STATE OF MINNESOTA

Journal of the House

NINETY-THIRD SESSION — 2024

ONE HUNDRED ELEVENTH DAY

SAINT PAUL, MINNESOTA, FRIDAY, MAY 3, 2024

The House of Representatives convened at 12:30 p.m. and was called to order by Brian Pfarr, Speaker pro tempore.

Prayer was offered by the Reverend Karen Hering, Unity Church-Unitarian, St. Paul, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Acomb	Davis	Heintzeman	Kotyza-Witthuhn	Noor	Sencer-Mura
Agbaje	Demuth	Hemmingsen-Jaeger	Koznick	Norris	Skraba
Altendorf	Dotseth	Her	Kraft	Novotny	Smith
Anderson, P. E.	Edelson	Hicks	Kresha	O'Driscoll	Stephenson
Anderson, P. H.	Elkins	Hill	Lawrence	Olson, B.	Swedzinski
Backer	Engen	Hollins	Lee, F.	Olson, L.	Tabke
Bahner	Feist	Hornstein	Lee, K.	Pelowski	Torkelson
Bakeberg	Finke	Howard	Liebling	Pérez-Vega	Urdahl
Baker	Fischer	Hudella	Lillie	Perryman	Vang
Becker-Finn	Fogelman	Hudson	Lislegard	Petersburg	Virnig
Bennett	Frazier	Huot	Long	Pfarr	West
Berg	Frederick	Hussein	McDonald	Pinto	Wiener
Bierman	Freiberg	Igo	Moller	Pryor	Wiens
Bliss	Garofalo	Jacob	Mueller	Pursell	Witte
Brand	Gillman	Johnson	Murphy	Quam	Wolgamott
Burkel	Gomez	Jordan	Myers	Rarick	Xiong
Carroll	Greenman	Joy	Nadeau	Rehm	Youakim
Cha	Grossell	Keeler	Nash	Reyer	Zeleznikar
Clardy	Hansen, R.	Kiel	Nelson, M.	Robbins	Spk. Hortman
Coulter	Hanson, J.	Klevorn	Neu Brindley	Schomacker	
Curran	Harder	Knudsen	Newton	Schultz	
Davids	Hassan	Koegel	Niska	Scott	

A quorum was present.

Daniels, Franson, Kozlowski and Mekeland were excused.

Nelson, N., was excused until 2:25 p.m.

Speaker pro tempore Pfarr called Her to the Chair.

The Chief Clerk proceeded to read the Journal of the preceding day. There being no objection, further reading of the Journal was dispensed with and the Journal was approved as corrected by the Chief Clerk.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Keeler introduced:

H. F. No. 5450, A bill for an act relating to economic development; appropriating money for a grant to the Immigrant Development Center.

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

Greenman introduced:

H. F. No. 5451, A bill for an act relating to commerce; prohibiting restaurant surcharges over five percent; requiring disclosure of a surcharge; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Commerce Finance and Policy.

REPORT FROM THE COMMITTEE ON RULES
AND LEGISLATIVE ADMINISTRATION

Long from the Committee on Rules and Legislative Administration, pursuant to rules 1.21 and 3.33, designated the following bill to be placed on the Calendar for the Day for Tuesday, May 7, 2024 and established a prefiling requirement for amendments offered to the following bill:

H. F. No. 4738.

CALENDAR FOR THE DAY

H. F. No. 5299 was reported to the House.

Rarick moved to amend H. F. No. 5299, the first engrossment, as follows:

Page 6, delete section 8 and insert:

"Sec. 8. **APPROPRIATION; KIDS ON CAMPUS INITIATIVE.**

$500,000 in fiscal year 2025 is appropriated from the general fund to the Board of Trustees of the Minnesota State Colleges and Universities to create new and expand existing on-campus child care offerings for parenting students enrolled in state colleges and universities. Funds appropriated under this section must directly support the provision of child care to parenting students and may not be used for administrative expenses. This is a onetime appropriation and is available until June 30, 2026. By June 30, 2026, the board must report to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education policy and finance on how the appropriated funds were used and the status of child care offerings on system campuses."

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Rarick amendment and the roll was called. There were 60 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Altendorf	Davis	Hudella	Lawrence	O'Driscoll	Scott
Anderson, P. E.	Demuth	Hudson	McDonald	Olson, B.	Skraba
Anderson, P. H.	Dotseth	Igo	Mueller	Perryman	Swedzinski
Backer	Engen	Jacob	Murphy	Petersburg	Torkelson
Bakeberg	Fogelman	Johnson	Myers	Pfarr	Urdahl
Baker	Garofalo	Joy	Nadeau	Quam	West
Bennett	Gillman	Kiel	Nash	Rarick	Wiener
Bliss	Grossell	Knudsen	Neu Brindley	Robbins	Wiens
Burkel	Harder	Koznick	Niska	Schomacker	Witte
Davids	Heintzeman	Kresha	Novotny	Schultz	Zeleznikar

Those who voted in the negative were:

Acomb	Edelson	Hassan	Klevorn	Newton	Smith
Agbaje	Elkins	Hemmingsen-Jaeger	Koegel	Noor	Stephenson
Bahner	Feist	Her	Kotyza-Witthuhn	Norris	Tabke
Becker-Finn	Finke	Hicks	Kraft	Olson, L.	Vang
Berg	Fischer	Hill	Lee, F.	Pelowski	Virnig
Bierman	Frazier	Hollins	Lee, K.	Pérez-Vega	Wolgamott
Brand	Frederick	Hornstein	Liebling	Pinto	Xiong
Carroll	Freiberg	Howard	Lillie	Pryor	Youakim
Cha	Gomez	Huot	Lislegard	Pursell	Spk. Hortman
Clardy	Greenman	Hussein	Long	Rehm	
Coulter	Hansen, R.	Jordan	Moller	Reyer	
Curran	Hanson, J.	Keeler	Nelson, M.	Sencer-Mura	

The motion did not prevail.

McDonald moved to amend H. F. No. 5299, the first engrossment, as follows:

Page 1, after line 8, insert:

"Section 1. **[136A.105] STUDENTS ENGAGING IN RACIAL, POLITICAL, OR RELIGIOUS BIAS.**

Subdivision 1. **Penalty.** If the commissioner determines that a student has engaged in racial, political, or religious bias on the campus of a postsecondary institution:

(1) the student is ineligible for any grant or scholarship under this chapter;

(2) the commissioner must not award or provide to the student any grant or scholarship under this chapter for any subsequent academic term; and

(3) the commissioner must convert any state scholarship, grant, or other gift aid awarded to the student under this chapter into a student loan and collect from the student the total amount awarded plus interest at a rate established according to section 270C.40.

Subd. 2. **Investigation and determination.** (a) The commissioner has authority to receive, review, and take appropriate action on allegations that a student has engaged in racial, political, or religious bias on the campus of a postsecondary institution. An allegation may be reported anonymously.

(b) The commissioner must initiate an investigation upon receipt of an allegation under paragraph (a). Notwithstanding section 13.39, a student subject to an investigation shall be informed of the allegation, the processes of the investigation, and the potential consequences of a determination. A student subject to an investigation may provide a statement to the commissioner. Notwithstanding section 13.39, upon completing an investigation, the commissioner shall inform the student of:

(1) the outcome of the investigation;

(2) whether the commissioner has determined that the student has engaged in racial, political, or religious bias on the campus of a postsecondary institution;

(3) appeal rights under paragraph (c), if applicable; and

(4) applicable consequences on the student's financial aid.

