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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 2440

03/17/2025

Authored by Pinto

The bill was read for the first time and referred to the Committee on Workforce, Labor, and Economic Development Finance and Policy

1.1 A bill for an act

1.2 relating to state government; establishing a biennial budget for the Department of

1.3 Employment and Economic Development and Explore Minnesota; making various

1.4 policy changes; requiring reports; appropriating money; amending Minnesota

1.5 Statutes 2024, sections 116J.431, subdivision 2; 116J.8733, subdivision 4;

1.6 116J.8752, subdivision 2; 116L.04, subdivisions 1, 1a; 116L.98, subdivision 2;

1.7 469.54, subdivision 4; Laws 2023, chapter 53, article 20, section 2, subdivision 2,

1.8 as amended; article 21, section 7, as amended; proposing coding for new law in

1.9 Minnesota Statutes, chapter 116J; repealing Laws 2024, chapter 120, article 1,

1.10 section 13.

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

1.12 **ARTICLE 1**

1.13 **APPROPRIATIONS**

1.14 Section 1. **APPROPRIATIONS.**

1.15 (a) The sums shown in the columns marked "Appropriations" are appropriated to the

1.16 agencies and for the purposes specified in this article. The appropriations are from the

1.17 general fund, or another named fund, and are available for the fiscal years indicated for

1.18 each purpose. The figures "2026" and "2027" used in this article mean that the appropriations

1.19 listed under them are available for the fiscal year ending June 30, 2026, or June 30, 2027,

1.20 respectively. "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The

1.21 biennium" is fiscal years 2026 and 2027.

1.22 (b) If an appropriation in this article is enacted more than once in the 2025 regular or

1.23 special legislative session, the appropriation must be given effect only once.

1.24 **APPROPRIATIONS**

1.25 **Available for the Year**

2.1	<u>Ending June 30</u>	
2.2	<u>2026</u>	<u>2027</u>
2.3	<u>Sec. 2. DEPARTMENT OF EMPLOYMENT</u>	
2.4	<u>AND ECONOMIC DEVELOPMENT</u>	
2.5	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 181,873,000 \$ 147,099,000</u>
2.6	<u>Appropriations by Fund</u>	
2.7	<u>2026</u>	<u>2027</u>
2.8	<u>General</u>	<u>109,352,000 110,122,000</u>
2.9	<u>Remediation</u>	<u>700,000 700,000</u>
2.10	<u>Workforce</u>	
2.11	<u>Development</u>	<u>31,277,000 31,277,000</u>
2.12	<u>Family and Medical</u>	
2.13	<u>Benefit Insurance</u>	<u>40,544,000 5,000,000</u>

2.14 The amounts that may be spent for each
 2.15 purpose are specified in the following
 2.16 subdivisions.

2.17 **Subd. 2. Business and Community Development**

2.18	<u>Appropriations by Fund</u>	
2.19	<u>General</u>	<u>46,067,000 46,067,000</u>
2.20	<u>Remediation</u>	<u>700,000 700,000</u>
2.21	<u>Workforce</u>	
2.22	<u>Development</u>	<u>1,350,000 1,350,000</u>

2.23 (a) \$350,000 each year is for the
 2.24 administration of the energy transition office
 2.25 under Minnesota Statutes, section 116J.5491.

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

- 3.1 (c) \$2,725,000 each year is for the small
3.2 business assistance partnerships program
3.3 under Minnesota Statutes, section 116J.682.
3.4 All grant awards shall be for two consecutive
3.5 years. Grants shall be awarded in the first year.
3.6 The department may use up to five percent of
3.7 the appropriation for administrative purposes.
- 3.8 (d) \$1,772,000 each year is for contaminated
3.9 site cleanup and development grants under
3.10 Minnesota Statutes, sections 116J.551 to
3.11 116J.558. This appropriation is available until
3.12 expended.
- 3.13 (e) \$700,000 each year is from the remediation
3.14 fund for contaminated site cleanup and
3.15 development grants under Minnesota Statutes,
3.16 sections 116J.551 to 116J.558. This
3.17 appropriation is available until expended.
- 3.18 (f) \$139,000 each year is for the Center for
3.19 Rural Policy and Development.
- 3.20 (g) \$25,000 each year is for the administration
3.21 of state aid for the Destination Medical Center
3.22 Corporation under Minnesota Statutes,
3.23 sections 469.40 to 469.47.
- 3.24 (h) \$875,000 each year is for the host
3.25 community economic development program
3.26 established in Minnesota Statutes, section
3.27 116J.548.
- 3.28 (i)(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 subdivision must
4.8 be used to implement projects to reduce the
4.9 child care shortage in the state, including but
4.10 not 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 (j) \$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 (k) \$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 (l) \$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 (m) \$12,370,000 each year is for the
6.22 Minnesota investment fund under Minnesota
6.23 Statutes, section 116J.8731. Of this amount,
6.24 the commissioner of employment and
6.25 economic development may use up to three
6.26 percent for administration and monitoring of
6.27 the program. This appropriation is available
6.28 until expended. Notwithstanding Minnesota
6.29 Statutes, section 116J.8731, money
6.30 appropriated to the commissioner for the
6.31 Minnesota investment fund may be used for
6.32 the redevelopment program under Minnesota
6.33 Statutes, sections 116J.575 and 116J.5761, at
6.34 the discretion of the commissioner. Grants
6.35 under this paragraph are not subject to the

- 7.1 grant amount limitation under Minnesota
7.2 Statutes, section 116J.8731.
- 7.3 (n) \$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 (o) \$1,000,000 each year is for the Minnesota
7.7 emerging entrepreneur loan program under
7.8 Minnesota Statutes, section 116M.18. Funds
7.9 available under this paragraph are for transfer
7.10 into the emerging entrepreneur program
7.11 special revenue fund account created under
7.12 Minnesota Statutes, chapter 116M, and are
7.13 available until expended. Of this amount, up
7.14 to four percent is for administration and
7.15 monitoring of the program.
- 7.16 (p) \$12,000 each year is for a grant to the
7.17 Upper Minnesota Film Office.
- 7.18 (q) \$4,195,000 each year is for the Minnesota
7.19 job skills partnership program under
7.20 Minnesota Statutes, sections 116L.01 to
7.21 116L.17. If the appropriation for either year
7.22 is insufficient, the appropriation for the other
7.23 year is available. This appropriation is
7.24 available until expended.
- 7.25 (r) \$1,350,000 each year from the workforce
7.26 development fund is for jobs training grants
7.27 under Minnesota Statutes, section 116L.41.
- 7.28 (s) \$250,000 each year is for the publication,
7.29 dissemination, and use of labor market
7.30 information under Minnesota Statutes, section
7.31 116J.401.
- 7.32 (t) \$3,000,000 each year is for transfer to the
7.33 CanStartup revolving loan account established
7.34 under Minnesota Statutes, section 116J.659,

8.1 subdivision 3. Of this amount, up to four
 8.2 percent may be used for administrative
 8.3 purposes. Any unencumbered balances
 8.4 remaining in the first year do not cancel but
 8.5 are available for the second year.

8.6 (u) \$1,000,000 each year is for the
 8.7 CanNavigate program established under
 8.8 Minnesota Statutes, section 116J.6595. Of this
 8.9 amount, up to four percent may be used for
 8.10 administrative purposes. Any unencumbered
 8.11 balances remaining in the first year do not
 8.12 cancel but are available for the second year.

8.13 **Subd. 3. Workforce Development Services** 35,748,000 35,748,000

8.14	<u>Appropriations by Fund</u>		
8.15	<u>General</u>	<u>13,746,000</u>	<u>13,746,000</u>
8.16	<u>Workforce</u>		
8.17	<u>Development</u>	<u>22,002,000</u>	<u>22,002,000</u>

8.18 (a) \$500,000 each year from the general fund
 8.19 and \$500,000 each year from the workforce
 8.20 development fund are for rural career
 8.21 counseling coordinators in the workforce
 8.22 service areas and for the purposes specified
 8.23 under Minnesota Statutes, section 116L.667.

8.24 (b) \$750,000 each year is for the women and
 8.25 high-wage, high-demand, nontraditional jobs
 8.26 grant program under Minnesota Statutes,
 8.27 section 116L.99. Of this amount, up to five
 8.28 percent is for administration and monitoring
 8.29 of the program.

8.30 (c) \$2,546,000 each year from the general fund
 8.31 and \$4,604,000 each year from the workforce
 8.32 development fund are for the pathways to
 8.33 prosperity competitive grant program. Of this
 8.34 amount, up to five percent is for administration
 8.35 and monitoring of the program.

9.1 (d) \$500,000 each year is from the workforce
9.2 development fund for current Minnesota
9.3 affiliates of OIC of America, Inc. This
9.4 appropriation shall be divided equally among
9.5 the eligible centers.

9.6 (e) \$1,000,000 each year is for competitive
9.7 grants to organizations providing services to
9.8 relieve economic disparities in the Southeast
9.9 Asian community through workforce
9.10 recruitment, development, job creation,
9.11 assistance of smaller organizations to increase
9.12 capacity, and outreach. Of this amount, up to
9.13 five percent is for administration and
9.14 monitoring of the program.

9.15 (f) \$1,000,000 each year is for a competitive
9.16 grant program to provide grants to
9.17 organizations that provide support services for
9.18 individuals, such as job training, employment
9.19 preparation, internships, job assistance to
9.20 parents, financial literacy, academic and
9.21 behavioral interventions for low-performing
9.22 students, and youth intervention. Grants made
9.23 under this section must focus on low-income
9.24 communities, young adults from families with
9.25 a history of intergenerational poverty, and
9.26 communities of color. Of this amount, up to
9.27 five percent is for administration and
9.28 monitoring of the program.

9.29 (g) \$750,000 each year from the general fund
9.30 and \$3,348,000 each year from the workforce
9.31 development fund are for the youth-at-work
9.32 competitive grant program under Minnesota
9.33 Statutes, section 116L.562. Of this amount,
9.34 up to five percent is for administration and
9.35 monitoring of the youth workforce

- 10.1 development competitive grant program. All
10.2 grant awards shall be for two consecutive
10.3 years. Grants shall be awarded in the first year.
- 10.4 (h) \$1,000,000 each year is from the
10.5 workforce development fund for the
10.6 youthbuild program under Minnesota Statutes,
10.7 sections 116L.361 to 116L.366.
- 10.8 (i) \$4,050,000 each year is from the workforce
10.9 development fund for the Minnesota youth
10.10 program under Minnesota Statutes, sections
10.11 116L.56 and 116L.561.
- 10.12 (j) \$1,275,000 each year is for the
10.13 transformative career pathways workforce
10.14 grants under Minnesota Statutes, section
10.15 116L.43. The department may use up to five
10.16 percent of this appropriation for
10.17 administration, monitoring, and oversight of
10.18 the program.
- 10.19 (k) \$25,000 each year is for a grant to the
10.20 University of Minnesota Tourism Center for
10.21 ongoing system maintenance, management,
10.22 and content updates of an online hospitality
10.23 training program in partnership with Explore
10.24 Minnesota Tourism. This training program
10.25 must be made available at no cost to
10.26 Minnesota residents in an effort to address
10.27 critical workforce shortages in the hospitality
10.28 and tourism industries and assist in career
10.29 development.
- 10.30 (l) \$150,000 each year is for prevailing wage
10.31 staff under Minnesota Statutes, section
10.32 116J.871, subdivision 2.

