business plans,
65.16 develop a workforce, research expansion
65.17 strategies, and for other related activities.

65.18 Eligible uses of the money include but are not
65.19 limited to:

65.20 (i) leasehold improvements;
65.21 (ii) additions, alterations, remodeling, or
65.22 renovations to rented space;
65.23 (iii) inventory or supplies;
65.24 (iv) machinery or equipment purchases;
65.25 (v) working capital; and
65.26 (vi) debt refinancing.

65.27 Money distributed to entrepreneurs may be
65.28 loans, forgivable loans, and grants. Of this
65.29 amount, up to five percent may be used for
65.30 the WomenVenture's technical assistance and
65.31 administrative costs. This is a onetime
65.32 appropriation and is available until June 30,
65.33 2026.

66.1 By December 15, 2026, WomenVenture must
66.2 submit a report to the chairs and ranking
66.3 minority members of the legislative
66.4 committees with jurisdiction over agriculture
66.5 and employment and economic development.

66.6 The report must include a summary of the uses
66.7 of the appropriation, including the amount of
66.8 the appropriation used for administration. The
66.9 report must also provide a breakdown of the
66.10 amount of funding used for loans, forgivable
66.11 loans, and grants; information about the terms
66.12 of the loans issued; a discussion of how money
66.13 from repaid loans will be used; the number of
66.14 entrepreneurs assisted; and a breakdown of
66.15 how many entrepreneurs received assistance
66.16 in each county.

66.17 (ll) \$2,000,000 the first year is for a grant to
66.18 African Career, Education, and Resource, Inc.,
66.19 for operational infrastructure and technical
66.20 assistance to small businesses. This
66.21 appropriation is available until June 30, 2025.

66.22 (mm) \$5,000,000 the first year is for a grant
66.23 to the African Development Center to provide
66.24 loans to purchase commercial real estate and
66.25 to expand organizational infrastructure. This
66.26 appropriation is available until June 30, 2025.

66.27 Of this amount:

66.28 (1) \$2,800,000 is for loans to purchase
66.29 commercial real estate targeted at African
66.30 immigrant small business owners;

66.31 (2) \$364,000 is for loan loss reserves to
66.32 support loan volume growth and attract
66.33 additional capital;

67.1 (3) \$836,000 is for increasing organizational
67.2 capacity;

67.3 (4) \$300,000 is for the safe 2 eat project of
67.4 inclusive assistance with required restaurant
67.5 licensing examinations; and

67.6 (5) \$700,000 is for a center for community
67.7 resources for language and technology
67.8 assistance for small businesses.

67.9 (nn) \$7,000,000 the first year is for grants to
67.10 the Minnesota Initiative Foundations to
67.11 capitalize their revolving loan funds, which
67.12 address unmet financing needs of for-profit
67.13 business start-ups, expansions, and ownership
67.14 transitions; nonprofit organizations; and
67.15 developers of housing to support the
67.16 construction, rehabilitation, and conversion
67.17 of housing units. Of the amount appropriated:

67.18 (1) \$1,000,000 is for a grant to the Southwest
67.19 Initiative Foundation;

67.20 (2) \$1,000,000 is for a grant to the West
67.21 Central Initiative Foundation;

67.22 (3) \$1,000,000 is for a grant to the Southern
67.23 Minnesota Initiative Foundation;

67.24 (4) \$1,000,000 is for a grant to the Northwest
67.25 Minnesota Foundation;

67.26 (5) \$2,000,000 is for a grant to the Initiative
67.27 Foundation of which \$1,000,000 is for
67.28 redevelopment of the St. Cloud Youth and
67.29 Family Center; and

67.30 (6) \$1,000,000 is for a grant to the Northland
67.31 Foundation.

67.32 (oo) \$500,000 each year is for a grant to
67.33 Enterprise Minnesota, Inc., to reach and

68.1 deliver talent, leadership, employee retention,
68.2 continuous improvement, strategy, quality
68.3 management systems, revenue growth, and
68.4 manufacturing peer-to-peer advisory services
68.5 to small manufacturing companies employing
68.6 35 or fewer full-time equivalent employees.

68.7 This is a onetime appropriation. No later than
68.8 February 1, 2025, and February 1, 2026,
68.9 Enterprise Minnesota, Inc., must provide a
68.10 report to the chairs and ranking minority
68.11 members of the legislative committees with
68.12 jurisdiction over economic development that
68.13 includes:

68.14 (1) the grants awarded during the past 12
68.15 months;

68.16 (2) the estimated financial impact of the grants
68.17 awarded to each company receiving services
68.18 under the program;

68.19 (3) the actual financial impact of grants
68.20 awarded during the past 24 months; and

68.21 (4) the total amount of federal funds leveraged
68.22 from the Manufacturing Extension Partnership
68.23 at the United States Department of Commerce.

68.24 (pp) \$375,000 each year is for a grant to
68.25 PFund Foundation to provide grants to
68.26 LGBTQ+-owned small businesses and
68.27 entrepreneurs. Of this amount, up to five
68.28 percent may be used for PFund Foundation's
68.29 technical assistance and administrative costs.

68.30 This is a onetime appropriation and is
68.31 available until June 30, 2026. To the extent
68.32 practicable, money must be distributed by
68.33 PFund Foundation as follows:

69.1 (1) at least 33.3 percent to businesses owned
69.2 by members of racial minority communities;
69.3 and

69.4 (2) at least 33.3 percent to businesses outside
69.5 of the seven-county metropolitan area as
69.6 defined in Minnesota Statutes, section
69.7 473.121, subdivision 2.