(c) A determination by the commissioner under this section is appealable in accordance with the contested case review procedures in chapter 14. The request for an appeal must be made in writing to the commissioner within 30 days of the date the student is notified of the commissioner's determination. A determination is not effective while an appeal is pending.

(d) Data collected, created, received, or maintained by the commissioner under this section are subject to section 13.39.

Subd. 3. **Notice.** Prior to awarding any state scholarship, grant, or gift aid under this chapter, the commissioner shall notify the recipient of this section.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to state scholarships, grants, or gift aid awarded on or after that date."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the McDonald amendment and the roll was called. There were 55 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Altendorf	Demuth	Jacob	Mueller	Pfarr	West
Anderson, P. E.	Dotseth	Johnson	Murphy	Quam	Wiener
Anderson, P. H.	Fogelman	Joy	Myers	Robbins	Wiens
Backer	Garofalo	Kiel	Nadeau	Schomacker	Witte
Bakeberg	Gillman	Knudsen	Neu Brindley	Schultz	Zeleznikar
Baker	Grossell	Koznick	Novotny	Scott	
Bennett	Harder	Kresha	O'Driscoll	Skraba	
Bliss	Heintzeman	Lawrence	Olson, B.	Swedzinski	
Burkel	Hudella	Lislegard	Perryman	Torkelson	
Davids	Igo	McDonald	Petersburg	Urdahl	

Those who voted in the negative were:

Acomb	Edelson	Hassan	Klevorn	Noor	Stephenson
Agbaje	Elkins	Hemmingsen-Jaeger	Koegel	Norris	Tabke
Bahner	Feist	Her	Kotyza-Witthuhn	Olson, L.	Vang
Becker-Finn	Finke	Hicks	Kraft	Pelowski	Virnig
Berg	Fischer	Hill	Lee, F.	Pérez-Vega	Wolgamott
Bierman	Frazier	Hollins	Lee, K.	Pinto	Xiong
Brand	Frederick	Hornstein	Liebling	Pryor	Youakim
Carroll	Freiberg	Howard	Lillie	Pursell	Spk. Hortman
Cha	Gomez	Huot	Long	Rehm	
Clardy	Greenman	Hussein	Moller	Reyer	
Coulter	Hansen, R.	Jordan	Nelson, M.	Sencer-Mura	
Curran	Hanson, J.	Keeler	Newton	Smith	

The motion did not prevail and the amendment was not adopted.

McDonald moved to amend H. F. No. 5299, the first engrossment, as follows:

Page 1, after line 8, insert:

"Section 1. **<u>[135A.156] UNLAWFUL STUDENT DEMONSTRATIONS.</u>**

<u>A public postsecondary institution or private postsecondary institution that is an eligible institution as defined in section 136A.103 must expel a student found to have engaged in a protest, demonstration, or assembly on campus that violates state law or campus policies or that substantially disrupts normal campus activities and operations.</u>"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Robbins moved to amend H. F. No. 5299, the first engrossment, as follows:

Page 6, delete section 8 and insert:

"Sec. 8. **APPROPRIATION; PROTEST CLEAN-UP.**

$500,000 in fiscal year 2025 is appropriated from the general fund to the commissioner of the Office of Higher Education for grants to Minnesota postsecondary institutions for costs incurred in response to protests or demonstrations, including costs arising from restoring or maintaining civil order or costs arising from campus repairs or clean-up due to damage caused by protests or demonstrations. Institutions may apply for a grant in a form and manner specified by the commissioner. Individual grants shall be in an amount the commissioner determines appropriate given the needs of the institution."

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Scott moved to amend H. F. No. 5299, the first engrossment, as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 2023 Supplement, section 136A.1465, subdivision 2, is amended to read:

Subd. 2. **Conditions for eligibility.** A scholarship may be awarded to an eligible student who:

(1) has completed the Free Application for Federal Student Aid (FAFSA) or the state aid application;

(2) has a family adjusted gross income below $80,000;

(3) has not earned a baccalaureate degree at the time the scholarship is awarded;

(4) is enrolled in at least one credit per fall, spring, or summer semester; ~~and~~

(5) is meeting satisfactory academic progress as defined in section 136A.101, subdivision 10; and

(6) has signed a contract with the Office of Higher Education to have the applicant's total scholarship award under this section converted to a student loan if the applicant fails to fulfill the residency employment requirement in subdivision 2a of this section.

Sec. 2. Minnesota Statutes 2023 Supplement, section 136A.1465, is amended by adding a subdivision to read:

Subd. 2a. **Minnesota residency and employment requirement.** (a) To receive a scholarship under this section, an eligible student must agree to reside and be employed in Minnesota for a three-year term beginning within six months of the completion the degree or credential program for which the scholarship was awarded. If a scholarship recipient fails to meet this residency and employment requirement, the commissioner must convert the recipient's total scholarship award to a student loan and collect from the recipient the total amount paid plus interest at a rate established according to section 270C.40.

(b) The commissioner may waive the residency and employment requirement for a scholarship recipient if, within six years of the initial scholarship award, the scholarship recipient:

(1) has not completed the degree or credential program for which the scholarship was awarded;

(2) has not earned a baccalaureate degree; and

(3) is no longer enrolled in any postsecondary institution.

(c) The commissioner may defer the residency and employment requirement:

(1) to allow a scholarship recipient to attend a postgraduate education program, provided that the recipient is enrolled on at least a half-time basis in that program;

(2) to perform full-time volunteer service through Peace Corps, AmeriCorps, or a similar program; or

(3) for circumstances involving extreme hardship.

(d) A scholarship recipient who becomes ineligible for a scholarship under this section, or who has a scholarship terminated under subdivision 6, remains subject to the residency and employment requirement and must complete the requirement within six years of the initial scholarship award, unless the recipient qualifies for waiver or deferment under paragraph (b) or (c).

(e) An eligible student who receives scholarship awards for more than one degree or credential program is only required to meet the residency and employment requirement once. Any obligation to comply with this subdivision cancels upon the death or permanent and total disability of the scholarship recipient."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Scott amendment and the roll was called. There were 62 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Altendorf	Demuth	Igo	Mueller	Perryman	Torkelson
Anderson, P. E.	Dotseth	Jacob	Murphy	Petersburg	Urdahl
Anderson, P. H.	Engen	Johnson	Myers	Pfarr	West
Backer	Fogelman	Joy	Nadeau	Quam	Wiener
Bakeberg	Garofalo	Kiel	Nash	Rarick	Wiens
Baker	Gillman	Knudsen	Nelson, N.	Robbins	Witte
Bennett	Grossell	Koznick	Neu Brindley	Schomacker	Zeleznikar
Bliss	Harder	Kresha	Niska	Schultz	
Burkel	Heintzeman	Lawrence	Novotny	Scott	
Davids	Hudella	Lislegard	O'Driscoll	Skraba	
Davis	Hudson	McDonald	Olson, B.	Swedzinski	

Those who voted in the negative were:

Acomb	Edelson	Hassan	Klevorn	Noor	Stephenson
Agbaje	Elkins	Hemmingsen-Jaeger	Koegel	Norris	Tabke
Bahner	Feist	Her	Kotyza-Witthuhn	Olson, L.	Vang
Becker-Finn	Finke	Hicks	Kraft	Pelowski	Virnig
Berg	Fischer	Hill	Lee, F.	Pérez-Vega	Wolgamott
Bierman	Frazier	Hollins	Lee, K.	Pinto	Xiong
Brand	Frederick	Hornstein	Liebling	Pryor	Youakim
Carroll	Freiberg	Howard	Lillie	Pursell	Spk. Hortman
Cha	Gomez	Huot	Long	Rehm	
Clardy	Greenman	Hussein	Moller	Reyer	
Coulter	Hansen, R.	Jordan	Nelson, M.	Sencer-Mura	
Curran	Hanson, J.	Keeler	Newton	Smith	

The motion did not prevail and the amendment was not adopted.