- 11.1 (m) \$750,000 each year is for the Office of
11.2 New Americans under Minnesota Statutes,
11.3 section 116J.4231.
- 11.4 (n) \$2,000,000 each year is for the CanTrain
11.5 program established under Minnesota Statutes,
11.6 section 116L.90. Of this amount, up to four
11.7 percent may be used for administrative
11.8 purposes.
- 11.9 (o) \$3,000,000 each year is for the Service to
11.10 Success initiative. Of this amount:
- 11.11 (1) \$600,000 each year is for the Office of
11.12 Public Service, established under Minnesota
11.13 Statutes, section 116J.9921;
- 11.14 (2) \$150,000 each year is for transfer to the
11.15 Department of Education to support career
11.16 pathways development;
- 11.17 (3) \$2,250,000 each year is for grants to
11.18 expand service opportunities, including but
11.19 not limited to ServeMinnesota Innovation Act,
11.20 Minnesota Statutes, sections 124D.37 to
11.21 124D.45; the Domestic and Volunteer Service
11.22 Act of 1973, United States Code, title 42,
11.23 section 4950; and the National and
11.24 Community Service Act of 1990, United States
11.25 Code, title 42, section 12501. Of this amount,
11.26 up to ten percent may be used for
11.27 administration of the grants; and
- 11.28 (4) the base for this appropriation is \$500,000
11.29 in fiscal year 2028 and each year thereafter.
- 11.30 Of this amount, up to \$150,000 may be
11.31 transferred to the Department of Education to
11.32 support career pathways development.

- 12.1 (p) \$8,000,000 each year is from the
12.2 workforce development fund for the Drive for
12.3 Five Initiative to conduct outreach and provide
12.4 job skills training, career counseling, case
12.5 management, and supportive services for
12.6 careers in technology, labor, the caring
12.7 professions, manufacturing, and educational
12.8 and professional services. This is a onetime
12.9 appropriation.
- 12.10 (q) Of the amount appropriated in paragraph
12.11 (p), the commissioner must make \$4,500,000
12.12 each year available through a competitive
12.13 request for proposal process. The grant awards
12.14 must be used to provide education and training
12.15 in the five industries identified in paragraph
12.16 (p). Education and training may include:
- 12.17 (1) student tutoring and testing support
12.18 services;
- 12.19 (2) training and employment placement in
12.20 high-wage and high-growth employment;
- 12.21 (3) assistance in obtaining industry-specific
12.22 certifications;
- 12.23 (4) remedial training leading to enrollment in
12.24 employment training programs or services;
- 12.25 (5) real-time work experience;
- 12.26 (6) career and educational counseling;
- 12.27 (7) work experience and internships; and
12.28 (8) supportive services.
- 12.29 (r) Of the amount appropriated in paragraph
12.30 (p), \$2,000,000 each year must be awarded
12.31 through competitive grants made to trade
12.32 associations or chambers of commerce for job
12.33 placement services. Grant awards must be used

13.1 to encourage workforce training efforts to
13.2 ensure that efforts are aligned with employer
13.3 demands and that graduates are connected with
13.4 employers that are currently hiring. Trade
13.5 associations or chambers of commerce must
13.6 partner with employers with current or
13.7 anticipated employment opportunities and
13.8 nonprofit workforce training partners
13.9 participating in this program. The trade
13.10 associations or chambers of commerce must
13.11 work closely with the industry sector training
13.12 providers in the five industries identified in
13.13 paragraph (p). Grant awards may be used for:
13.14 (1) employer engagement strategies to align
13.15 employment opportunities for individuals
13.16 exiting workforce development training
13.17 programs. Strategies may include business
13.18 recruitment, job opening development,
13.19 employee recruitment, and job matching.
13.20 Trade associations must utilize the state's labor
13.21 exchange system;
13.22 (2) diversity, inclusion, and retention training
13.23 of their members to increase the business'
13.24 understanding of welcoming and retaining a
13.25 diverse workforce; and
13.26 (3) industry-specific training.
13.27 (s) Of the amount appropriated in paragraph
13.28 (p), \$1,500,000 each year is to hire, train, and
13.29 deploy business services representatives in
13.30 local workforce development areas throughout
13.31 the state. Business services representatives
13.32 must work with an assigned local workforce
13.33 development area to address the hiring needs
13.34 of Minnesota's businesses by connecting job
13.35 seekers and program participants in the

14.1 CareerForce system. Business services
 14.2 representatives serve in the classified service
 14.3 of the state and operate as part of the agency's
 14.4 Employment and Training Office. The
 14.5 commissioner shall develop and implement
 14.6 training materials and reporting and evaluation
 14.7 procedures for the activities of the business
 14.8 services representatives. The business services
 14.9 representatives must:

14.10 (1) serve as the primary contact for businesses
 14.11 in that area;

14.12 (2) actively engage employers by assisting
 14.13 with matching employers to job seekers by
 14.14 referring candidates, convening job fairs, and
 14.15 assisting with job announcements;

14.16 (3) work with the local area board and its
 14.17 partners to identify candidates for openings in
 14.18 small and midsize companies in the local area;
 14.19 and

14.20 (4) engage in workforce innovation solutions.

14.21 (t) **Base level adjustments.** The general fund
 14.22 base is \$11,246,000 in fiscal year 2028 and
 14.23 \$11,246,000 in fiscal year 2029. The
 14.24 workforce development base is \$14,002,000
 14.25 in fiscal year 2028 and \$14,002,000 in fiscal
 14.26 year 2029.

14.27 Subd. 4. **General Support Services** 6,605,000 7,375,000

14.28	<u>Appropriations by Fund</u>		
14.29	<u>General Fund</u>	<u>6,510,000</u>	<u>7,280,000</u>
14.30	<u>Workforce</u>		
14.31	<u>Development</u>	<u>95,000</u>	<u>95,000</u>

14.32 \$1,269,000 each year from the general fund
 14.33 is for transfer to the Minnesota Housing

15.1	<u>Finance Agency for operating the Olmstead</u>		
15.2	<u>Compliance Office.</u>		
15.3	<u>Subd. 5. Minnesota Trade Office</u>	<u>2,242,000</u>	<u>2,242,000</u>
15.4	<u>(a) \$300,000 each year is for the STEP grants</u>		
15.5	<u>in Minnesota Statutes, section 116J.979.</u>		
15.6	<u>(b) \$180,000 each year is for the Invest</u>		
15.7	<u>Minnesota marketing initiative in Minnesota</u>		
15.8	<u>Statutes, section 116J.9781.</u>		
15.9	<u>(c) \$270,000 each year is for the Minnesota</u>		
15.10	<u>Trade Offices under Minnesota Statutes,</u>		
15.11	<u>section 116J.978.</u>		
15.12	<u>Subd. 6. Vocational Rehabilitation</u>	<u>39,191,000</u>	<u>39,191,000</u>
15.13	<u>Appropriations by Fund</u>		
15.14	<u>General</u>	<u>31,361,000</u>	<u>31,361,000</u>
15.15	<u>Workforce</u>		
15.16	<u>Development</u>	<u>7,830,000</u>	<u>7,830,000</u>
15.17	<u>(a) \$14,300,000 each year is for the state's</u>		
15.18	<u>vocational rehabilitation program under</u>		
15.19	<u>Minnesota Statutes, chapter 268A.</u>		
15.20	<u>(b) \$11,495,000 each year from the general</u>		
15.21	<u>fund and \$6,830,000 each year from the</u>		
15.22	<u>workforce development fund are for extended</u>		
15.23	<u>employment services for persons with severe</u>		
15.24	<u>disabilities under Minnesota Statutes, section</u>		
15.25	<u>268A.15. Of the amounts appropriated from</u>		
15.26	<u>the general fund, \$4,500,000 each year is for</u>		
15.27	<u>maintaining prior rate increases to providers</u>		
15.28	<u>of extended employment services for persons</u>		
15.29	<u>with severe disabilities under Minnesota</u>		
15.30	<u>Statutes, section 268A.15.</u>		
15.31	<u>(c) \$2,555,000 each year is for grants to</u>		
15.32	<u>programs that provide employment support</u>		
15.33	<u>services to persons with mental illness under</u>		

16.1 Minnesota Statutes, sections 268A.13 and
 16.2 268A.14.

16.3 (d) \$3,011,000 each year is for grants to
 16.4 centers for independent living under
 16.5 Minnesota Statutes, section 268A.11.

16.6 (e) \$1,000,000 each year is from the workforce
 16.7 development fund for grants under Minnesota
 16.8 Statutes, section 268A.16, for employment
 16.9 services for persons, including transition-age
 16.10 youth, who are deaf, deafblind, or
 16.11 hard-of-hearing. If the amount in the first year
 16.12 is insufficient, the amount in the second year
 16.13 is available in the first year.

16.14 **Subd. 7. Services for the Blind** 8,425,000 8,425,000

16.15 Of this amount, \$500,000 each year is for
 16.16 senior citizens who are becoming blind. At
 16.17 least one-half of the funds for this purpose
 16.18 must be used to provide training services for
 16.19 seniors who are becoming blind. Training
 16.20 services must provide independent living skills
 16.21 to seniors who are becoming blind to allow
 16.22 them to continue to live independently in their
 16.23 homes.

16.24 **Subd. 8. Broadband Development** 1,001,000 1,001,000

16.25 **Subd. 9. Paid Leave** 40,544,000 5,000,000

16.26 \$40,544,000 the first year and \$5,000,000 the
 16.27 second year are from the family and medical
 16.28 benefit insurance account for the purposes of
 16.29 Minnesota Statutes, chapter 268B.

16.30 **Sec. 3. EXPLORE MINNESOTA** **\$ 17,981,000 \$ 18,108,000**

16.31 \$500,000 each year must be matched from
 16.32 nonstate sources to develop maximum private
 16.33 sector involvement in tourism. Each \$1 of state

17.1 incentive must be matched with \$6 of private
 17.2 sector money. "Matched" means revenue to
 17.3 the state or documented in-kind, soft match,
 17.4 or cash expenditures directly expended to
 17.5 support Explore Minnesota under Minnesota
 17.6 Statutes, section 116U.05. The incentive in
 17.7 fiscal year 2026 is based on fiscal year 2025
 17.8 private sector contributions. The incentive in
 17.9 fiscal year 2027 is based on fiscal year 2026
 17.10 private sector contribution. This incentive is
 17.11 ongoing.

17.12 **ARTICLE 2**

17.13 **EMPLOYMENT AND ECONOMIC DEVELOPMENT POLICY**

17.14 Section 1. Minnesota Statutes 2024, section 116J.8752, subdivision 2, is amended to read:

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

17.23 Sec. 2. Laws 2023, chapter 53, article 21, section 7, as amended by Laws 2024, chapter
 17.24 120, article 1, section 12; Laws 2024, chapter 125, article 8, section 9; and Laws 2024,
 17.25 chapter 127, article 53, section 9, is amended to read:

17.26 Sec. 7. **APPROPRIATIONS.**

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

18.1 onetime appropriation and is available until ~~June 30, 2027~~ spent. ~~Any funds that remain~~
18.2 ~~unspent are canceled to the general fund.~~

18.3 (b) \$100,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund
18.4 account to the commissioner of employment and economic development to match existing
18.5 federal funds made available in the Consolidated Appropriations Act, Public Law 117-328.
18.6 This appropriation must be used to (1) construct and operate a bioindustrial manufacturing
18.7 pilot innovation facility, biorefinery, or commercial campus utilizing agricultural feedstocks
18.8 or (2) for a Minnesota aerospace center for research, development, and testing, or both (1)
18.9 and (2). This appropriation is not subject to the grant limit requirements of Minnesota
18.10 Statutes, section 116J.8752, subdivisions 4, paragraph (b), and 5. Notwithstanding Minnesota
18.11 Statutes, section 116J.8752, subdivision 4, paragraph (a), this appropriation may include
18.12 land acquisition as an eligible use to construct a bioindustrial manufacturing pilot innovation
18.13 facility, a biorefinery, and an aerospace center for research, development, and testing. The
18.14 commissioner may use up to two percent of this appropriation for administration. This is a
18.15 onetime appropriation and is available until ~~June 30, 2027~~ spent. ~~Any funds that remain~~
18.16 ~~unspent are canceled to the general fund.~~

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

18.25 (d) The commissioner may use the appropriation under paragraph (c) to allocate up to
18.26 15 percent of the total project cost with a maximum of \$75,000,000 per project for the
18.27 purpose of constructing, modernizing, or expanding commercial facilities on the front- and
18.28 back-end fabrication of leading-edge, current-generation, and mature-node semiconductors;
18.29 funding semiconductor materials and manufacturing equipment facilities; and for research
18.30 and development facilities.