69.8 (qq) \$125,000 each year is for a grant to
69.9 Quorum to provide business support, training,
69.10 development, technical assistance, and related
69.11 activities for LGBTQ+-owned small
69.12 businesses that are recipients of a PFund
69.13 Foundation grant. Of this amount, up to five
69.14 percent may be used for Quorum's technical
69.15 assistance and administrative costs. This is a
69.16 onetime appropriation and is available until
69.17 June 30, 2026.

69.18 (rr) \$5,000,000 the first year is for a grant to
69.19 the Metropolitan Economic Development
69.20 Association (MEDA) for statewide business
69.21 development and assistance services to
69.22 minority-owned businesses. This is a onetime
69.23 appropriation. Any unencumbered balance
69.24 remaining at the end of the first year does not
69.25 cancel but is available the second year. Of this
69.26 amount:

69.27 (1) \$3,000,000 is for a revolving loan fund to
69.28 provide additional minority-owned businesses
69.29 with access to capital; and

69.30 (2) \$2,000,000 is for operating support
69.31 activities related to business development and
69.32 assistance services for minority business
69.33 enterprises.

70.1 By February 1, 2025, MEDA shall report to
70.2 the commissioner and the chairs and ranking
70.3 minority members of the legislative
70.4 committees with jurisdiction over economic
70.5 development policy and finance on the loans
70.6 and operating support activities, including
70.7 outcomes and expenditures, supported by the
70.8 appropriation under this paragraph.

70.9 (ss) \$2,500,000 each year is for a grant to a
70.10 Minnesota-based automotive component
70.11 manufacturer and distributor specializing in
70.12 electric vehicles and sensor technology that
70.13 manufactures all of their parts onshore to
70.14 expand their manufacturing. The grant
70.15 recipient under this paragraph shall submit
70.16 reports on the uses of the money appropriated,
70.17 the number of jobs created due to the
70.18 appropriation, wage information, and the city
70.19 and state in which the additional
70.20 manufacturing activity was located to the
70.21 chairs and ranking minority members of the
70.22 legislative committees with jurisdiction over
70.23 economic development. An initial report shall
70.24 be submitted by December 15, 2023, and a
70.25 final report is due by December 15, 2025. This
70.26 is a onetime appropriation.

70.27 (tt)(1) \$125,000 each year is for grants to the
70.28 Latino Chamber of Commerce Minnesota to
70.29 support the growth and expansion of small
70.30 businesses statewide. Funds may be used for
70.31 the cost of programming, outreach, staffing,
70.32 and supplies. This is a onetime appropriation.

70.33 (2) By January 15, 2026, the Latino Chamber
70.34 of Commerce Minnesota must submit a report
70.35 to the legislative committees with jurisdiction

71.1 over economic development that details the
71.2 use of grant funds and the grant's economic
71.3 impact.

71.4 (uu) \$175,000 the first year is for a grant to
71.5 the city of South St. Paul to study options for
71.6 repurposing the 1927 American Legion
71.7 Memorial Library after the property is no
71.8 longer used as a library. This appropriation is
71.9 available until the project is completed or
71.10 abandoned, subject to Minnesota Statutes,
71.11 section 16A.642.

71.12 (vv) \$250,000 the first year is for a grant to
71.13 LatinoLEAD for organizational
71.14 capacity-building.

71.15 (ww) \$80,000 the first year is for a grant to
71.16 the Neighborhood Development Center for
71.17 small business competitive grants to software
71.18 companies working to improve employee
71.19 engagement and workplace culture and to
71.20 reduce turnover.

71.21 (xx)(1) \$3,000,000 in the first year is for a
71.22 grant to the Center for Economic Inclusion for
71.23 strategic, data-informed investments in job
71.24 creation strategies that respond to the needs
71.25 of underserved populations statewide. This
71.26 may include forgivable loans, revenue-based
71.27 financing, and equity investments for
71.28 entrepreneurs with barriers to growth. Of this
71.29 amount, up to five percent may be used for
71.30 the center's technical assistance and
71.31 administrative costs. This appropriation is
71.32 available until June 30, 2025.

71.33 (2) By January 15, 2026, the Center for
71.34 Economic Inclusion shall submit a report on

72.1 the use of grant funds, including any loans
 72.2 made, to the legislative committees with
 72.3 jurisdiction over economic development.

72.4 (yy) \$500,000 the first year is for a grant to
 72.5 the Asian Economic Development Association
 72.6 for asset building and financial empowerment
 72.7 for entrepreneurs and small business owners,
 72.8 small business development and technical
 72.9 assistance, and cultural placemaking. This is
 72.10 a onetime appropriation.

72.11 (zz) \$500,000 each year is for a grant to
 72.12 Isuroon to support primarily African
 72.13 immigrant women with entrepreneurial
 72.14 training to start, manage, and grow
 72.15 self-sustaining microbusinesses, develop
 72.16 incubator space for these businesses, and
 72.17 provide support with financial and language
 72.18 literacy, systems navigation to eliminate
 72.19 capital access disparities, marketing, and other
 72.20 technical assistance. This is a onetime
 72.21 appropriation.

72.22 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2023, except
 72.23 that the amendment in paragraph (z), clause (3), item (ii), is effective retroactively from
 72.24 July 1, 2024.