LAY ON THE TABLE

Long moved that H. F. No. 5299 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS

TAKEN FROM THE TABLE

Long moved that H. F. No. 5247 be taken from the table. The motion prevailed.

H. F. No. 5247 was reported to the House.

The Speaker assumed the Chair.

Garofalo moved to amend H. F. No. 5247, the second engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. **MEANS OF PRODUCTION.**

The commissioner of revenue shall seize the means of production.

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

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Becker-Finn was excused for the remainder of today's session.

Jacob moved to amend H. F. No. 5247, the second engrossment, as follows:

Page 29, after line 25, insert:

"Sec. 7. **[273.1388] AGRICULTURAL WATER QUALITY CREDIT.**

Subdivision 1. **Eligibility.** (a) A property is eligible for an agricultural water quality credit under this section if the property is:

(1) class 2a or 2b property under section 273.13, subdivision 23;

(2) certified by the commissioner of agriculture or a certifying agent under sections 17.9891 to 17.993; and

(3) located in Dodge, Fillmore, Goodhue, Houston, Mower, Olmsted, Wabasha, or Winona County; one or more of the following townships in Dakota County: Nininger, Empire, Vermillion, Marshan, Ravenna, Eureka, Castle Rock, Hampton, Douglas, Greenvale, Waterford, Sciota, or Randolph; or one or more of the following townships in Rice County: Bridgewater, Northfield, Cannon, Wheeling, Walcott, or Richland.

(b) The commissioner of agriculture must annually notify county assessors of the location of each certified acre in the assessor's county.

Subd. 2. **Credit amount.** The amount of the agricultural water quality credit is $5 per certified acre.

Subd. 3. **Credit reimbursement.** The county auditor must determine the tax reductions allowed under this section within the county for each taxes payable year and must certify that amount to the commissioner of revenue as part of the data required under section 270C.85, subdivision 2. Any prior year adjustments must also be certified as part of the data required under section 270C.85, subdivision 2. The commissioner must review the certifications for accuracy, and may make such changes as are deemed necessary, or return the certification to the county auditor for correction. The credit under this section must be used to proportionately reduce the net tax capacity based property tax payable to each local taxing jurisdiction as provided in section 273.1393.

Subd. 4. **Payment.** (a) The commissioner of revenue shall reimburse each local taxing jurisdiction, other than school districts, for the tax reductions granted under this section in two equal installments on October 31 and December 26 of the taxes payable year for which the reductions are granted, including in each payment the prior year adjustments certified under section 270C.85, subdivision 2, for that taxes payable year.

(b) The commissioner of revenue shall certify the total of the tax reductions granted under this section for each taxes payable year within each school district to the commissioner of education, and the commissioner of education must pay the reimbursement amounts to each school district as provided in section 273.1392.

Subd. 5. **Appropriation.** An amount sufficient to make the payments required by this section to taxing jurisdictions other than school districts is annually appropriated from the general fund to the commissioner of revenue. An amount sufficient to make the payments required by this section for school districts is annually appropriated from the general fund to the commissioner of education.

Subd. 6. **Annual report.** No later than February 1 each year, the commissioner of revenue, in consultation with the commissioner of agriculture, must report participation, outcomes, and trends by county or township, and any corresponding recommendations, to the legislative committees with jurisdiction over taxes and agriculture. Reported outcomes must include, but are not limited to, the number of taxpayers and acres receiving a credit under this section, the number of certified acres, the percent of total class 2a and 2b property that is certified, and the total estimated reduction in nitrogen lost to the environment.

EFFECTIVE DATE. This section is effective beginning with taxes payable in 2025."

Page 31, line 5, strike "and" and insert a comma and after "273.1387" insert ", and 273.1388"

Page 31, line 27, delete "and"

Page 31, line 28, delete the period and insert "; and"

Page 31, after line 28, insert:

"(13) the agricultural water quality credit as provided in section 273.1388."

Page 34, line 1, after the comma, insert "the agricultural water quality credit as provided in section 273.1388,"

Page 37, line 29, strike "and" and insert a comma and after "273.1387" insert ", and 273.1388"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Jacob amendment and the roll was called. There were 62 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Altendorf	Demuth	Igo	Murphy	Perryman	Torkelson
Anderson, P. E.	Dotseth	Jacob	Myers	Petersburg	Urdahl
Anderson, P. H.	Engen	Johnson	Nadeau	Pfarr	West
Backer	Fogelman	Joy	Nash	Quam	Wiener
Bakeberg	Garofalo	Kiel	Nelson, N.	Rarick	Wiens
Baker	Gillman	Knudsen	Neu Brindley	Robbins	Witte
Bennett	Grossell	Koznick	Newton	Schomacker	Zeleznikar
Bliss	Harder	Kresha	Niska	Schultz	
Burkel	Heintzeman	Lawrence	Novotny	Scott	
Davids	Hudella	McDonald	O'Driscoll	Skraba	
Davis	Hudson	Mueller	Olson, B.	Swedzinski	

Those who voted in the negative were:

Acomb	Edelson	Hanson, J.	Jordan	Long	Reyer
Agbaje	Elkins	Hassan	Keeler	Moller	Sencer-Mura
Bahner	Feist	Hemmingsen-Jaeger	Klevorn	Nelson, M.	Smith
Berg	Finke	Her	Koegel	Noor	Stephenson
Bierman	Fischer	Hicks	Kotyza-Witthuhn	Norris	Tabke
Brand	Frazier	Hill	Kraft	Olson, L.	Vang
Carroll	Frederick	Hollins	Lee, F.	Pérez-Vega	Virnig
Cha	Freiberg	Hornstein	Lee, K.	Pinto	Wolgamott
Clardy	Gomez	Howard	Liebling	Pryor	Xiong
Coulter	Greenman	Huot	Lillie	Pursell	Youakim
Curran	Hansen, R.	Hussein	Lislegard	Rehm	Spk. Hortman

The motion did not prevail and the amendment was not adopted.

Davids moved to amend H. F. No. 5247, the second engrossment, as follows:

Page 112, after line 2, insert:

"Section 1. Minnesota Statutes 2022, section 270C.07, subdivision 1, is amended to read:

Subdivision 1. **Authority; limitation.** (a) The commissioner may make, adopt, and publish interpretive revenue notices. A "revenue notice" is a policy statement that has been published pursuant to subdivision 5 and that provides interpretation, details, or supplementary information concerning the application of state revenue laws or rules promulgated by the commissioner. Revenue notices are published for the information and guidance of taxpayers, local government officials, the department, and others concerned.

(b) Unless the commissioner has complied with the requirements of paragraph (c), the commissioner is bound by decisions issued by the Tax Court pursuant to section 271.08 that are not timely appealed and overturned or otherwise distinguished by the Minnesota Supreme Court or other court to which Tax Court decisions may be appealed as allowed under section 271.01, subdivision 5.