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

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

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

19.8 (f) Money appropriated in paragraphs (a), (b), and (c) may be transferred between
19.9 appropriations within the Minnesota forward fund account by the commissioner of
19.10 employment and economic development with approval of the commissioner of management
19.11 and budget. The commissioner must notify the Legislative Advisory Commission at least
19.12 15 days prior to changing appropriations under this paragraph.

19.13 Sec. 3. Minnesota Statutes 2024, section 116L.04, subdivision 1, is amended to read:

19.14 Subdivision 1. **Partnership program.** (a) The partnership program may provide
19.15 grants-in-aid to educational or other nonprofit educational institutions using the following
19.16 guidelines:

19.17 (1) the educational or other nonprofit educational institution is a provider of training
19.18 within the state in either the public or private sector;

19.19 (2) the program involves skills training that is an area of employment need; and

19.20 (3) preference will be given to educational or other nonprofit training institutions which
19.21 serve economically disadvantaged people, minorities, or those who are victims of economic
19.22 dislocation and to businesses located in rural areas.

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

19.25 (c) Each institution must provide for the dissemination of summary results of a
19.26 grant-funded project, including, but not limited to, information about curriculum and all
19.27 supporting materials developed in conjunction with the grant. Results of projects developed
19.28 by any Minnesota State Colleges and Universities system institution must be disseminated
19.29 throughout the system.

19.30 (d) At the discretion of the board, higher education institutions may charge up to a
19.31 30-percent increase on the direct project costs, not including equipment costs.

20.1 Sec. 4. Minnesota Statutes 2024, section 116L.04, subdivision 1a, is amended to read:

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

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

20.11 Preference shall be given to projects that:

20.12 (1) provide employment with benefits paid to employees;

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

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

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

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

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

20.24 (e) At the discretion of the board, higher education institutions may charge up to a
20.25 30-percent increase on the direct project costs, not including equipment costs.

20.26 Sec. 5. Minnesota Statutes 2024, section 116L.98, subdivision 2, is amended to read:

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

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

21.1 not include certificates awarded by workforce investment boards or work-readiness
 21.2 certificates.

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

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

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

21.10 Sec. 6. Laws 2023, chapter 53, article 20, section 2, subdivision 2, as amended by Laws
 21.11 2024, chapter 120, article 1, section 6, is amended to read:

21.12	Subd. 2. Business and Community Development	195,061,000	139,104,000
21.13	Appropriations by Fund		
21.14	General	193,011,000	137,054,000
21.15	Remediation	700,000	700,000
21.16	Workforce		
21.17	Development	1,350,000	1,350,000

21.18 (a) \$2,287,000 each year is for the greater
 21.19 Minnesota business development public
 21.20 infrastructure grant program under Minnesota
 21.21 Statutes, section 116J.431. This appropriation
 21.22 is available until June 30, 2027.

21.23 (b) \$500,000 each year is for grants to small
 21.24 business development centers under Minnesota
 21.25 Statutes, section 116J.68. Money made
 21.26 available under this paragraph may be used to
 21.27 match funds under the federal Small Business
 21.28 Development Center (SBDC) program under
 21.29 United States Code, title 15, section 648, to
 21.30 provide consulting and technical services or
 21.31 to build additional SBDC network capacity to
 21.32 serve entrepreneurs and small businesses.

22.1 (c) \$2,500,000 the first year is for Launch
22.2 Minnesota. This is a onetime appropriation.
22.3 Of this amount:
22.4 (1) \$1,500,000 is for innovation grants to
22.5 eligible Minnesota entrepreneurs or start-up
22.6 businesses to assist with their operating needs;
22.7 (2) \$500,000 is for administration of Launch
22.8 Minnesota; and
22.9 (3) \$500,000 is for grantee activities at Launch
22.10 Minnesota.
22.11 (d)(1) \$500,000 each year is for grants to
22.12 MNSBIR, Inc., to support moving scientific
22.13 excellence and technological innovation from
22.14 the lab to the market for start-ups and small
22.15 businesses by securing federal research and
22.16 development funding. The purpose of the grant
22.17 is to build a strong Minnesota economy and
22.18 stimulate the creation of novel products,
22.19 services, and solutions in the private sector;
22.20 strengthen the role of small business in
22.21 meeting federal research and development
22.22 needs; increase the commercial application of
22.23 federally supported research results; and
22.24 develop and increase the Minnesota
22.25 workforce, especially by fostering and
22.26 encouraging participation by small businesses
22.27 owned by women and people who are Black,
22.28 Indigenous, or people of color. This is a
22.29 onetime appropriation.
22.30 (2) MNSBIR, Inc., shall use the grant money
22.31 to be the dedicated resource for federal
22.32 research and development for small businesses
22.33 of up to 500 employees statewide to support
22.34 research and commercialization of novel ideas,

23.1 concepts, and projects into cutting-edge
23.2 products and services for worldwide economic
23.3 impact. MNSBIR, Inc., shall use grant money
23.4 to:

23.5 (i) assist small businesses in securing federal
23.6 research and development funding, including
23.7 the Small Business Innovation Research and
23.8 Small Business Technology Transfer programs
23.9 and other federal research and development
23.10 funding opportunities;

23.11 (ii) support technology transfer and
23.12 commercialization from the University of
23.13 Minnesota, Mayo Clinic, and federal
23.14 laboratories;

23.15 (iii) partner with large businesses;

23.16 (iv) conduct statewide outreach, education,
23.17 and training on federal rules, regulations, and
23.18 requirements;

23.19 (v) assist with scientific and technical writing;

23.20 (vi) help manage federal grants and contracts;
23.21 and

23.22 (vii) support cost accounting and sole-source
23.23 procurement opportunities.

23.24 (e) \$10,000,000 the first year is for transfer to
23.25 the Minnesota Expanding Opportunity Fund
23.26 Program special revenue account under
23.27 Minnesota Statutes, section 116J.8733. This
23.28 is a onetime ~~appropriation~~ transfer and is
23.29 available until June 30, 2025.

23.30 (f) \$6,425,000 each year is for the small
23.31 business assistance partnerships program
23.32 under Minnesota Statutes, section 116J.682.
23.33 All grant awards shall be for two consecutive

- 24.1 years. Grants shall be awarded in the first year.
- 24.2 The department may use up to five percent of
- 24.3 the appropriation for administrative purposes.
- 24.4 The base for this appropriation is \$2,725,000
- 24.5 in fiscal year 2026 and each year thereafter.
- 24.6 (g) \$350,000 each year is for administration
- 24.7 of the community energy transition office.
- 24.8 (h) \$5,000,000 each year is transferred from
- 24.9 the general fund to the community energy
- 24.10 transition account for grants under Minnesota
- 24.11 Statutes, section 116J.55. This is a onetime
- 24.12 transfer.
- 24.13 (i) \$1,772,000 each year is for contaminated
- 24.14 site cleanup and development grants under
- 24.15 Minnesota Statutes, sections 116J.551 to
- 24.16 116J.558. This appropriation is available until
- 24.17 expended.
- 24.18 (j) \$700,000 each year is from the remediation
- 24.19 fund for contaminated site cleanup and
- 24.20 development grants under Minnesota Statutes,
- 24.21 sections 116J.551 to 116J.558. This
- 24.22 appropriation is available until expended.
- 24.23 (k) \$389,000 each year is for the Center for
- 24.24 Rural Policy and Development. The base for
- 24.25 this appropriation is \$139,000 in fiscal year
- 24.26 2026 and each year thereafter.
- 24.27 (l) \$25,000 each year is for the administration
- 24.28 of state aid for the Destination Medical Center
- 24.29 under Minnesota Statutes, sections 469.40 to
- 24.30 469.47.
- 24.31 (m) \$875,000 each year is for the host
- 24.32 community economic development program
- 24.33 established in Minnesota Statutes, section
- 24.34 116J.548.

25.1 (n) \$6,500,000 each year is for grants to local
25.2 communities to increase the number of quality
25.3 child care providers to support economic
25.4 development. Fifty percent of grant money
25.5 must go to communities located outside the
25.6 seven-county metropolitan area as defined in
25.7 Minnesota Statutes, section 473.121,
25.8 subdivision 2. The base for this appropriation
25.9 is \$1,500,000 in fiscal year 2026 and each year
25.10 thereafter.

25.11 Grant recipients must obtain a 50 percent
25.12 nonstate match to grant money in either cash
25.13 or in-kind contribution, unless the
25.14 commissioner waives the requirement. Grant
25.15 money available under this subdivision must
25.16 be used to implement projects to reduce the
25.17 child care shortage in the state, including but
25.18 not limited to funding for child care business
25.19 start-ups or expansion, training, facility
25.20 modifications, direct subsidies or incentives
25.21 to retain employees, or improvements required
25.22 for licensing, and assistance with licensing
25.23 and other regulatory requirements. In awarding
25.24 grants, the commissioner must give priority
25.25 to communities that have demonstrated a
25.26 shortage of child care providers.

25.27 Within one year of receiving grant money,
25.28 grant recipients must report to the
25.29 commissioner on the outcomes of the grant
25.30 program, including but not limited to the
25.31 number of new providers, the number of
25.32 additional child care provider jobs created, the
25.33 number of additional child care openings, and
25.34 the amount of cash and in-kind local money
25.35 invested. Within one month of all grant

26.1 recipients reporting on program outcomes, the
26.2 commissioner must report the grant recipients'
26.3 outcomes to the chairs and ranking members
26.4 of the legislative committees with jurisdiction
26.5 over early learning and child care and
26.6 economic development.

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

26.10 (1) \$450,000 each year is for administration
26.11 of the Office of Child Care Community
26.12 Partnerships; and

26.13 (2) \$50,000 each year is for the Labor Market
26.14 Information Office to conduct research and
26.15 analysis related to the child care industry.

26.16 (p) \$3,500,000 each year is for grants in equal
26.17 amounts to each of the Minnesota Initiative
26.18 Foundations. This appropriation is available
26.19 until June 30, 2027. The base for this
26.20 appropriation is \$1,000,000 in fiscal year 2026
26.21 and each year thereafter. The Minnesota
26.22 Initiative Foundations must use grant money
26.23 under this section to:

26.24 (1) facilitate planning processes for rural
26.25 communities resulting in a community solution
26.26 action plan that guides decision making to
26.27 sustain and increase the supply of quality child
26.28 care in the region to support economic
26.29 development;

26.30 (2) engage the private sector to invest local
26.31 resources to support the community solution
26.32 action plan and ensure quality child care is a
26.33 vital component of additional regional
26.34 economic development planning processes;

27.1 (3) provide locally based training and technical
27.2 assistance to rural business owners
27.3 individually or through a learning cohort.
27.4 Access to financial and business development
27.5 assistance must prepare child care businesses
27.6 for quality engagement and improvement by
27.7 stabilizing operations, leveraging funding from
27.8 other sources, and fostering business acumen
27.9 that allows child care businesses to plan for
27.10 and afford the cost of providing quality child
27.11 care; and

27.12 (4) recruit child care programs to participate
27.13 in quality rating and improvement
27.14 measurement programs. The Minnesota
27.15 Initiative Foundations must work with local
27.16 partners to provide low-cost training,
27.17 professional development opportunities, and
27.18 continuing education curricula. The Minnesota
27.19 Initiative Foundations must fund, through local
27.20 partners, an enhanced level of coaching to
27.21 rural child care providers to obtain a quality
27.22 rating through measurement programs.

27.23 (q) \$8,000,000 each year is for the Minnesota
27.24 job creation fund under Minnesota Statutes,
27.25 section 116J.8748. Of this amount, the
27.26 commissioner of employment and economic
27.27 development may use up to three percent for
27.28 administrative expenses. This appropriation
27.29 is available until expended. Notwithstanding
27.30 Minnesota Statutes, section 116J.8748, money
27.31 appropriated for the job creation fund may be
27.32 used for redevelopment under Minnesota
27.33 Statutes, sections 116J.575 and 116J.5761, at
27.34 the discretion of the commissioner.