72.25 Sec. 12. Laws 2023, chapter 53, article 21, section 7, as amended by Laws 2024, chapter
 72.26 120, article 1, section 12; and Laws 2024, chapter 125, article 8, section 9, is amended to
 72.27 read:

72.28 **Sec. 7. APPROPRIATIONS.**

72.29 (a) \$50,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund
 72.30 account to the commissioner of employment and economic development ~~for providing~~
 72.31 ~~businesses with matching funds required by federal programs.~~ Money awarded under this
 72.32 program is made retroactive to February 1, 2023, for applications and projects. The
 72.33 commissioner may use up to two percent of this appropriation for administration. This is a

73.1 onetime appropriation and is available until June 30, ~~2027~~ 2030. Any funds that remain
73.2 unspent are canceled to the general fund.

73.3 (b) \$100,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund
73.4 account to the commissioner of employment and economic development to match existing
73.5 federal funds made available in the Consolidated Appropriations Act, Public Law 117-328.
73.6 This appropriation must be used to (1) construct and operate a bioindustrial manufacturing
73.7 pilot innovation facility, biorefinery, or commercial campus utilizing agricultural feedstocks
73.8 or (2) for a Minnesota aerospace center for research, development, and testing, or both (1)
73.9 and (2). This appropriation is not subject to the grant limit requirements of Minnesota
73.10 Statutes, section 116J.8752, subdivisions 4, paragraph (b), and 5. Notwithstanding Minnesota
73.11 Statutes, section 116J.8752, subdivision 4, paragraph (a), this appropriation may include
73.12 land acquisition as an eligible use to construct a bioindustrial manufacturing pilot innovation
73.13 facility, a biorefinery, and an aerospace center for research, development, and testing. The
73.14 commissioner may use up to two percent of this appropriation for administration. This is a
73.15 onetime appropriation and is available until June 30, ~~2027~~ 2030. Any funds that remain
73.16 unspent are canceled to the general fund.

73.17 (c) \$240,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund
73.18 account to the commissioner of employment and economic development to match federal
73.19 funds made available in the Chips and Science Act, Public Law 117-167. Money awarded
73.20 under this program is made retroactive to February 1, 2023, for applications and projects.
73.21 This appropriation is not subject to Minnesota Statutes, section 116J.8752, subdivision 5.
73.22 The commissioner may use up two percent for administration. This is a onetime appropriation
73.23 and is available until June 30, ~~2027~~ 2030. Any funds that remain unspent are canceled to
73.24 the general fund.

73.25 (d) The commissioner may use the appropriation under paragraph (c) to allocate up to
73.26 15 percent of the total project cost with a maximum of \$75,000,000 per project for the
73.27 purpose of constructing, modernizing, or expanding commercial facilities on the front- and
73.28 back-end fabrication of leading-edge, current-generation, and mature-node semiconductors;
73.29 funding semiconductor materials and manufacturing equipment facilities; and for research
73.30 and development facilities.

73.31 (e) The commissioner may use the appropriation under paragraph (c) to award:

73.32 (1) grants to institutions of higher education for developing and deploying training
73.33 programs and to build pipelines to serve the needs of industry; and

(2) grants to increase the capacity of institutions of higher education to serve industrial requirements for research and development that coincide with current and future requirements of projects eligible under this section. Grant money may be used to construct and equip facilities that serve the purpose of the industry. The maximum grant award per institution of higher education under this section is \$5,000,000 and may not represent more than 50 percent of the total project funding from other sources. Use of this funding must be supported by businesses receiving funds under clause (1).

(f) Money appropriated in paragraphs (a), (b), and (c) may be transferred between appropriations within the Minnesota forward fund account by the commissioner of employment and economic development with approval of the commissioner of management and budget. The commissioner must notify the Legislative Advisory Commission at least 15 days prior to changing appropriations under this paragraph.

Sec. 13. **CHANGE STARTS WITH COMMUNITY VIOLENCE PREVENTION PROGRAM.**

Subdivision 1. Objectives. Change Starts With Community must:

(1) develop and implement year-round job training programs for at-risk youth and adults and provide trusted adult mentorship for at-risk Black, Indigenous, and People of Color youth, providing them with the skills needed for gainful employment and career opportunities; and

(2) create on-site job opportunities at Shiloh Cares Food Shelf - Northside Community Safety Resource Center, promoting community engagement and economic development.

Subd. 2. Partnership. Change Starts With Community shall partner with the Cargill Foundation to support at-risk youth educational career exposure field trips and exposing participants to the Change Starts With Community Agrihood garden and preventing further trauma through field trips for youth.

Subd. 3. At-risk youth and adult job program positions. Change Starts With Community must use grant proceeds to add positions to the program's complement, including but not limited to adult food service workers, youth food service workers, an executive director, operations director, program coordinator, and food shelf manager.

Subd. 4. Report. Beginning in fiscal year 2026, Change Starts With Community shall report to the commissioner of employment and economic development outlining the use of grant money, program outcomes, and the impact on the targeted population. The report must be submitted no later than six months after the end of each fiscal year.

75.1 Sec. 14. **APPLICABILITY OF CERTAIN REQUIREMENTS TO APPROPRIATION.**

75.2 The appropriation in Laws 2023, chapter 53, article 20, section 2, subdivision 3, paragraph
75.3 (ee), is not subject to Minnesota Statutes, section 116L.98.

75.4 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2023.

75.5 Sec. 15. **RELOCATION GRANTS.**

75.6 The commissioner of employment and economic development must reissue a request
75.7 for proposal for relocation grants under Laws 2024, chapter 120, article 1, section 2,
75.8 paragraph (i). The commissioner must make best efforts to conduct outreach and provide
75.9 technical assistance to businesses eligible for the grants. The appropriation under Laws
75.10 2024, chapter 120, article 1, section 2, paragraph (i), is available until June 30, 2026.