(c) If the commissioner intends to not follow a decision issued by the Tax Court, the commissioner must:

(1) within 60 days of the decision, provide notice on the Department of Revenue website that the commissioner does not intend to follow the decision; and

(2) within 180 days of the decision, publish a revenue notice describing the commissioner's intended interpretation and administration of the statute or statutes at issue in the decision, and the commissioner's rationale for not following the decision.

EFFECTIVE DATE. This section is effective for decisions by the Tax Court issued the day following final enactment."

Page 113, after line 10, insert:

"Sec. 2. Minnesota Statutes 2022, section 270C.33, is amended by adding a subdivision to read:

Subd. 4a. **Limitations on assessment.** (a) Unless the commissioner has complied with the requirement of section 270C.07, subdivision 1, paragraph (c), the commissioner is bound by decisions issued by the Tax Court pursuant to section 271.08 that are not timely appealed and overturned or otherwise distinguished by the Minnesota Supreme Court or other court to which Tax Court decisions may be appealed as allowed under section 271.01, subdivision 5.

(b) If the commissioner has not complied with the requirements of section 270C.07, subdivision 1, paragraph (c), the commissioner must not issue an order of assessment of additional tax if the assessment is inconsistent with or in contravention of a decision issued by the Tax Court pursuant to section 271.08, and the decision is not overturned or distinguished by the Minnesota Supreme Court or other court to which Tax Court decisions may be appealed under section 271.01, subdivision 5.

EFFECTIVE DATE. This section is effective for decisions by the Tax Court issued the day following final enactment."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The Speaker called Her to the Chair.

The question was taken on the Davids amendment and the roll was called. There were 62 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Altendorf	Demuth	Igo	Murphy	Petersburg	Torkelson
Anderson, P. E.	Dotseth	Jacob	Myers	Pfarr	Urdahl
Anderson, P. H.	Engen	Johnson	Nadeau	Quam	West
Backer	Fogelman	Joy	Nash	Rarick	Wiener
Bakeberg	Garofalo	Kiel	Nelson, N.	Rehm	Wiens
Baker	Gillman	Knudsen	Neu Brindley	Robbins	Witte
Bennett	Grossell	Koznick	Niska	Schomacker	Zeleznikar
Bliss	Harder	Kresha	Novotny	Schultz	
Burkel	Heintzeman	Lawrence	O'Driscoll	Scott	
Davids	Hudella	McDonald	Olson, B.	Skraba	
Davis	Hudson	Mueller	Perryman	Swedzinski	

Those who voted in the negative were:

Acomb	Edelson	Hanson, J.	Jordan	Long	Reyer
Agbaje	Elkins	Hassan	Keeler	Moller	Sencer-Mura
Bahner	Feist	Hemmingsen-Jaeger	Klevorn	Nelson, M.	Smith
Berg	Finke	Her	Koegel	Newton	Stephenson
Bierman	Fischer	Hicks	Kotyza-Witthuhn	Noor	Tabke
Brand	Frazier	Hill	Kraft	Norris	Vang
Carroll	Frederick	Hollins	Lee, F.	Olson, L.	Virnig
Cha	Freiberg	Hornstein	Lee, K.	Pérez-Vega	Wolgamott
Clardy	Gomez	Howard	Liebling	Pinto	Xiong
Coulter	Greenman	Huot	Lillie	Pryor	Youakim
Curran	Hansen, R.	Hussein	Lislegard	Pursell	Spk. Hortman

The motion did not prevail and the amendment was not adopted.

Koznick moved to amend H. F. No. 5247, the second engrossment, as follows:

Page 91, line 15, delete "local sales tax equalization distribution"

Page 91, line 16, delete "account" and insert "general fund"

Page 96, line 32, after the semicolon, insert "and"

Page 97, delete lines 1 and 2

Renumber the items in sequence

Page 98, line 5, after the comma, insert "and" and delete ", and section 297A.9903"

Page 98, line 31, delete "local sales tax"

Page 98, line 32, delete "equalization distribution account" and insert "general fund"

Page 99, line 2, delete "to (3)" and insert "and (2)"

Page 99, line 8, after the semicolon, insert "and"

Page 99, line 9, delete "; and" and insert a period

Page 99, delete lines 10 to 11

Page 99, delete lines 17 to 26

Renumber the subdivisions in sequence

Page 99, line 30, delete "local sales tax equalization distribution"

Page 99, line 31, delete "account" and insert "general fund"

Page 100, line 1, delete everything after the third period

Page 100, delete lines 2 to 3

Page 100, line 4, delete "(b)"

Page 101, delete section 6

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Koznick amendment and the roll was called. There were 61 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Altendorf	Demuth	Igo	Murphy	Petersburg	Urdahl
Anderson, P. E.	Dotseth	Jacob	Myers	Pfarr	West
Anderson, P. H.	Engen	Johnson	Nadeau	Quam	Wiener
Backer	Fogelman	Joy	Nash	Rarick	Wiens
Bakeberg	Garofalo	Kiel	Nelson, N.	Robbins	Witte
Baker	Gillman	Knudsen	Neu Brindley	Schomacker	Zeleznikar
Bennett	Grossell	Koznick	Niska	Schultz	
Bliss	Harder	Kresha	Novotny	Scott	
Burkel	Heintzeman	Lawrence	O'Driscoll	Skraba	
Davids	Hudella	McDonald	Olson, B.	Swedzinski	
Davis	Hudson	Mueller	Perryman	Torkelson	

Those who voted in the negative were:

Acomb	Berg	Carroll	Coulter	Elkins	Fischer
Agbaje	Bierman	Cha	Curran	Feist	Frazier
Bahner	Brand	Clardy	Edelson	Finke	Frederick

Freiberg	Hicks	Keeler	Lislegard	Pérez-Vega	Stephenson
Gomez	Hill	Klevorn	Long	Pinto	Tabke
Greenman	Hollins	Koegel	Moller	Pryor	Vang
Hansen, R.	Hornstein	Kotyza-Witthuhn	Nelson, M.	Pursell	Virnig
Hanson, J.	Howard	Kraft	Newton	Rehm	Wolgamott
Hassan	Huot	Lee, F.	Noor	Reyer	Xiong
Hemmingsen-Jaeger	Hussein	Lee, K.	Norris	Sencer-Mura	Youakim
Her	Jordan	Lillie	Olson, L.	Smith	Spk. Hortman

The motion did not prevail and the amendment was not adopted.