28.1 (r) \$12,370,000 each year is for the Minnesota
28.2 investment fund under Minnesota Statutes,
28.3 section 116J.8731. Of this amount, the
28.4 commissioner of employment and economic
28.5 development may use up to three percent for
28.6 administration and monitoring of the program.
28.7 This appropriation is available until expended.
28.8 Notwithstanding Minnesota Statutes, section
28.9 116J.8731, money appropriated to the
28.10 commissioner for the Minnesota investment
28.11 fund may be used for the redevelopment
28.12 program under Minnesota Statutes, sections
28.13 116J.575 and 116J.5761, at the discretion of
28.14 the commissioner. Grants under this paragraph
28.15 are not subject to the grant amount limitation
28.16 under Minnesota Statutes, section 116J.8731.

28.17 (s) \$4,246,000 each year is for the
28.18 redevelopment program under Minnesota
28.19 Statutes, sections 116J.575 and 116J.5761.
28.20 The base for this appropriation is \$2,246,000
28.21 in fiscal year 2026 and each year thereafter.
28.22 This appropriation is available until expended.

28.23 (t) \$1,000,000 each year is for the Minnesota
28.24 emerging entrepreneur loan program under
28.25 Minnesota Statutes, section 116M.18. Money
28.26 available under this paragraph is for transfer
28.27 into the emerging entrepreneur program
28.28 special revenue fund account created under
28.29 Minnesota Statutes, chapter 116M, and are
28.30 available until expended. Of this amount, up
28.31 to four percent is for administration and
28.32 monitoring of the program.

28.33 (u) \$325,000 the first year is for the Minnesota
28.34 Film and TV Board. The appropriation is
28.35 available only upon receipt by the board of \$1

29.1 in matching contributions of money or in-kind
29.2 contributions from nonstate sources for every
29.3 \$3 provided by this appropriation, except that
29.4 up to \$50,000 is available on July 1 even if
29.5 the required matching contribution has not
29.6 been received by that date. This is a onetime
29.7 appropriation.

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

29.10 (w) \$500,000 the first year is for a grant to the
29.11 Minnesota Film and TV Board for the film
29.12 production jobs program under Minnesota
29.13 Statutes, section 116U.26. This appropriation
29.14 is available until June 30, 2027. This is a
29.15 onetime appropriation.

29.16 (x) \$4,195,000 each year is for the Minnesota
29.17 job skills partnership program under
29.18 Minnesota Statutes, sections 116L.01 to
29.19 116L.17. If the appropriation for either year
29.20 is insufficient, the appropriation for the other
29.21 year is available. This appropriation is
29.22 available until expended.

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

29.26 (z) \$47,475,000 the first year and \$50,475,000
29.27 the second year are for the PROMISE grant
29.28 program. This is a onetime appropriation and
29.29 is available until June 30, 2027. Any
29.30 unencumbered balance remaining at the end
29.31 of the first year does not cancel but is available
29.32 the second year. Of this amount:

29.33 (1) \$475,000 each year is for administration
29.34 of the PROMISE grant program;

30.1 (2) \$7,500,000 each year is for grants in equal
30.2 amounts to each of the Minnesota Initiative
30.3 Foundations to serve businesses in greater
30.4 Minnesota. Of this amount, \$600,000 each
30.5 year is for grants to businesses with less than
30.6 \$100,000 in revenue in the prior year; and

30.7 (3) \$39,500,000 the first year and \$42,500,000
30.8 the second year are for grants to the
30.9 Neighborhood Development Center. Of this
30.10 amount, the following amounts are designated
30.11 for the following areas:

30.12 (i) \$16,000,000 each year is for North
30.13 Minneapolis' West Broadway, Camden, or
30.14 other Northside neighborhoods. Of this
30.15 amount, \$1,000,000 each year is for grants to
30.16 businesses with less than \$100,000 in revenue
30.17 in the prior year;

30.18 (ii) \$13,500,000 each year is for South
30.19 Minneapolis' Lake Street, 38th and Chicago,
30.20 Franklin, Nicollet, and Riverside corridors.
30.21 Of this amount, \$750,000 each year is for
30.22 grants to businesses with less than \$100,000
30.23 in revenue in the prior year;

30.24 (iii) \$10,000,000 each year is for St. Paul's
30.25 University Avenue, Midway, Eastside, or other
30.26 St. Paul neighborhoods. Of this amount,
30.27 \$750,000 each year is for grants to businesses
30.28 with less than \$100,000 in revenue in the prior
30.29 year;

30.30 (iv) \$1,000,000 the first year is for South
30.31 Minneapolis' Hennepin Avenue Commercial
30.32 corridor, South Hennepin Community
30.33 corridor, and Uptown Special Service District;
30.34 and

- 31.1 (v) \$3,000,000 the second year is for grants
31.2 to businesses in the counties of Anoka, Carver,
31.3 Dakota, Hennepin, Ramsey, Scott, and
31.4 Washington, excluding the cities of
31.5 Minneapolis and St. Paul.
- 31.6 (aa) \$15,150,000 each year is for the
31.7 PROMISE loan program. This is a onetime
31.8 appropriation and is available until June 30,
31.9 2027. Of this amount:
- 31.10 (1) \$150,000 each year is for administration
31.11 of the PROMISE loan program;
- 31.12 (2) \$3,000,000 each year is for grants in equal
31.13 amounts to each of the Minnesota Initiative
31.14 Foundations to serve businesses in greater
31.15 Minnesota; and
- 31.16 (3) \$12,000,000 each year is for grants to the
31.17 Metropolitan Economic Development
31.18 Association (MEDA). Of this amount, the
31.19 following amounts are designated for the
31.20 following areas:
- 31.21 (i) \$4,500,000 each year is for North
31.22 Minneapolis' West Broadway, Camden, or
31.23 other Northside neighborhoods;
- 31.24 (ii) \$4,500,000 each year is for South
31.25 Minneapolis' Lake Street, 38th and Chicago,
31.26 Franklin, Nicollet, and Riverside corridors;
31.27 and
- 31.28 (iii) \$3,000,000 each year is for St. Paul's
31.29 University Avenue, Midway, Eastside, or other
31.30 St. Paul neighborhoods.
- 31.31 (bb) \$1,500,000 each year is for a grant to the
31.32 Metropolitan Consortium of Community
31.33 Developers for the community wealth-building

32.1 grant program pilot project. Of this amount,
32.2 up to two percent is for administration and
32.3 monitoring of the community wealth-building
32.4 grant program pilot project. This is a onetime
32.5 appropriation.

32.6 (cc) \$250,000 each year is for the publication,
32.7 dissemination, and use of labor market
32.8 information under Minnesota Statutes, section
32.9 116J.401.

32.10 (dd) \$5,000,000 the first year is for a grant to
32.11 the Bloomington Port Authority to provide
32.12 funding for the Expo 2027 host organization.
32.13 The Bloomington Port Authority must enter
32.14 into an agreement with the host organization
32.15 over the use of money, which may be used for
32.16 activities, including but not limited to
32.17 finalizing the community dossier and staffing
32.18 the host organization and for infrastructure
32.19 design and planning, financial modeling,
32.20 development planning and coordination of
32.21 both real estate and public private partnerships,
32.22 and reimbursement of costs the Bloomington
32.23 Port Authority incurred. In selecting vendors
32.24 and exhibitors for Expo 2027, the host
32.25 organization shall prioritize outreach to,
32.26 collaboration with, and inclusion of businesses
32.27 that are majority owned by people of color,
32.28 women, and people with disabilities. The host
32.29 organization and Bloomington Port Authority
32.30 may be reimbursed for expenses 90 days prior
32.31 to encumbrance. This appropriation is
32.32 contingent on approval of the project by the
32.33 Bureau International des Expositions. If the
32.34 project is not approved by the Bureau
32.35 International des Expositions, the money shall

33.1 transfer to the Minnesota investment fund
33.2 under Minnesota Statutes, section 116J.8731.
33.3 Any unencumbered balance remaining at the
33.4 end of the first year does not cancel but is
33.5 available for the second year.

33.6 (ee) \$5,000,000 the first year is for a grant to
33.7 the Neighborhood Development Center for
33.8 small business programs, including training,
33.9 lending, business services, and real estate
33.10 programming; small business incubator
33.11 development in the Twin Cities and outside
33.12 the seven-county metropolitan area; and
33.13 technical assistance activities for partners
33.14 outside the seven-county metropolitan area;
33.15 and for high-risk, character-based loan capital
33.16 for nonrecourse loans. This is a onetime
33.17 appropriation. Any unencumbered balance
33.18 remaining at the end of the first year does not
33.19 cancel but is available for the second year.

33.20 (ff) \$5,000,000 the first year is for transfer to
33.21 the emerging developer fund account in the
33.22 special revenue fund. Of this amount, up to
33.23 five percent is for administration and
33.24 monitoring of the emerging developer fund
33.25 program under Minnesota Statutes, section
33.26 116J.9926, and the remainder is for a grant to
33.27 the Local Initiatives Support Corporation -
33.28 Twin Cities to serve as a partner organization
33.29 under the program. This is a onetime
33.30 appropriation.

33.31 (gg) \$5,000,000 the first year is for the
33.32 Canadian border counties economic relief
33.33 program under article 5. Of this amount, up
33.34 to \$1,000,000 is for Tribal economic
33.35 development and \$2,100,000 is for a grant to

34.1 Lake of the Woods County for the forgivable
34.2 loan program for remote recreational
34.3 businesses. This is a onetime appropriation
34.4 and is available until June 30, 2026.

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

34.9 (1) \$500,000 each year is for a loan fund that
34.10 must address pervasive economic inequities
34.11 by supporting business ventures of
34.12 entrepreneurs in the African immigrant
34.13 community; and

34.14 (2) \$250,000 each year is for workforce
34.15 development and technical assistance,
34.16 including but not limited to business
34.17 development, entrepreneur training, business
34.18 technical assistance, loan packing, and
34.19 community development services.

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

34.24 (1) \$750,000 each year is to assist, support,
34.25 finance, and launch microentrepreneurs by
34.26 delivering training, workshops, and
34.27 one-on-one consultations to businesses; and

34.28 (2) \$750,000 each year is to guide prospective
34.29 entrepreneurs in their start-up process by
34.30 introducing them to key business concepts,
34.31 including business start-up readiness. Grant
34.32 proceeds must be used to offer workshops on
34.33 a variety of topics throughout the year,
34.34 including finance, customer service,

35.1 food-handler training, and food-safety
35.2 certification. Grant proceeds may also be used
35.3 to provide lending to business startups.

35.4 (jj) \$627,000 the first year is for a grant to
35.5 Community and Economic Development
35.6 Associates (CEDA) to provide funding for
35.7 economic development technical assistance
35.8 and economic development project grants to
35.9 small communities across rural Minnesota and
35.10 for CEDA to design, implement, market, and
35.11 administer specific types of basic community
35.12 and economic development programs tailored
35.13 to individual community needs. Technical
35.14 assistance grants shall be based on need and
35.15 given to communities that are otherwise
35.16 unable to afford these services. Of the amount
35.17 appropriated, up to \$270,000 may be used for
35.18 economic development project implementation
35.19 in conjunction with the technical assistance
35.20 received. This is a onetime appropriation. Any
35.21 unencumbered balance remaining at the end
35.22 of the first year does not cancel but is available
35.23 the second year.

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

35.26 (1) support child care providers through
35.27 business training and shared services programs
35.28 and to create materials that could be used, free
35.29 of charge, for start-up, expansion, and
35.30 operation of child care businesses statewide,
35.31 with the goal of helping new and existing child
35.32 care businesses in underserved areas of the
35.33 state become profitable and sustainable; and

35.34 (2) support business expansion for women
35.35 food entrepreneurs throughout Minnesota's

36.1 food supply chain to help stabilize and
36.2 strengthen their business operations, create
36.3 distribution networks, offer technical
36.4 assistance and support to beginning women
36.5 food entrepreneurs, develop business plans,
36.6 develop a workforce, research expansion
36.7 strategies, and for other related activities.