75.11 Sec. 16. **REVISOR INSTRUCTION.**

75.12 The revisor of statutes shall change the term "small business growth acceleration program"
75.13 to "Made in Minnesota program" wherever it appears in Minnesota Statutes, section
75.14 116O.115.

75.15 **ARTICLE 3**

75.16 **EXPLORE MINNESOTA**

75.17 Section 1. Minnesota Statutes 2024, section 116U.05, is amended to read:

75.18 **116U.05 EXPLORE MINNESOTA; ESTABLISHMENT.**

75.19 Explore Minnesota is an office in the executive branch with a director appointed by the
75.20 governor. The director is under the supervision of the commissioner of employment and
75.21 economic development and oversees Explore Minnesota Tourism ~~and~~, Explore Minnesota
75.22 for Business, and Explore Minnesota Film divisions. The director serves in the unclassified
75.23 service and must be qualified by experience and training in related fields.

75.24 Sec. 2. Minnesota Statutes 2024, section 116U.06, is amended to read:

75.25 **116U.06 EXPLORE MINNESOTA TOURISM.**

75.26 ~~Explore Minnesota Tourism is a division of Explore Minnesota and~~ exists to support
75.27 Minnesota's economy through promotion and facilitation of travel to and within the state
75.28 of Minnesota.

Sec. 3. Minnesota Statutes 2024, section 116U.15, is amended to read:

116U.15 MISSION.

(a) The mission of Explore Minnesota is to ~~promote and facilitate increased travel to and within the state of Minnesota, promote overall livability, and promote workforce and economic opportunity in Minnesota~~ support the growth of Minnesota's economy through the management of the state's tourism, livability and economic opportunity, outdoor recreation, film, and other statewide promotion efforts as directed. To further the mission of Explore Minnesota, the office is advised by various advisory councils ~~focused on tourism and talent attraction and business marketing.~~ Its goals are to:

(1) expand public and private partnerships through increased interagency efforts and increased tourism and business industry participation;

(2) increase productivity through enhanced flexibility and options; and

(3) use innovative fiscal and human resource practices to manage the state's resources and operate the office as efficiently as possible.

(b) The director shall report to the legislature on the performance of the office's operations and the accomplishment of its goals in the office's biennial budget according to section 16A.10, subdivision 1.

Sec. 4. Minnesota Statutes 2024, section 116U.30, is amended to read:

116U.30 DUTIES OF DIRECTOR.

(a) The director shall:

(1) publish, disseminate, and distribute informational and promotional materials;

(2) promote and encourage the coordination of Explore Minnesota ~~travel, tourism, overall livability, and workforce and economic opportunity~~ promotion efforts with other state agencies and develop multiagency marketing strategies when appropriate;

(3) promote and encourage the expansion and development of ~~international tourism, trade, and Minnesota livability marketing~~ programs that support the mission of the office;

(4) advertise and disseminate information about ~~Minnesota travel, tourism, and workforce and economic development opportunities~~ Explore Minnesota and its activities that support the mission of the office;

77.1 (5) ~~aid various~~ provide local communities a reasonable level of support to improve their
77.2 ~~travel, tourism, and overall livability~~ marketing programs as they relate to the mission of
77.3 the office;

77.4 (6) coordinate and implement comprehensive state ~~travel, tourism, workforce and~~
77.5 ~~economic development, and overall livability~~ mission-driven marketing programs that take
77.6 into consideration public and private businesses and attractions;

77.7 (7) contract, in accordance with section 16C.08, for professional services if the work or
77.8 services cannot be satisfactorily performed by employees of the agency or by any other
77.9 state agency;

77.10 (8) provide local, regional, and statewide organizations with information, ~~technical~~
77.11 ~~assistance~~ educational opportunities, training, and advice on ~~using state tourism and livability~~
77.12 ~~information and promotional~~ programs related to the office's mission; and

77.13 (9) generally gather, compile, and make available statistical information relating to
77.14 ~~Minnesota travel, tourism, workforce and economic development, overall livability, and~~
77.15 ~~related areas in this state~~ the office's mission. The director has the authority to call upon
77.16 other state agencies for statistical data and results obtained by them and to arrange and
77.17 compile that statistical information.

77.18 (b) The director may:

77.19 (1) apply for, receive, and spend money ~~for travel, tourism, workforce and economic~~
77.20 ~~development, and overall livability development and marketing~~, as it relates to the mission
77.21 of the office, from other agencies, organizations, and businesses;

77.22 (2) apply for, accept, and disburse grants and other aids for ~~tourism~~ development and
77.23 marketing from the federal government and other sources;

77.24 (3) enter into joint powers or cooperative agreements with agencies of the federal
77.25 government, local governmental units, regional development commissions, other state
77.26 agencies, the University of Minnesota and other educational institutions, other states,
77.27 Canadian provinces, and local, statewide, and regional organizations as necessary to perform
77.28 the director's duties;

77.29 (4) enter into interagency agreements and agree to share net revenues with the contributing
77.30 agencies;

77.31 (5) make grants;

(6) conduct market research and analysis to improve marketing techniques ~~in the area of travel, tourism, workforce and economic development, and overall livability;~~

(7) monitor and study trends in the related industries and provide resources and training to address change;

(8) annually convene conferences of Minnesota providers for the purposes of exchanging information on tourism development, coordinating marketing activities, and formulating ~~tourism, overall livability, and workforce and economic opportunity~~ mission-related promotion development strategies; and

(9) enter into promotion contracts or other agreements with private persons and public entities, including agreements to establish and maintain offices and other types of representation in foreign countries to promote international travel and to implement this chapter.