Davids moved to amend H. F. No. 5247, the second engrossment, as follows:

Page 11, delete section 14

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Anderson, P. E., moved to amend H. F. No. 5247, the second engrossment, as follows:

Page 5, delete section 4

Page 16, delete section 19

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Anderson, P. E., amendment and the roll was called. There were 60 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Altendorf	Bliss	Fogelman	Hudson	Koznick	Nadeau
Anderson, P. E.	Burkel	Garofalo	Igo	Kresha	Nash
Anderson, P. H.	Davids	Gillman	Jacob	Lawrence	Nelson, N.
Backer	Davis	Grossell	Johnson	McDonald	Neu Brindley
Bakeberg	Demuth	Harder	Joy	Mueller	Niska
Baker	Dotseth	Heintzeman	Kiel	Murphy	Novotny
Bennett	Engen	Hudella	Knudsen	Myers	O'Driscoll

Olson, B.	Pfarr	Robbins	Scott	Torkelson	Wiens
Perryman	Quam	Schomacker	Skraba	Urdahl	Witte
Petersburg	Rarick	Schultz	Swedzinski	West	Zeleznikar

Those who voted in the negative were:

Acomb	Elkins	Hemmingsen-Jaeger	Koegel	Noor	Tabke
Agbaje	Feist	Her	Kotyza-Witthuhn	Norris	Vang
Bahner	Finke	Hicks	Kraft	Olson, L.	Virnig
Berg	Fischer	Hill	Lee, F.	Pérez-Vega	Wolgamott
Bierman	Frazier	Hollins	Lee, K.	Pinto	Xiong
Brand	Frederick	Hornstein	Liebling	Pryor	Youakim
Carroll	Freiberg	Howard	Lillie	Pursell	Spk. Hortman
Cha	Gomez	Huot	Lislegard	Rehm	
Clardy	Greenman	Hussein	Long	Reyer	
Coulter	Hansen, R.	Jordan	Moller	Sencer-Mura	
Curran	Hanson, J.	Keeler	Nelson, M.	Smith	
Edelson	Hassan	Klevorn	Newton	Stephenson	

The motion did not prevail and the amendment was not adopted.

Anderson, P. E., moved to amend H. F. No. 5247, the second engrossment, as follows:

Page 5, line 19, delete the second "<u>and</u>"

Page 5, line 20, delete the period and insert "<u>; and</u>"

Page 5, after line 20, insert:

"<u>(4) the percentage of the corporation's shares directly or indirectly owned by a pension fund managed by the State Board of Investment, which the commissioner may determine in consultation with the board.</u>"

A roll call was requested and properly seconded.

The question was taken on the Anderson, P. E., amendment and the roll was called. There were 60 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Altendorf	Bliss	Fogelman	Hudson	Koznick	Nadeau
Anderson, P. E.	Burkel	Garofalo	Igo	Kresha	Nash
Anderson, P. H.	Davids	Gillman	Jacob	Lawrence	Nelson, N.
Backer	Davis	Grossell	Johnson	McDonald	Neu Brindley
Bakeberg	Demuth	Harder	Joy	Mueller	Niska
Baker	Dotseth	Heintzeman	Kiel	Murphy	Novotny
Bennett	Engen	Hudella	Knudsen	Myers	O'Driscoll

Olson, B.	Pfarr	Robbins	Scott	Torkelson	Wiens
Perryman	Quam	Schomacker	Skraba	Urdahl	Witte
Petersburg	Rarick	Schultz	Swedzinski	West	Zeleznikar

Those who voted in the negative were:

Acomb	Elkins	Hemmingsen-Jaeger	Koegel	Noor	Tabke
Agbaje	Feist	Her	Kotyza-Witthuhn	Norris	Vang
Bahner	Finke	Hicks	Kraft	Olson, L.	Virnig
Berg	Fischer	Hill	Lee, F.	Pérez-Vega	Wolgamott
Bierman	Frazier	Hollins	Lee, K.	Pinto	Xiong
Brand	Frederick	Hornstein	Liebling	Pryor	Youakim
Carroll	Freiberg	Howard	Lillie	Pursell	Spk. Hortman
Cha	Gomez	Huot	Lislegard	Rehm	
Clardy	Greenman	Hussein	Long	Reyer	
Coulter	Hansen, R.	Jordan	Moller	Sencer-Mura	
Curran	Hanson, J.	Keeler	Nelson, M.	Smith	
Edelson	Hassan	Klevorn	Newton	Stephenson	

The motion did not prevail and the amendment was not adopted.

Davids moved to amend H. F. No. 5247, the second engrossment, as follows:

Page 14, delete section 16

Page 16, delete section 20

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Davids amendment and the roll was called. There were 60 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Altendorf	Bliss	Fogelman	Hudson	Koznick	Nadeau
Anderson, P. E.	Burkel	Garofalo	Igo	Kresha	Nash
Anderson, P. H.	Davids	Gillman	Jacob	Lawrence	Nelson, N.
Backer	Davis	Grossell	Johnson	McDonald	Neu Brindley
Bakeberg	Demuth	Harder	Joy	Mueller	Niska
Baker	Dotseth	Heintzeman	Kiel	Murphy	Novotny
Bennett	Engen	Hudella	Knudsen	Myers	O'Driscoll

Olson, B.	Pfarr	Robbins	Scott	Torkelson	Wiens
Perryman	Quam	Schomacker	Skraba	Urdahl	Witte
Petersburg	Rarick	Schultz	Swedzinski	West	Zeleznikar

Those who voted in the negative were:

Acomb	Elkins	Hassan	Keeler	Moller	Reyer
Agbaje	Feist	Hemmingsen-Jaeger	Klevorn	Nelson, M.	Sencer-Mura
Bahner	Finke	Her	Koegel	Newton	Smith
Berg	Fischer	Hicks	Kotyza-Witthuhn	Noor	Stephenson
Bierman	Frazier	Hill	Kraft	Norris	Tabke
Carroll	Frederick	Hollins	Lee, F.	Olson, L.	Vang
Cha	Freiberg	Hornstein	Lee, K.	Pérez-Vega	Virnig
Clardy	Gomez	Howard	Liebling	Pinto	Wolgamott
Coulter	Greenman	Huot	Lillie	Pryor	Xiong
Curran	Hansen, R.	Hussein	Lislegard	Pursell	Youakim
Edelson	Hanson, J.	Jordan	Long	Rehm	Spk. Hortman

The motion did not prevail and the amendment was not adopted.

Igo moved to amend H. F. No. 5247, the second engrossment, as follows:

Page 57, line 31, delete "not" and delete "or" and insert "and"

Page 58, line 1, delete "must" and insert "may"

Page 63, line 1, delete "not" and delete "or" and insert "and"

Page 63, line 5, delete "must" and insert "may"

A roll call was requested and properly seconded.

The question was taken on the Igo amendment and the roll was called. There were 60 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Altendorf	Davis	Hudella	Lawrence	Novotny	Schultz
Anderson, P. E.	Demuth	Hudson	McDonald	O'Driscoll	Scott
Anderson, P. H.	Dotseth	Igo	Mueller	Olson, B.	Skraba
Backer	Engen	Jacob	Murphy	Perryman	Swedzinski
Bakeberg	Fogelman	Johnson	Myers	Petersburg	Torkelson
Baker	Garofalo	Joy	Nadeau	Pfarr	Urdahl
Bennett	Gillman	Kiel	Nash	Quam	West
Bliss	Grossell	Knudsen	Nelson, N.	Rarick	Wiens
Burkel	Harder	Koznick	Neu Brindley	Robbins	Witte
Davids	Heintzeman	Kresha	Niska	Schomacker	Zeleznikar

Those who voted in the negative were:

Acomb	Bierman	Clardy	Elkins	Frazier	Greenman
Agbaje	Brand	Coulter	Feist	Frederick	Hansen, R.
Bahner	Carroll	Curran	Finke	Freiberg	Hanson, J.
Berg	Cha	Edelson	Fischer	Gomez	Hassan

Hemmingsen-Jaeger	Hussein	Lee, K.	Noor	Reyer	Xiong
Her	Jordan	Liebling	Norris	Sencer-Mura	Youakim
Hicks	Keeler	Lillie	Olson, L.	Smith	Spk. Hortman
Hill	Klevorn	Lislegard	Pérez-Vega	Stephenson	
Hollins	Koegel	Long	Pinto	Tabke	
Hornstein	Kotyza-Witthuhn	Moller	Pryor	Vang	
Howard	Kraft	Nelson, M.	Pursell	Virnig	
Huot	Lee, F.	Newton	Rehm	Wolgamott	

The motion did not prevail and the amendment was not adopted.