36.8 Eligible uses of the money include but are not
36.9 limited to:

36.10 (i) leasehold improvements;
36.11 (ii) additions, alterations, remodeling, or
36.12 renovations to rented space;
36.13 (iii) inventory or supplies;
36.14 (iv) machinery or equipment purchases;
36.15 (v) working capital; and
36.16 (vi) debt refinancing.

36.17 Money distributed to entrepreneurs may be
36.18 loans, forgivable loans, and grants. Of this
36.19 amount, up to five percent may be used for
36.20 the WomenVenture's technical assistance and
36.21 administrative costs. This is a onetime
36.22 appropriation and is available until June 30,
36.23 2026.

36.24 By December 15, 2026, WomenVenture must
36.25 submit a report to the chairs and ranking
36.26 minority members of the legislative
36.27 committees with jurisdiction over agriculture
36.28 and employment and economic development.
36.29 The report must include a summary of the uses
36.30 of the appropriation, including the amount of
36.31 the appropriation used for administration. The
36.32 report must also provide a breakdown of the
36.33 amount of funding used for loans, forgivable

37.1 loans, and grants; information about the terms
37.2 of the loans issued; a discussion of how money
37.3 from repaid loans will be used; the number of
37.4 entrepreneurs assisted; and a breakdown of
37.5 how many entrepreneurs received assistance
37.6 in each county.

37.7 (ll) \$2,000,000 the first year is for a grant to
37.8 African Career, Education, and Resource, Inc.,
37.9 for operational infrastructure and technical
37.10 assistance to small businesses. This
37.11 appropriation is available until June 30, 2025.

37.12 (mm) \$5,000,000 the first year is for a grant
37.13 to the African Development Center to provide
37.14 loans to purchase commercial real estate and
37.15 to expand organizational infrastructure. This
37.16 appropriation is available until June 30, 2025.

37.17 Of this amount:

37.18 (1) \$2,800,000 is for loans to purchase
37.19 commercial real estate targeted at African
37.20 immigrant small business owners;

37.21 (2) \$364,000 is for loan loss reserves to
37.22 support loan volume growth and attract
37.23 additional capital;

37.24 (3) \$836,000 is for increasing organizational
37.25 capacity;

37.26 (4) \$300,000 is for the safe 2 eat project of
37.27 inclusive assistance with required restaurant
37.28 licensing examinations; and

37.29 (5) \$700,000 is for a center for community
37.30 resources for language and technology
37.31 assistance for small businesses.

37.32 (nn) \$7,000,000 the first year is for grants to
37.33 the Minnesota Initiative Foundations to

38.1 capitalize their revolving loan funds, which
38.2 address unmet financing needs of for-profit
38.3 business start-ups, expansions, and ownership
38.4 transitions; nonprofit organizations; and
38.5 developers of housing to support the
38.6 construction, rehabilitation, and conversion
38.7 of housing units. Of the amount appropriated:
38.8 (1) \$1,000,000 is for a grant to the Southwest
38.9 Initiative Foundation;
38.10 (2) \$1,000,000 is for a grant to the West
38.11 Central Initiative Foundation;
38.12 (3) \$1,000,000 is for a grant to the Southern
38.13 Minnesota Initiative Foundation;
38.14 (4) \$1,000,000 is for a grant to the Northwest
38.15 Minnesota Foundation;
38.16 (5) \$2,000,000 is for a grant to the Initiative
38.17 Foundation of which \$1,000,000 is for
38.18 redevelopment of the St. Cloud Youth and
38.19 Family Center; and
38.20 (6) \$1,000,000 is for a grant to the Northland
38.21 Foundation.
38.22 (oo) \$500,000 each year is for a grant to
38.23 Enterprise Minnesota, Inc., to reach and
38.24 deliver talent, leadership, employee retention,
38.25 continuous improvement, strategy, quality
38.26 management systems, revenue growth, and
38.27 manufacturing peer-to-peer advisory services
38.28 to small manufacturing companies employing
38.29 35 or fewer full-time equivalent employees.
38.30 This is a onetime appropriation. No later than
38.31 February 1, 2025, and February 1, 2026,
38.32 Enterprise Minnesota, Inc., must provide a
38.33 report to the chairs and ranking minority
38.34 members of the legislative committees with

39.1 jurisdiction over economic development that
39.2 includes:

39.3 (1) the grants awarded during the past 12
39.4 months;

39.5 (2) the estimated financial impact of the grants
39.6 awarded to each company receiving services
39.7 under the program;

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

39.10 (4) the total amount of federal funds leveraged
39.11 from the Manufacturing Extension Partnership
39.12 at the United States Department of Commerce.

39.13 (pp) \$375,000 each year is for a grant to
39.14 PFund Foundation to provide grants to
39.15 LGBTQ+-owned small businesses and
39.16 entrepreneurs. Of this amount, up to five
39.17 percent may be used for PFund Foundation's
39.18 technical assistance and administrative costs.
39.19 This is a onetime appropriation and is
39.20 available until June 30, 2026. To the extent
39.21 practicable, money must be distributed by
39.22 PFund Foundation as follows:

39.23 (1) at least 33.3 percent to businesses owned
39.24 by members of racial minority communities;
39.25 and

39.26 (2) at least 33.3 percent to businesses outside
39.27 of the seven-county metropolitan area as
39.28 defined in Minnesota Statutes, section
39.29 473.121, subdivision 2.

39.30 (qq) \$125,000 each year is for a grant to
39.31 Quorum to provide business support, training,
39.32 development, technical assistance, and related
39.33 activities for LGBTQ+-owned small

40.1 businesses that are recipients of a PFund
40.2 Foundation grant. Of this amount, up to five
40.3 percent may be used for Quorum's technical
40.4 assistance and administrative costs. This is a
40.5 onetime appropriation and is available until
40.6 June 30, 2026.

40.7 (rr) \$5,000,000 the first year is for a grant to
40.8 the Metropolitan Economic Development
40.9 Association (MEDA) for statewide business
40.10 development and assistance services to
40.11 minority-owned businesses. This is a onetime
40.12 appropriation. Any unencumbered balance
40.13 remaining at the end of the first year does not
40.14 cancel but is available the second year. Of this
40.15 amount:

40.16 (1) \$3,000,000 is for a revolving loan fund to
40.17 provide additional minority-owned businesses
40.18 with access to capital; and

40.19 (2) \$2,000,000 is for operating support
40.20 activities related to business development and
40.21 assistance services for minority business
40.22 enterprises.

40.23 By February 1, 2025, MEDA shall report to
40.24 the commissioner and the chairs and ranking
40.25 minority members of the legislative
40.26 committees with jurisdiction over economic
40.27 development policy and finance on the loans
40.28 and operating support activities, including
40.29 outcomes and expenditures, supported by the
40.30 appropriation under this paragraph.

40.31 (ss) \$2,500,000 each year is for a grant to a
40.32 Minnesota-based automotive component
40.33 manufacturer and distributor specializing in
40.34 electric vehicles and sensor technology that

41.1 manufactures all of their parts onshore to
41.2 expand their manufacturing. The grant
41.3 recipient under this paragraph shall submit
41.4 reports on the uses of the money appropriated,
41.5 the number of jobs created due to the
41.6 appropriation, wage information, and the city
41.7 and state in which the additional
41.8 manufacturing activity was located to the
41.9 chairs and ranking minority members of the
41.10 legislative committees with jurisdiction over
41.11 economic development. An initial report shall
41.12 be submitted by December 15, 2023, and a
41.13 final report is due by December 15, 2025. This
41.14 is a onetime appropriation.

41.15 (tt)(1) \$125,000 each year is for grants to the
41.16 Latino Chamber of Commerce Minnesota to
41.17 support the growth and expansion of small
41.18 businesses statewide. Funds may be used for
41.19 the cost of programming, outreach, staffing,
41.20 and supplies. This is a onetime appropriation.

41.21 (2) By January 15, 2026, the Latino Chamber
41.22 of Commerce Minnesota must submit a report
41.23 to the legislative committees with jurisdiction
41.24 over economic development that details the
41.25 use of grant funds and the grant's economic
41.26 impact.

41.27 (uu) \$175,000 the first year is for a grant to
41.28 the city of South St. Paul to study options for
41.29 repurposing the 1927 American Legion
41.30 Memorial Library after the property is no
41.31 longer used as a library. This appropriation is
41.32 available until the project is completed or
41.33 abandoned, subject to Minnesota Statutes,
41.34 section 16A.642.

42.1 (vv) \$250,000 the first year is for a grant to
42.2 LatinoLEAD for organizational
42.3 capacity-building.

42.4 (ww) \$80,000 the first year is for a grant to
42.5 the Neighborhood Development Center for
42.6 small business competitive grants to software
42.7 companies working to improve employee
42.8 engagement and workplace culture and to
42.9 reduce turnover.

42.10 (xx)(1) \$3,000,000 in the first year is for a
42.11 grant to the Center for Economic Inclusion for
42.12 strategic, data-informed investments in job
42.13 creation strategies that respond to the needs
42.14 of underserved populations statewide. This
42.15 may include forgivable loans, revenue-based
42.16 financing, and equity investments for
42.17 entrepreneurs with barriers to growth. Of this
42.18 amount, up to five percent may be used for
42.19 the center's technical assistance and
42.20 administrative costs. This appropriation is
42.21 available until June 30, 2025.

42.22 (2) By January 15, 2026, the Center for
42.23 Economic Inclusion shall submit a report on
42.24 the use of grant funds, including any loans
42.25 made, to the legislative committees with
42.26 jurisdiction over economic development.

42.27 (yy) \$500,000 the first year is for a grant to
42.28 the Asian Economic Development Association
42.29 for asset building and financial empowerment
42.30 for entrepreneurs and small business owners,
42.31 small business development and technical
42.32 assistance, and cultural placemaking. This is
42.33 a onetime appropriation.

43.1 (zz) \$500,000 each year is for a grant to
 43.2 Isuroon to support primarily African
 43.3 immigrant women with entrepreneurial
 43.4 training to start, manage, and grow
 43.5 self-sustaining microbusinesses, develop
 43.6 incubator space for these businesses, and
 43.7 provide support with financial and language
 43.8 literacy, systems navigation to eliminate
 43.9 capital access disparities, marketing, and other
 43.10 technical assistance. This is a onetime
 43.11 appropriation.

43.12 **EFFECTIVE DATE.** This section is effective retroactively to July 1, 2023.

43.13 Sec. 7. Minnesota Statutes 2024, section 116J.8733, subdivision 4, is amended to read:

43.14 Subd. 4. ~~Revolving loan fund~~ Minnesota expanding opportunity account. (a) ~~The~~
 43.15 ~~commissioner shall establish a revolving loan fund to make loans to nonprofit corporations,~~
 43.16 ~~Tribal economic development entities, and community development financial institutions~~
 43.17 ~~for the purpose of increasing nonprofit corporation, Tribal economic development entity,~~
 43.18 ~~and community development financial institution capital and lending activities with~~
 43.19 ~~Minnesota small businesses.~~ A Minnesota expanding opportunity account is created in the
 43.20 special revenue fund in the state treasury. Money in the account is appropriated to the
 43.21 commissioner for revolving loans to nonprofit corporations for the purpose of increasing
 43.22 nonprofit corporation capital and lending activities with Minnesota small businesses.

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

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

43.29 Sec. 8. Laws 2023, chapter 53, article 20, section 2, subdivision 2, as amended by Laws
 43.30 2024, chapter 120, article 1, section 6, is amended to read:

43.31	Subd. 2. Business and Community Development	195,061,000	139,104,000
43.32	Appropriations by Fund		
43.33	General	193,011,000	137,054,000

44.1	Remediation	700,000	700,000
44.2	Workforce		
44.3	Development	1,350,000	1,350,000

44.4 (a) \$2,287,000 each year is for the greater
 44.5 Minnesota business development public
 44.6 infrastructure grant program under Minnesota
 44.7 Statutes, section 116J.431. This appropriation
 44.8 is available until June 30, 2027.