(c) Contracts for goods and ~~nonprofessional~~ services and professional technical services made under paragraph (b), clauses (3) and (9), are not subject to the provisions of sections 16C.03, subdivision 3, and 16C.06 concerning competitive bidding and section 16C.055 concerning barter arrangements. Professional technical service contracts that promote Minnesota as a tourism travel destination or a talent attraction may be negotiated and are not subject to the provisions of chapter 16C relating to competitive bidding.

Sec. 5. Minnesota Statutes 2024, section 116U.35, is amended to read:

116U.35 PROMOTIONAL EXPENSES.

To promote ~~travel, tourism, workforce and economic development, and overall livability of the state~~ programs that align with Explore Minnesota's mission, the director may expend money appropriated by the legislature for these purposes in the same manner as private persons, firms, corporations, and associations make expenditures for these purposes. Policies on promotional expenses must be approved by the commissioner of administration. A policy for expenditures on food, lodging, and travel must be approved by the commissioner of management and budget. No money may be expended for the appearance in radio or television broadcasts by an elected public official.

ARTICLE 4

DEED CANNABIS PROGRAMS

Section 1. Minnesota Statutes 2024, section 116J.659, subdivision 4, is amended to read:

Subd. 4. **Loans to businesses.** (a) The criteria in this subdivision apply to loans made by nonprofit corporations under the program.

(b) Loans must be used to support a new cannabis microbusiness in the legal cannabis industry. Priority must be given to loans to businesses owned by individuals who are eligible to be social equity applicants and businesses located in communities where long-term residents are eligible to be social equity applicants.

(c) Loans must be made to cannabis microbusinesses that are not likely to undertake the project for which loans are sought without assistance from the program.

(d) The minimum state contribution to a loan is \$2,500 and the maximum is either:

(1) ~~\$50,000~~ \$75,000; or

(2) ~~\$150,000~~ \$200,000, if state contributions are matched by ~~an equal or greater amount~~ at least 25 percent of new private investment.

(e) Loan applications given preliminary approval by the nonprofit corporation must be forwarded to the commissioner for approval. The commissioner must ~~give final approval for each loan made by the nonprofit corporation under the program~~ make approval decisions within 30 days of receiving a loan application. If the application contains insufficient information to make an approval decision, the nonprofit corporation must be notified within 14 days with all information that needs to be provided.

(f) A cannabis microbusiness that receives a loan may ~~apply to renew the~~ for a subsequent loan. ~~Renewal applications must be made on an annual basis and~~ A cannabis microbusiness may ~~receive loans for up to six consecutive years~~ have a maximum of two program loans. A nonprofit corporation may ~~renew~~ originate a loan to a cannabis microbusiness that is no longer a new business provided the business would otherwise qualify for an initial loan and is in good standing with the nonprofit corporation and the commissioner. A nonprofit corporation may ~~adjust the amount of a renewed loan, or not renew a loan,~~ decline to originate a subsequent loan if the nonprofit corporation determines that the cannabis microbusiness is financially stable and is substantially likely to continue the project for which the loan ~~renewal~~ is sought. Refinancing of existing debt is prohibited.

(g) If a borrower has met lender criteria, including being current with all payments for a minimum of three years, the commissioner may approve either full or partial forgiveness of interest or principal amounts.

Sec. 2. Minnesota Statutes 2024, section 116J.659, subdivision 5, is amended to read:

Subd. 5. Revolving loan account administration. (a) The commissioner shall establish a minimum interest rate for loans or guarantees to ensure that necessary loan administration costs are covered. The interest rate or fee equivalent charged by a nonprofit corporation for a loan under this section must not exceed the Wall Street Journal prime rate. For a loan under this section, the nonprofit corporation may charge a loan origination fee equal to or less than one percent of the loan value. The nonprofit corporation may retain the amount of the origination fee.

(b) Loan repayment of principal must be paid to the commissioner for deposit in the CanStartup revolving loan account. Loan interest payments ~~must be deposited in a revolving loan account created by the nonprofit corporation originating the loan being repaid for further distribution or use, consistent with the criteria of this section~~ may be retained by the nonprofit corporation originating the loan to help cover expenses for loan servicing and origination.

(c) Administrative expenses of the nonprofit corporations with whom the commissioner enters into agreements, including expenses incurred by a nonprofit corporation in providing technology, insurance, legal, audit and accounting, reporting, financial, technical, managerial, and marketing assistance to a business receiving a loan under this section, are eligible program expenses the commissioner may agree to pay under the grant agreement.

(d) Average interest rates charged by the nonprofit corporations must be reported biannually and publicly published by both the agency and the nonprofit corporation.

ARTICLE 5

PROMISE ACT MODIFICATIONS

Section 1. Laws 2023, chapter 53, article 18, section 2, subdivision 1, is amended to read:

Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have the meanings given.

(b) "Business" means both for-profit businesses and nonprofit organizations that earn revenue in ways similar to businesses.

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

(d) "Partner organization" or "partner" means the Minnesota Initiative Foundations and nonprofit corporations receiving grants to provide grants to businesses under this section.

(e) "Prior taxable year" means the most recently completed tax year to the calendar year that an application is submitted.

(f) "Program" means the PROMISE grant program under this section.

(g) "Taxpayer" has the meaning given in Minnesota Statutes, section 290.01, subdivision 6.

Sec. 2. Laws 2023, chapter 53, article 18, section 2, subdivision 4, is amended to read:

Subd. 4. **Grants to businesses.** (a) Partners shall make grants to businesses using criteria, forms, applications, and reporting requirements developed by the partner organization and approved by the commissioner.