Novotny moved to amend H. F. No. 5247, the second engrossment, as follows:

Page 46, after line 22, insert:

"Sec. 27. **AID REDUCTION; HENNEPIN COUNTY.**

Aid provided to Hennepin County under Minnesota Statutes, sections 477A.011 to 477A.03 must be reduced by the amount provided by the county or the Hennepin County Attorneys Office to any attorneys hired or otherwise retained to participate in the prosecution of state trooper Ryan Londregan. Beginning May 20, 2024, and each month thereafter, the county must report the amount of payment or expense reimbursement made in the previous month to the commissioner of revenue. The commissioner of revenue must annually reduce Hennepin County's county program aid paid by the total amount certified in the prior calendar year. The reporting requirements and aid reductions under this section expire when the county certifies to the commissioner of revenue that no further payments will be made.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Gomez moved to amend the Novotny amendment to H. F. No. 5247, the second engrossment, as follows:

Page 1, line 3, delete everything after "REDUCTION"

Page 1, line 4, delete "Hennepin" and insert "a"

Page 1, line 5, delete "must" and insert "may" and delete "Hennepin"

Page 1, line 6, delete "the"

Page 1, line 7, delete everything before the period and delete "the" and insert "a"

Page 1, line 9, delete "must" and insert "may"

Page 1, line 10, delete "Hennepin" and insert "a"

Page 1, line 11, delete "and aid reductions" and delete "the" and insert "a"

A roll call was requested and properly seconded.

The question was taken on the Gomez amendment to the Novotny amendment and the roll was called. There were 66 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Acomb	Edelson	Hanson, J.	Jordan	Long	Rehm
Agbaje	Elkins	Hassan	Keeler	Moller	Reyer
Bahner	Feist	Hemmingsen-Jaeger	Klevorn	Nelson, M.	Sencer-Mura
Berg	Finke	Her	Koegel	Newton	Smith
Bierman	Fischer	Hicks	Kotyza-Witthuhn	Noor	Stephenson
Brand	Frazier	Hill	Kraft	Norris	Tabke
Carroll	Frederick	Hollins	Lee, F.	Olson, L.	Vang
Cha	Freiberg	Hornstein	Lee, K.	Pérez-Vega	Virnig
Clardy	Gomez	Howard	Liebling	Pinto	Xiong
Coulter	Greenman	Huot	Lillie	Pryor	Youakim
Curran	Hansen, R.	Hussein	Lislegard	Pursell	Spk. Hortman

Those who voted in the negative were:

Altendorf	Demuth	Igo	Murphy	Petersburg	Urdahl
Anderson, P. E.	Dotseth	Jacob	Myers	Pfarr	West
Anderson, P. H.	Engen	Johnson	Nadeau	Quam	Wiener
Backer	Fogelman	Joy	Nash	Rarick	Wiens
Bakeberg	Garofalo	Kiel	Nelson, N.	Robbins	Witte
Baker	Gillman	Knudsen	Neu Brindley	Schomacker	Wolgamott
Bennett	Grossell	Koznick	Niska	Schultz	Zeleznikar
Bliss	Harder	Kresha	Novotny	Scott	
Burkel	Heintzeman	Lawrence	O'Driscoll	Skraba	
Davids	Hudella	McDonald	Olson, B.	Swedzinski	
Davis	Hudson	Mueller	Perryman	Torkelson	

The motion prevailed and the amendment to the amendment was adopted.

Novotny withdrew the Novotny amendment, as amended, to H. F. No. 5247, the second engrossment.

Robbins moved to amend H. F. No. 5247, the second engrossment, as follows:

Page 113, after line 28, insert:

"Sec. 3. Minnesota Statutes 2023 Supplement, section 349.12, subdivision 25, is amended to read:

Subd. 25. **Lawful purpose.** (a) "Lawful purpose" means one or more of the following:

(1) any expenditure by or contribution to a 501(c)(3) or festival organization, as defined in subdivision 15c, provided that the organization and expenditure or contribution are in conformity with standards prescribed by the board under section 349.154, which standards must apply to both types of organizations in the same manner and to the same extent;

(2) a contribution to or expenditure for goods and services for an individual or family suffering from poverty, homelessness, or disability, which is used to relieve the effects of that suffering;

(3) a contribution to a program recognized by the Minnesota Department of Human Services for the education, prevention, or treatment of problem gambling;

(4) a contribution to or expenditure on a public or private nonprofit educational institution registered with or accredited by this state or any other state;

(5) a contribution to an individual, public or private nonprofit educational institution registered with or accredited by this state or any other state, or to a scholarship fund of a nonprofit organization whose primary mission is to award scholarships, for defraying the cost of education to individuals where the funds are awarded through an open and fair selection process;

(6) activities by an organization or a government entity which recognize military service to the United States, the state of Minnesota, or a community, subject to rules of the board, provided that the rules must not include mileage reimbursements in the computation of the per diem reimbursement limit and must impose no aggregate annual limit on the amount of reasonable and necessary expenditures made to support:

(i) members of a military marching or color guard unit for activities conducted within the state;

(ii) members of an organization solely for services performed by the members at funeral services;

(iii) members of military marching, color guard, or honor guard units may be reimbursed for participating in color guard, honor guard, or marching unit events within the state or states contiguous to Minnesota at a per participant rate of up to $50 per diem; or

(iv) active military personnel and their immediate family members in need of support services;

(7) recreational, community, and athletic facilities and activities, intended primarily for persons under age 21, provided that such facilities and activities do not discriminate on the basis of gender and the organization complies with section 349.154, subdivision 3a;

(8) payment of local taxes authorized under this chapter, including local gambling taxes authorized under section 349.213, subdivision 3, taxes imposed by the United States on receipts from lawful gambling, the taxes imposed by section 297E.02, subdivisions 1 and 6, and the tax imposed on unrelated business income by section 290.05, subdivision 3;

(9) payment of real estate taxes and assessments on permitted gambling premises owned by the licensed organization paying the taxes, or wholly leased by a licensed veterans organization under a national charter recognized under section 501(c)(19) of the Internal Revenue Code;

(10) a contribution to the United States, this state or any of its political subdivisions, or any agency or instrumentality thereof other than a direct contribution to a law enforcement or prosecutorial agency;

(11) a contribution to or expenditure by a nonprofit organization which is a church or body of communicants gathered in common membership for mutual support and edification in piety, worship, or religious observances;

(12) an expenditure for citizen monitoring of surface water quality by individuals or nongovernmental organizations that is consistent with section 115.06, subdivision 4, and Minnesota Pollution Control Agency guidance on monitoring procedures, quality assurance protocols, and data management, provided that the resulting data is submitted to the Minnesota Pollution Control Agency for review and inclusion in the state water quality database;

(13) a contribution to or expenditure on projects or activities approved by the commissioner of natural resources for:

(i) wildlife management projects that benefit the public at large;