44.9 (b) \$500,000 each year is for grants to small
 44.10 business development centers under Minnesota
 44.11 Statutes, section 116J.68. Money made
 44.12 available under this paragraph may be used to
 44.13 match funds under the federal Small Business
 44.14 Development Center (SBDC) program under
 44.15 United States Code, title 15, section 648, to
 44.16 provide consulting and technical services or
 44.17 to build additional SBDC network capacity to
 44.18 serve entrepreneurs and small businesses.

44.19 (c) \$2,500,000 the first year is for Launch
 44.20 Minnesota. This is a onetime appropriation.
 44.21 Of this amount:

44.22 (1) \$1,500,000 is for innovation grants to
 44.23 eligible Minnesota entrepreneurs or start-up
 44.24 businesses to assist with their operating needs;

44.25 (2) \$500,000 is for administration of Launch
 44.26 Minnesota; and

44.27 (3) \$500,000 is for grantee activities at Launch
 44.28 Minnesota.

44.29 (d)(1) \$500,000 each year is for grants to
 44.30 MNSBIR, Inc., to support moving scientific
 44.31 excellence and technological innovation from
 44.32 the lab to the market for start-ups and small
 44.33 businesses by securing federal research and
 44.34 development funding. The purpose of the grant

45.1 is to build a strong Minnesota economy and
45.2 stimulate the creation of novel products,
45.3 services, and solutions in the private sector;
45.4 strengthen the role of small business in
45.5 meeting federal research and development
45.6 needs; increase the commercial application of
45.7 federally supported research results; and
45.8 develop and increase the Minnesota
45.9 workforce, especially by fostering and
45.10 encouraging participation by small businesses
45.11 owned by women and people who are Black,
45.12 Indigenous, or people of color. This is a
45.13 onetime appropriation.

45.14 (2) MNSBIR, Inc., shall use the grant money
45.15 to be the dedicated resource for federal
45.16 research and development for small businesses
45.17 of up to 500 employees statewide to support
45.18 research and commercialization of novel ideas,
45.19 concepts, and projects into cutting-edge
45.20 products and services for worldwide economic
45.21 impact. MNSBIR, Inc., shall use grant money
45.22 to:

45.23 (i) assist small businesses in securing federal
45.24 research and development funding, including
45.25 the Small Business Innovation Research and
45.26 Small Business Technology Transfer programs
45.27 and other federal research and development
45.28 funding opportunities;

45.29 (ii) support technology transfer and
45.30 commercialization from the University of
45.31 Minnesota, Mayo Clinic, and federal
45.32 laboratories;

45.33 (iii) partner with large businesses;

- 46.1 (iv) conduct statewide outreach, education,
46.2 and training on federal rules, regulations, and
46.3 requirements;
- 46.4 (v) assist with scientific and technical writing;
- 46.5 (vi) help manage federal grants and contracts;
46.6 and
- 46.7 (vii) support cost accounting and sole-source
46.8 procurement opportunities.
- 46.9 (e) \$10,000,000 the first year is for the
46.10 Minnesota Expanding Opportunity Fund
46.11 Program under Minnesota Statutes, section
46.12 116J.8733. This is a onetime appropriation
46.13 and is available until June 30, 2025.
- 46.14 (f) \$6,425,000 each year is for the small
46.15 business assistance partnerships program
46.16 under Minnesota Statutes, section 116J.682.
46.17 All grant awards shall be for two consecutive
46.18 years. Grants shall be awarded in the first year.
46.19 The department may use up to five percent of
46.20 the appropriation for administrative purposes.
46.21 The base for this appropriation is \$2,725,000
46.22 in fiscal year 2026 and each year thereafter.
- 46.23 (g) \$350,000 each year is for administration
46.24 of the community energy transition office.
- 46.25 (h) \$5,000,000 each year is transferred from
46.26 the general fund to the community energy
46.27 transition account for grants under Minnesota
46.28 Statutes, section 116J.55. This is a onetime
46.29 transfer.
- 46.30 (i) \$1,772,000 each year is for contaminated
46.31 site cleanup and development grants under
46.32 Minnesota Statutes, sections 116J.551 to

47.1 116J.558. This appropriation is available until
47.2 expended.

47.3 (j) \$700,000 each year is from the remediation
47.4 fund for contaminated site cleanup and
47.5 development grants under Minnesota Statutes,
47.6 sections 116J.551 to 116J.558. This
47.7 appropriation is available until expended.

47.8 (k) \$389,000 each year is for the Center for
47.9 Rural Policy and Development. The base for
47.10 this appropriation is \$139,000 in fiscal year
47.11 2026 and each year thereafter.

47.12 (l) \$25,000 each year is for the administration
47.13 of state aid for the Destination Medical Center
47.14 under Minnesota Statutes, sections 469.40 to
47.15 469.47.

47.16 (m) \$875,000 each year is for the host
47.17 community economic development program
47.18 established in Minnesota Statutes, section
47.19 116J.548.

47.20 (n) \$6,500,000 each year is for grants to local
47.21 communities to increase the number of quality
47.22 child care providers to support economic
47.23 development. Fifty percent of grant money
47.24 must go to communities located outside the
47.25 seven-county metropolitan area as defined in
47.26 Minnesota Statutes, section 473.121,
47.27 subdivision 2. The base for this appropriation
47.28 is \$1,500,000 in fiscal year 2026 and each year
47.29 thereafter.

47.30 Grant recipients must obtain a 50 percent
47.31 nonstate match to grant money in either cash
47.32 or in-kind contribution, unless the
47.33 commissioner waives the requirement. Grant
47.34 money available under this subdivision must

48.1 be used to implement projects to reduce the
48.2 child care shortage in the state, including but
48.3 not limited to funding for child care business
48.4 start-ups or expansion, training, facility
48.5 modifications, direct subsidies or incentives
48.6 to retain employees, or improvements required
48.7 for licensing, and assistance with licensing
48.8 and other regulatory requirements. In awarding
48.9 grants, the commissioner must give priority
48.10 to communities that have demonstrated a
48.11 shortage of child care providers.

48.12 Within one year of receiving grant money,
48.13 grant recipients must report to the
48.14 commissioner on the outcomes of the grant
48.15 program, including but not limited to the
48.16 number of new providers, the number of
48.17 additional child care provider jobs created, the
48.18 number of additional child care openings, and
48.19 the amount of cash and in-kind local money
48.20 invested. Within one month of all grant
48.21 recipients reporting on program outcomes, the
48.22 commissioner must report the grant recipients'
48.23 outcomes to the chairs and ranking members
48.24 of the legislative committees with jurisdiction
48.25 over early learning and child care and
48.26 economic development.

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

48.30 (1) \$450,000 each year is for administration
48.31 of the Office of Child Care Community
48.32 Partnerships; and

48.33 (2) \$50,000 each year is for the Labor Market
48.34 Information Office to conduct research and
48.35 analysis related to the child care industry.

49.1 (p) \$3,500,000 each year is for grants in equal
49.2 amounts to each of the Minnesota Initiative
49.3 Foundations. This appropriation is available
49.4 until June 30, 2027. The base for this
49.5 appropriation is \$1,000,000 in fiscal year 2026
49.6 and each year thereafter. The Minnesota
49.7 Initiative Foundations must use grant money
49.8 under this section to:

49.9 (1) facilitate planning processes for rural
49.10 communities resulting in a community solution
49.11 action plan that guides decision making to
49.12 sustain and increase the supply of quality child
49.13 care in the region to support economic
49.14 development;

49.15 (2) engage the private sector to invest local
49.16 resources to support the community solution
49.17 action plan and ensure quality child care is a
49.18 vital component of additional regional
49.19 economic development planning processes;

49.20 (3) provide locally based training and technical
49.21 assistance to rural business owners
49.22 individually or through a learning cohort.

49.23 Access to financial and business development
49.24 assistance must prepare child care businesses
49.25 for quality engagement and improvement by
49.26 stabilizing operations, leveraging funding from
49.27 other sources, and fostering business acumen
49.28 that allows child care businesses to plan for
49.29 and afford the cost of providing quality child
49.30 care; and

49.31 (4) recruit child care programs to participate
49.32 in quality rating and improvement
49.33 measurement programs. The Minnesota
49.34 Initiative Foundations must work with local
49.35 partners to provide low-cost training,

50.1 professional development opportunities, and
50.2 continuing education curricula. The Minnesota
50.3 Initiative Foundations must fund, through local
50.4 partners, an enhanced level of coaching to
50.5 rural child care providers to obtain a quality
50.6 rating through measurement programs.

50.7 (q) \$8,000,000 each year is for the Minnesota
50.8 job creation fund under Minnesota Statutes,
50.9 section 116J.8748. Of this amount, the
50.10 commissioner of employment and economic
50.11 development may use up to three percent for
50.12 administrative expenses. This appropriation
50.13 is available until expended. Notwithstanding
50.14 Minnesota Statutes, section 116J.8748, money
50.15 appropriated for the job creation fund may be
50.16 used for redevelopment under Minnesota
50.17 Statutes, sections 116J.575 and 116J.5761, at
50.18 the discretion of the commissioner.

50.19 (r) \$12,370,000 each year is for the Minnesota
50.20 investment fund under Minnesota Statutes,
50.21 section 116J.8731. Of this amount, the
50.22 commissioner of employment and economic
50.23 development may use up to three percent for
50.24 administration and monitoring of the program.
50.25 This appropriation is available until expended.
50.26 Notwithstanding Minnesota Statutes, section
50.27 116J.8731, money appropriated to the
50.28 commissioner for the Minnesota investment
50.29 fund may be used for the redevelopment
50.30 program under Minnesota Statutes, sections
50.31 116J.575 and 116J.5761, at the discretion of
50.32 the commissioner. Grants under this paragraph
50.33 are not subject to the grant amount limitation
50.34 under Minnesota Statutes, section 116J.8731.

- 51.1 (s) \$4,246,000 each year is for the
51.2 redevelopment program under Minnesota
51.3 Statutes, sections 116J.575 and 116J.5761.
51.4 The base for this appropriation is \$2,246,000
51.5 in fiscal year 2026 and each year thereafter.
51.6 This appropriation is available until expended.
- 51.7 (t) \$1,000,000 each year is for the Minnesota
51.8 emerging entrepreneur loan program under
51.9 Minnesota Statutes, section 116M.18. Money
51.10 available under this paragraph is for transfer
51.11 into the emerging entrepreneur program
51.12 special revenue fund account created under
51.13 Minnesota Statutes, chapter 116M, and are
51.14 available until expended. Of this amount, up
51.15 to four percent is for administration and
51.16 monitoring of the program.
- 51.17 (u) \$325,000 the first year is for the Minnesota
51.18 Film and TV Board. The appropriation is
51.19 available only upon receipt by the board of \$1
51.20 in matching contributions of money or in-kind
51.21 contributions from nonstate sources for every
51.22 \$3 provided by this appropriation, except that
51.23 up to \$50,000 is available on July 1 even if
51.24 the required matching contribution has not
51.25 been received by that date. This is a onetime
51.26 appropriation.
- 51.27 (v) \$12,000 each year is for a grant to the
51.28 Upper Minnesota Film Office.
- 51.29 (w) \$500,000 the first year is for a grant to the
51.30 Minnesota Film and TV Board for the film
51.31 production jobs program under Minnesota
51.32 Statutes, section 116U.26. This appropriation
51.33 is available until June 30, 2027. This is a
51.34 onetime appropriation.

52.1 (x) \$4,195,000 each year is for the Minnesota
52.2 job skills partnership program under
52.3 Minnesota Statutes, sections 116L.01 to
52.4 116L.17. If the appropriation for either year
52.5 is insufficient, the appropriation for the other
52.6 year is available. This appropriation is
52.7 available until expended.