(b) To be eligible for a grant under this subdivision, a business must:

(1) have primary business operations located in the state of Minnesota;

(2) be located in a community that has been adversely affected by structural racial discrimination, civil unrest, lack of access to capital, a loss of population or an aging population, or a lack of regional economic diversification; and

(3) have a gross annual revenue of \$750,000 or less based on ~~2021 taxes~~ the prior taxable year.

(c) In addition to the requirements under paragraph (a), if a taxpayer's business meets requirements of paragraph (b), clause (2), and the business location is the taxpayer's residence, the taxpayer must have been eligible for the deduction allowed under section 280A(c)(1) of the Internal Revenue Code, in the prior taxable year.

~~(e)~~ (d) Preference shall be given to businesses that did not receive previous assistance of more than \$10,000 cumulatively from the state under:

(1) the governor's Executive Order No. 20-15;

(2) Laws 2020, First Special Session chapter 1, section 4;

(3) Laws 2020, Seventh Special Session chapter 2, article 4 or 5; or

(4) Laws 2021, First Special Session chapter 10, article 2, section 22.

~~(d)~~ (e) Preference shall be given to businesses that are able to demonstrate financial hardship.

82.1 ~~(e)~~ (f) Preference shall be given to businesses that were in operation in 2021 and had
82.2 revenue of \$750,000 or less based on the prior year tax documentation submitted under
82.3 paragraph (b), clause (3).

82.4 (g) Grants under this subdivision must not exceed:

82.5 (1) \$10,000 for businesses with a gross revenue in the prior year of \$100,000 or less;

82.6 (2) \$25,000 for businesses with a gross revenue in the prior year of more than \$100,000
82.7 but no more than \$350,000; and

82.8 (3) \$50,000 for businesses with a gross revenue in the prior year of more than \$350,000
82.9 but no more than \$750,000.

82.10 ~~(f)~~ (h) No business or individual may receive more than one grant under this section.

82.11 ~~(g)~~ (i) Grant money may be used for working capital to support payroll expenses, rent
82.12 or mortgage payments, utility bills, equipment, and other similar expenses that occur in the
82.13 regular course of business.

82.14 Sec. 3. Laws 2023, chapter 53, article 18, section 3, subdivision 1, is amended to read:

82.15 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
82.16 the meanings given.

82.17 (b) "Borrower" means an eligible recipient receiving a loan under this section.

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

82.19 (d) "Eligible project" means the development, redevelopment, demolition, site preparation,
82.20 predesign, design, engineering, repair, land acquisition, relocation, or renovation of real
82.21 property or capital improvements. Eligible project includes but is not limited to construction
82.22 of buildings, equipment purchases, infrastructure, related site amenities, landscaping, and
82.23 street-scaping.

82.24 (e) "Eligible recipient" means a:

82.25 (1) business;

82.26 (2) nonprofit organization; or

82.27 (3) developer that is seeking funding to complete an eligible project. Eligible recipient
82.28 does not include a partner organization or a local unit of government.

82.29 Eligible recipients must: (i) have primary operations located in the state of Minnesota; (ii)
82.30 have gross annual revenue of less than ~~\$1,000,000~~ \$1,500,000 based on ~~2021 taxes~~ the prior

83.1 taxable year; and (iii) be located in a community that has been adversely affected by structural
83.2 racial discrimination, civil unrest, lack of access to capital, a loss of population or an aging
83.3 population, or a lack of regional economic diversification.

83.4 (f) "Partner organization" or "Partner" means the Minnesota Initiative Foundations and
83.5 nonprofit corporations receiving grants to provide loans under this section.

83.6 (g) "Program" means the PROMISE loan program under this section.

83.7 (h) "Redevelopment" means the acquisition of real property; site preparation; predesign,
83.8 design, engineering, repair, or renovation of facilities facade improvements, and construction
83.9 of buildings, infrastructure, and related site amenities; landscaping; street-scaping;
83.10 land-banking for future development or redevelopment; or financing any of these activities
83.11 taken on by a private party pursuant to an agreement with the city. Redevelopment does not
83.12 include project costs that have received compensation or assistance available through
83.13 insurance policies or from other organizations or government agencies.

83.14 Sec. 4. Laws 2023, chapter 53, article 18, section 3, subdivision 4, is amended to read:

83.15 Subd. 4. **Loans to eligible recipients.** (a) A partner organization may make loans to
83.16 eligible recipients for eligible projects. A loan to an eligible recipient for an eligible project
83.17 must:

83.18 (1) be for no more than ~~\$1,000,000~~ \$1,500,000;

83.19 (2) be for a term of no more than ~~ten~~ 20 years; and

83.20 (3) not charge an interest rate of more than three percent.

83.21 (b) Loans must not be used for working capital or inventory; consolidating; or repaying;
83.22 ~~or refinancing~~ debt; or speculation or investment in rental real estate.

83.23 (c) All payments of interest on a loan under this section are the property of the partner
83.24 organization ~~and shall be used for its administrative and operating expenses under the~~
83.25 ~~program.~~

83.26 (d) A partner organization may:

83.27 (1) charge a loan origination fee of no more than one percent per loan; and

83.28 (2) charge a monthly fee in lieu of interest.

84.1 Sec. 5. Laws 2023, chapter 53, article 18, section 3, subdivision 5, is amended to read:

84.2 Subd. 5. **Revolving loan fund.** Partner organizations that receive grants from the
84.3 commissioner under the program must establish a commissioner-certified revolving loan
84.4 fund for the purpose of making eligible loans. All loan payments shall be deposited in the
84.5 partner organization's revolving loan fund. Funds repaid to the partner organization are not
84.6 limited in their uses by the language in this section, except that funds repaid may not be
84.7 used for loans for speculation or investment in rental real estate.