(ii) grant-in-aid trail maintenance and grooming established under sections 84.83 and 84.927, and other trails open to public use, including purchase or lease of equipment for this purpose; and

(iii) supplies and materials for safety training and educational programs coordinated by the Department of Natural Resources, including the Enforcement Division;

(14) conducting nutritional programs, food shelves, and congregate dining programs primarily for persons who are age 62 or older or disabled;

(15) a contribution to a community arts organization, or an expenditure to sponsor arts programs in the community, including but not limited to visual, literary, performing, or musical arts;

(16) an expenditure by a licensed fraternal organization or a licensed veterans organization for payment of water, fuel for heating, electricity, and sewer costs for:

(i) up to 100 percent for a building wholly owned or wholly leased by and used as the primary headquarters of the licensed veteran or fraternal organization; or

(ii) a proportional amount subject to approval by the director and based on the portion of a building used as the primary headquarters of the licensed veteran or fraternal organization;

(17) expenditure by a licensed veterans organization of up to $5,000 in a calendar year in net costs to the organization for meals and other membership events, limited to members and spouses, held in recognition of military service. No more than $5,000 can be expended in total per calendar year under this clause by all licensed veterans organizations sharing the same veterans post home;

(18) payment of fees authorized under this chapter imposed by the state of Minnesota to conduct lawful gambling in Minnesota;

(19) a contribution or expenditure to honor an individual's humanitarian service as demonstrated through philanthropy or volunteerism to the United States, this state, or local community;

(20) a contribution by a licensed organization to another licensed organization with prior board approval, with the contribution designated to be used for one or more of the following lawful purposes under this section: clauses (1) to (7), (11) to (15), (19), and (25);

(21) an expenditure that is a contribution to a parent organization, if the parent organization: (i) has not provided to the contributing organization within one year of the contribution any money, grants, property, or other thing of value, and (ii) has received prior board approval for the contribution that will be used for a program that meets one or more of the lawful purposes under subdivision 7a;

(22) an expenditure for the repair, maintenance, or improvement of real property and capital assets owned by an organization, or for the replacement of a capital asset that can no longer be repaired, with a fiscal year limit of five percent of gross profits from the previous fiscal year, with no carryforward of unused allowances. The fiscal year is July 1 through June 30. Total expenditures for the fiscal year may not exceed the limit unless the board has specifically approved the expenditures that exceed the limit due to extenuating circumstances beyond the organization's control. An expansion of a building or bar-related expenditures are not allowed under this provision.

(i) The expenditure must be related to the portion of the real property or capital asset that must be made available for use free of any charge to other nonprofit organizations, community groups, or service groups, and is used for the organization's primary mission or headquarters.

(ii) An expenditure may be made to bring an existing building that the organization owns into compliance with the Americans with Disabilities Act.

(iii) An organization may apply the amount that is allowed under item (ii) to the erection or acquisition of a replacement building that is in compliance with the Americans with Disabilities Act if the board has specifically approved the amount. The cost of the erection or acquisition of a replacement building may not be made from gambling proceeds, except for the portion allowed under this item;

(23) an expenditure for the acquisition or improvement of a capital asset with a cost greater than $2,000, excluding real property, that will be used exclusively for lawful purposes under this section if the board has specifically approved the amount;

(24) an expenditure for the acquisition, erection, improvement, or expansion of real property, if the board has first specifically authorized the expenditure after finding that the real property will be used exclusively for lawful purpose under this section;

(25) an expenditure, including a mortgage payment or other debt service payment, for the erection or acquisition of a comparable building to replace an organization-owned building that was destroyed or made uninhabitable by fire or catastrophe or to replace an organization-owned building that was taken or sold under an eminent domain proceeding. The expenditure may be only for that part of the replacement cost not reimbursed by insurance for the fire or catastrophe or compensation not received from a governmental unit under the eminent domain proceeding, if the board has first specifically authorized the expenditure; ~~or~~

(26) a contribution to a 501(c)(19) organization that does not have an organization license under section 349.16 and is not affiliated with the contributing organization, and whose owned or leased property is not a permitted premises under section 349.165. The 501(c)(19) organization may only use the contribution for lawful purposes under this subdivision or for the organization's primary mission. The 501(c)(19) organization may not use the contribution for expansion of a building or for bar-related expenditures. A contribution may not be made to a statewide organization representing a consortia of 501(c)(19) organizations~~.~~ ; or

(27)(i) an expenditure for the repair, maintenance, or improvement of real property and capital assets owned by the following organizations, or for the replacement of a capital asset that can no longer be repaired:

(A) American Legion;

(B) Veterans of Foreign Wars of the United States (VFW);

(C) Jewish War Veterans of the United States of America;

(D) Military Order of the Purple Heart;

(E) AMVETS;

(F) Marine Corps League;

(G) Paralyzed Veterans of America; or

(H) Disabled American Veterans.

(ii) The expenditure is limited to 50 percent of gross profits from the previous fiscal year. The fiscal year is July 1 through June 30. Any unused allowances may carry forward for one fiscal year. Any organization carrying forward funds must identify the planned project for which the funds will be used prior to carrying forward the unused allowances.

(iii) Total expenditures for the fiscal year may not exceed the limit imposed under item (ii) unless the board has specifically approved the expenditures that exceed the limit due to extenuating circumstances beyond the organization's control. An expansion of a building or any capital improvements within the building regardless of use of the improvement are allowed under this provision. This provision applies only to capital improvements to the existing building square footage and does not apply to the new construction of a new or replacement building.

(b) Expenditures authorized by the board under paragraph (a), clauses (24) and (25), must be 51 percent completed within two years of the date of board approval; otherwise the organization must reapply to the board for approval of the project. "Fifty-one percent completed" means that the work completed must represent at least 51 percent of the value of the project as documented by the contractor or vendor.

(c) Notwithstanding paragraph (a), "lawful purpose" does not include:

(1) any expenditure made or incurred for the purpose of influencing the nomination or election of a candidate for public office or for the purpose of promoting or defeating a ballot question;

(2) any activity intended to influence an election or a governmental decision-making process;

(3) a contribution to a statutory or home rule charter city, county, or town by a licensed organization with the knowledge that the governmental unit intends to use the contribution for a pension or retirement fund; or

(4) a contribution to a 501(c)(3) organization or other entity with the intent or effect of not complying with lawful purpose restrictions or requirements.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Robbins amendment and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Acomb	Davis	Hassan	Kotyza-Witthuhn	Newton	Schultz
Agbaje	Demuth	Heintzeman	Koznick	Niska	Scott
Altendorf	Dotseth	Hemmingsen-Jaeger	Kraft	Noor	Sencer-Mura
Anderson, P. E.	Edelson	Her	Kresha	Norris	Skraba
Anderson, P. H.	Elkins	Hicks	Lawrence	Novotny	Smith
Backer	Engen	Hill	Lee, F.	O'Driscoll	Stephenson
Bahner	Feist	Hollins	Lee, K.	Olson, B.	Swedzinski
Bakeberg	Finke	Hornstein	Liebling	Olson, L.	Tabke
Baker	Fischer	Hudella	Lillie	Pérez-Vega	Torkelson
Bennett	Fogelman	Hudson	Lislegard	Perryman	Urdahl
Berg	Frazier	Huot	Long	Petersburg	Vang
Bierman	Frederick	Hussein	McDonald	Pfarr	Virnig
Bliss	Freiberg	Igo	Moller	Pinto	West
Brand	Garofalo	Jacob	Mueller	Pryor	Wiener
Burkel	Gillman	Johnson	Murphy	Pursell	Wiens
Carroll	Gomez	Jordan	Myers	Quam	Witte
Cha	Greenman	Joy	Nadeau	Rarick	Wolgamott
Clardy	Grossell	Keeler	Nash	Rehm	Xiong
Coulter	Hansen, R.	Klevorn	Nelson, M.	Reyer	Youakim
Curran	Hanson, J.	Knudsen	Nelson, N.	Robbins	Zeleznikar
Davids	Harder	Koegel	Neu Brindley	Schomacker	Spk. Hortman

The motion prevailed and the amendment was adopted.