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

52.11 (z) \$47,475,000 the first year and \$50,475,000
52.12 the second year are for the PROMISE grant
52.13 program. This is a onetime appropriation and
52.14 is available until June 30, 2027. Any
52.15 unencumbered balance remaining at the end
52.16 of the first year does not cancel but is available
52.17 the second year. Of this amount:

52.18 (1) \$475,000 each year is for administration
52.19 of the PROMISE grant program;

52.20 (2) \$7,500,000 each year is for grants in equal
52.21 amounts to each of the Minnesota Initiative
52.22 Foundations to serve businesses in greater
52.23 Minnesota. Of this amount, \$600,000 each
52.24 year is for grants to businesses with less than
52.25 \$100,000 in revenue in the prior year; and

52.26 (3) \$39,500,000 the first year and \$42,500,000
52.27 the second year are for grants to the
52.28 Neighborhood Development Center. Of this
52.29 amount, the following amounts are designated
52.30 for the following areas:

52.31 (i) \$16,000,000 each year is for North
52.32 Minneapolis' West Broadway, Camden, or
52.33 other Northside neighborhoods. Of this
52.34 amount, \$1,000,000 each year is for grants to

53.1 businesses with less than \$100,000 in revenue
53.2 in the prior year;

53.3 (ii) ~~\$13,500,000~~ \$12,500,000 each year is for
53.4 South Minneapolis' Lake Street, 38th and
53.5 Chicago, Franklin, Nicollet, and Riverside
53.6 corridors. Of this amount, \$750,000 each year
53.7 is for grants to businesses with less than
53.8 \$100,000 in revenue in the prior year;

53.9 (iii) \$10,000,000 each year is for St. Paul's
53.10 University Avenue, Midway, Eastside, or other
53.11 St. Paul neighborhoods. Of this amount,
53.12 \$750,000 each year is for grants to businesses
53.13 with less than \$100,000 in revenue in the prior
53.14 year;

53.15 (iv) \$1,000,000 the first year is for South
53.16 Minneapolis' Hennepin Avenue Commercial
53.17 corridor, South Hennepin Community
53.18 corridor, and Uptown Special Service District;
53.19 and

53.20 (v) \$3,000,000 the second year is for grants
53.21 to businesses in the counties of Anoka, Carver,
53.22 Dakota, Hennepin, Ramsey, Scott, and
53.23 Washington, excluding the cities of
53.24 Minneapolis and St. Paul.

53.25 (aa) \$15,150,000 each year is for the
53.26 PROMISE loan program. This is a onetime
53.27 appropriation and is available until June 30,
53.28 2027. Of this amount:

53.29 (1) \$150,000 each year is for administration
53.30 of the PROMISE loan program;

53.31 (2) \$3,000,000 each year is for grants in equal
53.32 amounts to each of the Minnesota Initiative
53.33 Foundations to serve businesses in greater
53.34 Minnesota; and

54.1 (3) \$12,000,000 each year is for grants to the
54.2 Metropolitan Economic Development
54.3 Association (MEDA). Of this amount, the
54.4 following amounts are designated for the
54.5 following areas:

54.6 (i) \$4,500,000 each year is for North
54.7 Minneapolis' West Broadway, Camden, or
54.8 other Northside neighborhoods;

54.9 (ii) \$4,500,000 each year is for South
54.10 Minneapolis' Lake Street, 38th and Chicago,
54.11 Franklin, Nicollet, and Riverside corridors;
54.12 and

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

54.16 (bb) \$1,500,000 each year is for a grant to the
54.17 Metropolitan Consortium of Community
54.18 Developers for the community wealth-building
54.19 grant program pilot project. Of this amount,
54.20 up to two percent is for administration and
54.21 monitoring of the community wealth-building
54.22 grant program pilot project. This is a onetime
54.23 appropriation.

54.24 (cc) \$250,000 each year is for the publication,
54.25 dissemination, and use of labor market
54.26 information under Minnesota Statutes, section
54.27 116J.401.

54.28 (dd) \$5,000,000 the first year is for a grant to
54.29 the Bloomington Port Authority to provide
54.30 funding for the Expo 2027 host organization.
54.31 The Bloomington Port Authority must enter
54.32 into an agreement with the host organization
54.33 over the use of money, which may be used for
54.34 activities, including but not limited to

55.1 finalizing the community dossier and staffing
55.2 the host organization and for infrastructure
55.3 design and planning, financial modeling,
55.4 development planning and coordination of
55.5 both real estate and public private partnerships,
55.6 and reimbursement of costs the Bloomington
55.7 Port Authority incurred. In selecting vendors
55.8 and exhibitors for Expo 2027, the host
55.9 organization shall prioritize outreach to,
55.10 collaboration with, and inclusion of businesses
55.11 that are majority owned by people of color,
55.12 women, and people with disabilities. The host
55.13 organization and Bloomington Port Authority
55.14 may be reimbursed for expenses 90 days prior
55.15 to encumbrance. This appropriation is
55.16 contingent on approval of the project by the
55.17 Bureau International des Expositions. If the
55.18 project is not approved by the Bureau
55.19 International des Expositions, the money shall
55.20 transfer to the Minnesota investment fund
55.21 under Minnesota Statutes, section 116J.8731.
55.22 Any unencumbered balance remaining at the
55.23 end of the first year does not cancel but is
55.24 available for the second year.

55.25 (ee) \$5,000,000 the first year is for a grant to
55.26 the Neighborhood Development Center for
55.27 small business programs, including training,
55.28 lending, business services, and real estate
55.29 programming; small business incubator
55.30 development in the Twin Cities and outside
55.31 the seven-county metropolitan area; and
55.32 technical assistance activities for partners
55.33 outside the seven-county metropolitan area;
55.34 and for high-risk, character-based loan capital
55.35 for nonrecourse loans. This is a onetime
55.36 appropriation. Any unencumbered balance

56.1 remaining at the end of the first year does not
56.2 cancel but is available for the second year.

56.3 (ff) \$5,000,000 the first year is for transfer to
56.4 the emerging developer fund account in the
56.5 special revenue fund. Of this amount, up to
56.6 five percent is for administration and
56.7 monitoring of the emerging developer fund
56.8 program under Minnesota Statutes, section
56.9 116J.9926, and the remainder is for a grant to
56.10 the Local Initiatives Support Corporation -
56.11 Twin Cities to serve as a partner organization
56.12 under the program. This is a onetime
56.13 appropriation.

56.14 (gg) \$5,000,000 the first year is for the
56.15 Canadian border counties economic relief
56.16 program under article 5. Of this amount, up
56.17 to \$1,000,000 is for Tribal economic
56.18 development and \$2,100,000 is for a grant to
56.19 Lake of the Woods County for the forgivable
56.20 loan program for remote recreational
56.21 businesses. This is a onetime appropriation
56.22 and is available until June 30, 2026.

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

56.27 (1) \$500,000 each year is for a loan fund that
56.28 must address pervasive economic inequities
56.29 by supporting business ventures of
56.30 entrepreneurs in the African immigrant
56.31 community; and

56.32 (2) \$250,000 each year is for workforce
56.33 development and technical assistance,
56.34 including but not limited to business

57.1 development, entrepreneur training, business
57.2 technical assistance, loan packing, and
57.3 community development services.

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

57.8 (1) \$750,000 each year is to assist, support,
57.9 finance, and launch microentrepreneurs by
57.10 delivering training, workshops, and
57.11 one-on-one consultations to businesses; and

57.12 (2) \$750,000 each year is to guide prospective
57.13 entrepreneurs in their start-up process by
57.14 introducing them to key business concepts,
57.15 including business start-up readiness. Grant
57.16 proceeds must be used to offer workshops on
57.17 a variety of topics throughout the year,
57.18 including finance, customer service,
57.19 food-handler training, and food-safety
57.20 certification. Grant proceeds may also be used
57.21 to provide lending to business startups.

57.22 (jj) \$627,000 the first year is for a grant to
57.23 Community and Economic Development
57.24 Associates (CEDA) to provide funding for
57.25 economic development technical assistance
57.26 and economic development project grants to
57.27 small communities across rural Minnesota and
57.28 for CEDA to design, implement, market, and
57.29 administer specific types of basic community
57.30 and economic development programs tailored
57.31 to individual community needs. Technical
57.32 assistance grants shall be based on need and
57.33 given to communities that are otherwise
57.34 unable to afford these services. Of the amount
57.35 appropriated, up to \$270,000 may be used for

58.1 economic development project implementation
58.2 in conjunction with the technical assistance
58.3 received. This is a onetime appropriation. Any
58.4 unencumbered balance remaining at the end
58.5 of the first year does not cancel but is available
58.6 the second year.

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

58.9 (1) support child care providers through
58.10 business training and shared services programs
58.11 and to create materials that could be used, free
58.12 of charge, for start-up, expansion, and
58.13 operation of child care businesses statewide,
58.14 with the goal of helping new and existing child
58.15 care businesses in underserved areas of the
58.16 state become profitable and sustainable; and

58.17 (2) support business expansion for women
58.18 food entrepreneurs throughout Minnesota's
58.19 food supply chain to help stabilize and
58.20 strengthen their business operations, create
58.21 distribution networks, offer technical
58.22 assistance and support to beginning women
58.23 food entrepreneurs, develop business plans,
58.24 develop a workforce, research expansion
58.25 strategies, and for other related activities.

58.26 Eligible uses of the money include but are not
58.27 limited to:

58.28 (i) leasehold improvements;

58.29 (ii) additions, alterations, remodeling, or
58.30 renovations to rented space;

58.31 (iii) inventory or supplies;

58.32 (iv) machinery or equipment purchases;

58.33 (v) working capital; and

59.1 (vi) debt refinancing.

59.2 Money distributed to entrepreneurs may be
59.3 loans, forgivable loans, and grants. Of this
59.4 amount, up to five percent may be used for
59.5 the WomenVenture's technical assistance and
59.6 administrative costs. This is a onetime
59.7 appropriation and is available until June 30,
59.8 2026.

59.9 By December 15, 2026, WomenVenture must
59.10 submit a report to the chairs and ranking
59.11 minority members of the legislative
59.12 committees with jurisdiction over agriculture
59.13 and employment and economic development.
59.14 The report must include a summary of the uses
59.15 of the appropriation, including the amount of
59.16 the appropriation used for administration. The
59.17 report must also provide a breakdown of the
59.18 amount of funding used for loans, forgivable
59.19 loans, and grants; information about the terms
59.20 of the loans issued; a discussion of how money
59.21 from repaid loans will be used; the number of
59.22 entrepreneurs assisted; and a breakdown of
59.23 how many entrepreneurs received assistance
59.24 in each county.

59.25 (ll) \$2,000,000 the first year is for a grant to
59.26 African Career, Education, and Resource, Inc.,
59.27 for operational infrastructure and technical
59.28 assistance to small businesses. This
59.29 appropriation is available until June 30, 2025.

59.30 (mm) \$5,000,000 the first year is for a grant
59.31 to the African Development Center to provide
59.32 loans to purchase commercial real estate and
59.33 to expand organizational infrastructure. This
59.34 appropriation is available until June 30, 2025.
59.35 Of this amount:

- 60.1 (1) \$2,800,000 is for loans to purchase
60.2 commercial real estate targeted at African
60.3 immigrant small business owners;
- 60.4 (2) \$364,000 is for loan loss reserves to
60.5 support loan volume growth and attract
60.6 additional capital;
- 60.7 (3) \$836,000 is for increasing organizational
60.8 capacity;
- 60.9 (4) \$300,000 is for the safe 2 eat project of
60.10 inclusive assistance with required restaurant
60.11 licensing examinations; and
- 60.12 (5) \$700,000 is for a center for community
60.13 resources for language and technology
60.14 assistance for small businesses.
- 60.15 (nn) \$7,000,000 the first year is for grants to
60.16 the Minnesota Initiative Foundations to
60.17 capitalize their revolving loan funds, which
60.18 address unmet financing needs of for-profit
60.19 business start-ups, expansions, and ownership
60.20 transitions; nonprofit organizations; and
60.21 developers of housing to support the
60.22 construction, rehabilitation, and conversion
60.23 of housing units. Of the amount appropriated:
- 60.24 (1) \$1,000,000 is for a grant to the Southwest
60.25 Initiative Foundation;
- 60.26 (2) \$1,000,000 is for a grant to the West
60.27 Central Initiative Foundation;
- 60.28 (3) \$1,000,000 is for a grant to the Southern
60.29 Minnesota Initiative Foundation;
- 60.30 (4) \$1,000,000 is for a grant to the Northwest
60.31 Minnesota Foundation;
- 60.32 (5) \$2,000,000 is for a grant to the Initiative
60.33 Foundation of which \$1,000,000 is for

61.1 redevelopment of the St. Cloud Youth and
61.2 Family Center; and

61.3 (6) \$1,000,000 is for a grant to the Northland
61.4 Foundation.