84.8 Sec. 6. **EFFECTIVE DATE.**

84.9 Sections 1 to 5 are effective the day following final enactment.

84.10 ARTICLE 6

84.11 EMPLOYMENT AND ECONOMIC DEVELOPMENT MISCELLANEOUS

84.12 Section 1. Minnesota Statutes 2024, section 116L.05, subdivision 5, is amended to read:

84.13 Subd. 5. **Use of workforce development funds.** After March 1 of any fiscal year, the
84.14 board may use workforce development funds for the purposes outlined in sections 116L.02
84.15 and 116L.04, or to provide incumbent worker training services under section 116L.18 if
84.16 the following conditions have been met:

84.17 (1) the board examines relevant economic indicators, including the projected number
84.18 of layoffs for the remainder of the fiscal year and the next fiscal year, evidence of declining
84.19 and expanding industries, the number of initial applications for and the number of exhaustions
84.20 of unemployment benefits, job vacancy data, county labor force participation rates, and any
84.21 additional relevant information brought to the board's attention;

84.22 (2) the board accounts for all allocations made in section 116L.17, subdivision 2;

84.23 (3) based on the past expenditures and projected revenue, the board estimates future
84.24 funding needs for services under section 116L.17 for the remainder of the current fiscal
84.25 year and the next fiscal year;

84.26 (4) the board determines there will be unspent funds after meeting the needs of dislocated
84.27 workers in the current fiscal year and there will be sufficient revenue to meet the needs of
84.28 dislocated workers in the next fiscal year; and

84.29 (5) the board reports its findings in clauses (1) to (4) to the chairs of legislative
84.30 committees with jurisdiction over the workforce development fund, to the commissioners
84.31 of revenue and management and budget, and to the public.

85.1 Sec. 2. Minnesota Statutes 2024, section 248.07, subdivision 7, is amended to read:

85.2 Subd. 7. **Blind, vending ~~stands and machines~~ facilities on governmental property;**
85.3 **liability limited.** (a) Notwithstanding any other law, for the rehabilitation of blind persons
85.4 the commissioner shall have exclusive authority to establish and to operate vending ~~stands~~
85.5 ~~and vending machines~~ facilities in all buildings and properties owned or rented exclusively
85.6 by the Minnesota State Colleges and Universities at a state university, a community college,
85.7 a consolidated community technical college, or a technical college served by the
85.8 commissioner before January 1, 1996, or by any department or agency of the state of
85.9 Minnesota except the Department of Natural Resources properties operated directly by the
85.10 Division of State Parks and not subject to private leasing. Vending ~~stands and machines~~
85.11 facilities authorized under this subdivision may dispense nonalcoholic beverages, food,
85.12 candies, tobacco, souvenirs, notions, and related items and must be operated on the same
85.13 basis as other vending ~~stands~~ facilities for the blind established and supervised by the
85.14 commissioner under federal law. The commissioner shall waive this authority to displace
85.15 any present private individual concessionaire in any state-owned or rented building or
85.16 property who is operating under a contract with a specific renewal or termination date, until
85.17 the renewal or termination date. With the consent of the governing body of a governmental
85.18 subdivision of the state, the commissioner may establish and supervise vending ~~stands and~~
85.19 ~~vending machines~~ facilities for the blind in any building or property exclusively owned or
85.20 rented by the governmental subdivision.

85.21 (b) The Department of Employment and Economic Development is not liable under
85.22 chapter 176 for any injury sustained by a blind vendor's employee or agent. The Department
85.23 of Employment and Economic Development, its officers, and its agents are not liable for
85.24 the acts or omissions of a blind vendor or of a blind vendor's employee or agent that may
85.25 result in the blind vendor's liability to third parties. The Department of Employment and
85.26 Economic Development, its officers, and its agents are not liable for negligence based on
85.27 any theory of liability for claims arising from the relationship created under this subdivision
85.28 with the blind vendor.

85.29 Sec. 3. Minnesota Statutes 2024, section 248.07, subdivision 8, is amended to read:

85.30 Subd. 8. **Use of revolving fund, licenses for operation of vending ~~stands~~ facilities.** (a)
85.31 The revolving fund created by Laws 1947, chapter 535, section 5, is continued as provided
85.32 in this subdivision and shall be known as the revolving fund for vocational rehabilitation
85.33 of the blind. It shall be used for the purchase of equipment and supplies for establishing and
85.34 operating of vending ~~stands~~ facilities by blind persons. All income, receipts, earnings, and

86.1 federal vending ~~machine~~ facility income due to the operation of vending ~~stands~~ facilities
86.2 operated under this subdivision shall also be paid into the fund. All interest earned on money
86.3 accrued in the fund must be credited to the fund by the commissioner of management and
86.4 budget. All equipment, supplies, and expenses for setting up these ~~stands~~ facilities shall be
86.5 paid for from the fund.