61.5 (oo) \$500,000 each year is for a grant to
61.6 Enterprise Minnesota, Inc., to reach and
61.7 deliver talent, leadership, employee retention,
61.8 continuous improvement, strategy, quality
61.9 management systems, revenue growth, and
61.10 manufacturing peer-to-peer advisory services
61.11 to small manufacturing companies employing
61.12 35 or fewer full-time equivalent employees.
61.13 This is a onetime appropriation. No later than
61.14 February 1, 2025, and February 1, 2026,
61.15 Enterprise Minnesota, Inc., must provide a
61.16 report to the chairs and ranking minority
61.17 members of the legislative committees with
61.18 jurisdiction over economic development that
61.19 includes:

61.20 (1) the grants awarded during the past 12
61.21 months;

61.22 (2) the estimated financial impact of the grants
61.23 awarded to each company receiving services
61.24 under the program;

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

61.27 (4) the total amount of federal funds leveraged
61.28 from the Manufacturing Extension Partnership
61.29 at the United States Department of Commerce.

61.30 (pp) \$375,000 each year is for a grant to
61.31 PFund Foundation to provide grants to
61.32 LGBTQ+-owned small businesses and
61.33 entrepreneurs. Of this amount, up to five
61.34 percent may be used for PFund Foundation's

62.1 technical assistance and administrative costs.

62.2 This is a onetime appropriation and is
62.3 available until June 30, 2026. To the extent
62.4 practicable, money must be distributed by
62.5 PFund Foundation as follows:

62.6 (1) at least 33.3 percent to businesses owned
62.7 by members of racial minority communities;
62.8 and

62.9 (2) at least 33.3 percent to businesses outside
62.10 of the seven-county metropolitan area as
62.11 defined in Minnesota Statutes, section
62.12 473.121, subdivision 2.

62.13 (qq) \$125,000 each year is for a grant to
62.14 Quorum to provide business support, training,
62.15 development, technical assistance, and related
62.16 activities for LGBTQ+-owned small
62.17 businesses that are recipients of a PFund
62.18 Foundation grant. Of this amount, up to five
62.19 percent may be used for Quorum's technical
62.20 assistance and administrative costs. This is a
62.21 onetime appropriation and is available until
62.22 June 30, 2026.

62.23 (rr) \$5,000,000 the first year is for a grant to
62.24 the Metropolitan Economic Development
62.25 Association (MEDA) for statewide business
62.26 development and assistance services to
62.27 minority-owned businesses. This is a onetime
62.28 appropriation. Any unencumbered balance
62.29 remaining at the end of the first year does not
62.30 cancel but is available the second year. Of this
62.31 amount:

62.32 (1) \$3,000,000 is for a revolving loan fund to
62.33 provide additional minority-owned businesses
62.34 with access to capital; and

63.1 (2) \$2,000,000 is for operating support
63.2 activities related to business development and
63.3 assistance services for minority business
63.4 enterprises.

63.5 By February 1, 2025, MEDA shall report to
63.6 the commissioner and the chairs and ranking
63.7 minority members of the legislative
63.8 committees with jurisdiction over economic
63.9 development policy and finance on the loans
63.10 and operating support activities, including
63.11 outcomes and expenditures, supported by the
63.12 appropriation under this paragraph.

63.13 (ss) \$2,500,000 each year is for a grant to a
63.14 Minnesota-based automotive component
63.15 manufacturer and distributor specializing in
63.16 electric vehicles and sensor technology that
63.17 manufactures all of their parts onshore to
63.18 expand their manufacturing. The grant
63.19 recipient under this paragraph shall submit
63.20 reports on the uses of the money appropriated,
63.21 the number of jobs created due to the
63.22 appropriation, wage information, and the city
63.23 and state in which the additional
63.24 manufacturing activity was located to the
63.25 chairs and ranking minority members of the
63.26 legislative committees with jurisdiction over
63.27 economic development. An initial report shall
63.28 be submitted by December 15, 2023, and a
63.29 final report is due by December 15, 2025. This
63.30 is a onetime appropriation.

63.31 (tt)(1) \$125,000 each year is for grants to the
63.32 Latino Chamber of Commerce Minnesota to
63.33 support the growth and expansion of small
63.34 businesses statewide. Funds may be used for

64.1 the cost of programming, outreach, staffing,
64.2 and supplies. This is a onetime appropriation.

64.3 (2) By January 15, 2026, the Latino Chamber
64.4 of Commerce Minnesota must submit a report
64.5 to the legislative committees with jurisdiction
64.6 over economic development that details the
64.7 use of grant funds and the grant's economic
64.8 impact.

64.9 (uu) \$175,000 the first year is for a grant to
64.10 the city of South St. Paul to study options for
64.11 repurposing the 1927 American Legion
64.12 Memorial Library after the property is no
64.13 longer used as a library. This appropriation is
64.14 available until the project is completed or
64.15 abandoned, subject to Minnesota Statutes,
64.16 section 16A.642.

64.17 (vv) \$250,000 the first year is for a grant to
64.18 LatinoLEAD for organizational
64.19 capacity-building.

64.20 (ww) \$80,000 the first year is for a grant to
64.21 the Neighborhood Development Center for
64.22 small business competitive grants to software
64.23 companies working to improve employee
64.24 engagement and workplace culture and to
64.25 reduce turnover.

64.26 (xx)(1) \$3,000,000 in the first year is for a
64.27 grant to the Center for Economic Inclusion for
64.28 strategic, data-informed investments in job
64.29 creation strategies that respond to the needs
64.30 of underserved populations statewide. This
64.31 may include forgivable loans, revenue-based
64.32 financing, and equity investments for
64.33 entrepreneurs with barriers to growth. Of this
64.34 amount, up to five percent may be used for

65.1 the center's technical assistance and
 65.2 administrative costs. This appropriation is
 65.3 available until June 30, 2025.

65.4 (2) By January 15, 2026, the Center for
 65.5 Economic Inclusion shall submit a report on
 65.6 the use of grant funds, including any loans
 65.7 made, to the legislative committees with
 65.8 jurisdiction over economic development.

65.9 (yy) \$500,000 the first year is for a grant to
 65.10 the Asian Economic Development Association
 65.11 for asset building and financial empowerment
 65.12 for entrepreneurs and small business owners,
 65.13 small business development and technical
 65.14 assistance, and cultural placemaking. This is
 65.15 a onetime appropriation.

65.16 (zz) \$500,000 each year is for a grant to
 65.17 Isuroon to support primarily African
 65.18 immigrant women with entrepreneurial
 65.19 training to start, manage, and grow
 65.20 self-sustaining microbusinesses, develop
 65.21 incubator space for these businesses, and
 65.22 provide support with financial and language
 65.23 literacy, systems navigation to eliminate
 65.24 capital access disparities, marketing, and other
 65.25 technical assistance. This is a onetime
 65.26 appropriation.

65.27 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2025.

65.28 Sec. 9. **APPROPRIATION CANCELLATION; JOB CREATION FUND.**

65.29 \$3,000,000 of the appropriation in fiscal year 2025 from the general fund as appropriated
 65.30 under Laws 2023, chapter 53, article 20, section 2, subdivision 2, paragraph (q), is canceled
 65.31 to the general fund. This is a onetime cancellation.

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

66.1 Sec. 10. Minnesota Statutes 2024, section 469.54, subdivision 4, is amended to read:

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

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

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

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

66.16 Sec. 11. Minnesota Statutes 2024, section 116J.431, subdivision 2, is amended to read:

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

66.19 (1) manufacturing;

66.20 (2) technology;

66.21 (3) warehousing and distribution;

66.22 (4) research and development;

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

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

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

67.1 Sec. 12. [116J.9921] OFFICE OF PUBLIC SERVICE.

67.2 Subdivision 1. Definitions. (a) For the purposes of this section, the terms in this
67.3 subdivision have the meanings given.

67.4 (b) "Department" means the Department of Employment and Economic Development.

67.5 (c) "Office" means the Office of Public Service established under this section.

67.6 (d) "Public service opportunity" means a public service position, including but not limited
67.7 to those in ServeMinnesota Innovation Act, sections 124D.37 to 124D.45; the Domestic
67.8 and Volunteer Service Act of 1973, United States Code, title 42, section 4950; and the
67.9 National and Community Service Act of 1990, United States Code, title 42, section 12501.

67.10 Subd. 2. Office established; purpose. (a) An Office of Public Service is established
67.11 within the Department of Employment and Economic Development. The department may
67.12 employ a director and staff necessary to carry out the office's duties under subdivision 4.

67.13 (b) The purpose of the office is to promote and expand existing public service
67.14 opportunities, ensure state public service goals and strategy align with the state's workforce
67.15 development strategy, identify available service opportunities across the state, audit existing
67.16 service opportunities and areas for expansion of service programs, and create and strengthen
67.17 career pathways aligned with public service opportunities.

67.18 Subd. 3. Organization. The office shall consist of a director and staff necessary to carry
67.19 out the office's duties under subdivision 4.

67.20 Subd. 4. Duties. The office shall have the power and duty to:

67.21 (1) coordinate with state and federal public service organizations to promote and expand
67.22 existing public service opportunities;

67.23 (2) coordinate with other agencies, including but not limited to Minnesota Management
67.24 and Budget and the Department of Education, to develop, recommend, and implement
67.25 solutions to promote and expand existing public service opportunities;

67.26 (3) administer the Service to Success Opportunity grant program and other appropriations
67.27 to the department for this purpose;

67.28 (4) audit state and federal public service opportunities;

67.29 (5) develop career pathways aligned with public service opportunities;

67.30 (6) provide an annual report, as required by subdivision 5; and

67.31 (7) perform any other activities consistent with the office's purpose.

68.1 Subd. 5. Reporting. (a) Beginning January 15, 2027, and every two years thereafter,
68.2 the Office of Public Service shall report to the legislative committees with jurisdiction over
68.3 the Department of Employment and Economic Development on the office's activities during
68.4 the previous year.

68.5 (b) The report shall contain, at a minimum:

68.6 (1) a summary of the office's activities;

68.7 (2) an update of any grants administered by the office, including the number of grants,
68.8 grant recipients, average grant amount, and outcomes of those grants;

68.9 (3) a summary of the office's activities; and

68.10 (4) any other information requested by the legislative committees with jurisdiction over
68.11 the Department of Employment and Economic Development, or that the office deems
68.12 necessary.

68.13 (c) The report may be submitted electronically and is subject to section 3.195, subdivision
68.14 1.

68.15 Sec. 13. **REPEALER.**

68.16 Laws 2024, chapter 120, article 1, section 13, is repealed retroactively to July 1, 2024.

APPENDIX
Article locations for 25-00179

ARTICLE 1 APPROPRIATIONS..... Page.Ln 1.12
ARTICLE 2 EMPLOYMENT AND ECONOMIC DEVELOPMENT POLICY..... Page.Ln 17.12

Laws 2024, chapter 120, article 1, section 13

Sec. 13. **JOB CREATION FUND; TRANSFER OUT.**

\$3,000,000 in fiscal year 2025 is transferred from the job creation fund under Minnesota Statutes, section 116J.8748, to the general fund. This is a onetime transfer.