86.6 (b) The commissioner is authorized to use the money available in the revolving fund
86.7 that originated as operational charges to individuals licensed under this subdivision for the
86.8 establishment, operation, and supervision of vending ~~stands~~ facilities by blind persons for
86.9 the following purposes:

86.10 (1) purchase, upkeep and replacement of equipment;

86.11 (2) expenses incidental to the setting up of new ~~stands~~ facilities and improvement of old
86.12 ~~stands~~ facilities;

86.13 (3) reimbursement under section 15.059 to individual blind vending operators for
86.14 reasonable expenses incurred in attending supervisory meetings as called by the commissioner
86.15 and other expenditures for management services consistent with federal law; and

86.16 (4) purchase of fringe benefits for blind vending operators and their employees such as
86.17 group health insurance, retirement program, vacation or sick leave assistance provided that
86.18 the purchase of any fringe benefit is approved by a majority vote of blind vending operators
86.19 licensed pursuant to this subdivision after the commissioner provides to each blind vending
86.20 operator information on all matters relevant to the fringe benefits. "Majority vote" means
86.21 a majority of blind vending operators voting. Fringe benefits shall be paid only from
86.22 assessments of operators for specific benefits, gifts to the fund for fringe benefit purposes,
86.23 and vending income which is not assignable to an individual ~~stand~~ facility.

86.24 (c) Money originally deposited as merchandise and supplies repayments by individuals
86.25 licensed under this subdivision may be expended for initial and replacement stocks of
86.26 supplies and merchandise. Money originally deposited from vending income on federal
86.27 property must be spent consistent with federal law.

86.28 (d) All other deposits may be used for the purchase of general liability insurance or any
86.29 other expense related to the operation and supervision of vending ~~stands~~ facilities.

86.30 (e) The commissioner shall issue each license for the operation of a vending ~~stand~~ facility
86.31 or vending machine for an indefinite period but may terminate any license in the manner
86.32 provided. In granting licenses for new or vacated ~~stands~~ facilities preference on the basis
86.33 of seniority of experience in operating ~~stands~~ facilities under the control of the commissioner

87.1 shall be given to capable operators who are deemed competent to handle the enterprise
87.2 under consideration. Application of this preference shall not prohibit the commissioner from
87.3 selecting an operator from the community in which the ~~stand~~ facility is located.

87.4 Sec. 4. Minnesota Statutes 2024, section 268.085, subdivision 15, is amended to read:

87.5 Subd. 15. **Available for suitable employment defined.** (a) "Available for suitable
87.6 employment" means an applicant is ready, willing, and able to accept suitable employment.
87.7 The attachment to the work force must be genuine. An applicant may restrict availability
87.8 to suitable employment, but there must be no other restrictions, either self-imposed or created
87.9 by circumstances, temporary or permanent, that prevent accepting suitable employment.

87.10 (b) Unless the applicant is in reemployment assistance training, to be "available for
87.11 suitable employment," a student who has regularly scheduled classes must be willing to
87.12 discontinue classes to accept suitable employment when:

87.13 (1) class attendance restricts the applicant from accepting suitable employment; and

87.14 (2) the applicant is unable to change the scheduled class or make other arrangements
87.15 that excuse the applicant from attending class.

87.16 (c) Except for an active search that may be done remotely, an applicant who is absent
87.17 from the labor market area for personal reasons, other than to search for work, is not
87.18 "available for suitable employment." An applicant who is conducting an active work search
87.19 remotely must be able to be physically present for an in-person interview, if scheduled, to
87.20 be considered "available for suitable employment" under this paragraph.

87.21 (d) An applicant who has restrictions on the hours of the day or days of the week that
87.22 the applicant can or will work, that are not normal for the applicant's usual occupation or
87.23 other suitable employment, is not "available for suitable employment." An applicant must
87.24 be available for daytime employment, if suitable employment is performed during the
87.25 daytime, even though the applicant previously worked the night shift.

87.26 Sec. 5. Minnesota Statutes 2024, section 268.184, subdivision 1, is amended to read:

87.27 Subdivision 1. **Misrepresentation; administrative penalties.** (a) The commissioner
87.28 must penalize an employer if that employer or any employee, officer, or agent of that
87.29 employer made a false statement or representation without a good faith belief as to correctness
87.30 of the statement or representation or knowingly failed to disclose a material fact in order
87.31 to:

88.1 (1) assist an applicant to receive unemployment benefits to which the applicant is not
88.2 entitled;

88.3 (2) prevent or reduce the payment of unemployment benefits to an applicant; or

88.4 (3) avoid or reduce any payment required from an employer under this chapter or section
88.5 116L.20.

88.6 The penalty is the greater of \$500 or ~~50~~ 100 percent of the following resulting from the
88.7 employer's action:

88.8 (i) the amount of any overpaid unemployment benefits to an applicant;

88.9 (ii) the amount of unemployment benefits not paid to an applicant that would otherwise
88.10 have been paid; or

88.11 (iii) the amount of any payment required from the employer under this chapter or section
88.12 116L.20 that was not paid.

88.13 (b) The commissioner must penalize an employer if that employer failed or refused to
88.14 honor a subpoena issued under section 268.188. The penalty is \$500 and any costs of
88.15 enforcing the subpoena, including attorney fees.

88.16 (c) Penalties under this subdivision and under section 268.047, subdivision 4, paragraph
88.17 (b), are in addition to any other penalties and subject to the same collection procedures that
88.18 apply to past due taxes. Penalties must be paid within 30 calendar days of issuance of the
88.19 determination of penalty and credited to the trust fund.

88.20 (d) The determination of penalty is final unless the employer files an appeal within 45
88.21 calendar days after the sending of the determination of penalty to the employer by mail or
88.22 electronic transmission. Proceedings on the appeal are conducted in accordance with section
88.23 268.105."

88.24 Amend the title numbers accordingly

88.25 And when so amended the bill do pass and be re-referred to the Committee on Finance.
88.26 Amendments adopted. Report adopted.

88.27
88.28 (Committee Chair)

88.29 April 9, 2025.....
88.30 (Date of Committee recommendation)