Swedzinski moved to amend H. F. No. 5247, the second engrossment, as amended, as follows:

Page 20, after line 6, insert:

"Sec. 5. Minnesota Statutes 2022, section 272.02, is amended by adding a subdivision to read:

Subd. 108. **Congressionally chartered veterans organizations.** (a) The following property is exempt:

(1) real property up to a maximum of three acres of land owned and used by a congressionally chartered veterans organization; provided that:

(i) the organization is also a nonprofit community service oriented organization;

(ii) the property is not used for residential purposes on either a temporary or permanent basis; and

(iii)(A) the property is not used by the organization for a revenue-producing activity for more than six days in the calendar year preceding the year of assessment; or

(B) the organization makes annual charitable contributions and donations at least equal to two-thirds of the previous year's property taxes, or equal to the previous year's property taxes that would have been due on the property had it not been exempt, and the property is allowed to be used for public and community meetings or events for no charge, as appropriate to the size of the facility; and

(2) all or a portion of real property, up to a maximum of three acres, leased or rented to a congressionally chartered veterans organization, provided that:

(i) the congressionally chartered veterans organization is also a nonprofit community service oriented organization;

(ii) the property is not used for residential purposes on either a temporary or permanent basis; and

(iii)(A) the property is not used by the organization for a revenue-producing activity for more than six days in the calendar year preceding the year of assessment; or

(B) the organization makes annual charitable contributions and donations at least equal to two-thirds of the previous year's property taxes attributable to the portion of the property leased or rented by the organization, or equal to the previous year's property taxes that would have been attributable to the portion of the property leased or rented by the organization had it not been exempt, and the property is allowed to be used for public and community meetings or events for no charge, as appropriate to the size of the facility.

(b) For property meeting the requirements of paragraph (a), clause (1), item (iii), subitem (B), and paragraph (a), clause (2), item (iii), subitem (B), the organization must maintain records of its charitable contributions and donations and of public meetings and events held on the property and make them available upon request any time to ensure eligibility. The assessor must make available the required charitable contributions and donations amount for a property under paragraph (a), clause (1), item (iii), subitem (B), and paragraph (a), clause (2), item (iii), subitem (B), upon request of the property owner.

(c) For the purposes of this subdivision, "charitable contributions and donations," "property taxes," "nonprofit community service oriented organization," and "revenue-producing activities" have the same meanings as provided in section 273.13, subdivision 25, paragraph (d), clause (3).

(d) To claim the exemption for property meeting the requirements under paragraph (a), clause (2), the owner of the property must file an application by May 1 with the assessor for eligibility for the current year's assessment. The commissioner of revenue must prescribe a uniform application form and instructions.

(e) The commissioner of veterans affairs must annually provide a list of congressionally chartered veterans organizations to the commissioner of revenue by January 1.

EFFECTIVE DATE. This section is effective beginning with property taxes payable in 2025."

Page 22, after line 30, insert:

"Sec. 6. Minnesota Statutes 2023 Supplement, section 273.13, subdivision 25, is amended to read:

Subd. 25. **Class 4.** (a) Class 4a is residential real estate containing four or more units and used or held for use by the owner or by the tenants or lessees of the owner as a residence for rental periods of 30 days or more, excluding property qualifying for class 4d. Class 4a also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt under section 272.02, and contiguous property used for hospital purposes, without regard to whether the property has been platted or subdivided. The market value of class 4a property has a classification rate of 1.25 percent.

(b) Class 4b includes:

(1) residential real estate containing less than four units, including property rented as a short-term rental property for more than 14 days in the preceding year, that does not qualify as class 4bb, other than seasonal residential recreational property;

(2) manufactured homes not classified under any other provision;

(3) a dwelling, garage, and surrounding one acre of property on a nonhomestead farm classified under subdivision 23, paragraph (b) containing two or three units; and

(4) unimproved property that is classified residential as determined under subdivision 33.

For the purposes of this paragraph, "short-term rental property" means nonhomestead residential real estate rented for periods of less than 30 consecutive days.

The market value of class 4b property has a classification rate of 1.25 percent.

(c) Class 4bb includes:

(1) nonhomestead residential real estate containing one unit, other than seasonal residential recreational property;

(2) a single family dwelling, garage, and surrounding one acre of property on a nonhomestead farm classified under subdivision 23, paragraph (b); and

(3) a condominium-type storage unit having an individual property identification number that is not used for a commercial purpose.

Class 4bb property has the same classification rates as class 1a property under subdivision 22.

Property that has been classified as seasonal residential recreational property at any time during which it has been owned by the current owner or spouse of the current owner does not qualify for class 4bb.

(d) Class 4c property includes:

(1) except as provided in subdivision 22, paragraph (c), real and personal property devoted to commercial temporary and seasonal residential occupancy for recreation purposes, for not more than 250 days in the year preceding the year of assessment. For purposes of this clause, property is devoted to a commercial purpose on a specific day if any portion of the property is used for residential occupancy, and a fee is charged for residential occupancy. Class 4c property under this clause must contain three or more rental units. A "rental unit" is defined as a cabin, condominium, townhouse, sleeping room, or individual camping site equipped with water and electrical hookups for recreational vehicles. A camping pad offered for rent by a property that otherwise qualifies for class 4c under this clause is also class 4c under this clause regardless of the term of the rental agreement, as long as the use of the camping pad does not exceed 250 days. In order for a property to be classified under this clause, either (i) the business located on the property must provide recreational activities, at least 40 percent of the annual gross lodging receipts related to the property must be from business conducted during 90 consecutive days, and either (A) at least 60 percent of all paid bookings by lodging guests during the year must be for periods of at least two consecutive nights; or (B) at least 20 percent of the annual gross receipts must be from charges for providing recreational activities, or (ii) the business must contain 20 or fewer rental units, and must be located in a township or a city with

a population of 2,500 or less located outside the metropolitan area, as defined under section 473.121, subdivision 2, that contains a portion of a state trail administered by the Department of Natural Resources. For purposes of item (i)(A), a paid booking of five or more nights shall be counted as two bookings. Class 4c property also includes commercial use real property used exclusively for recreational purposes in conjunction with other class 4c property classified under this clause and devoted to temporary and seasonal residential occupancy for recreational purposes, up to a total of two acres, provided the property is not devoted to commercial recreational use for more than 250 days in the year preceding the year of assessment and is located within two miles of the class 4c property with which it is used. In order for a property to qualify for classification under this clause, the owner must submit a declaration to the assessor designating the cabins or units occupied for 250 days or less in the year preceding the year of assessment by January 15 of the assessment year. Those cabins or units and a proportionate share of the land on which they are located must be designated class 4c under this clause as otherwise provided. The remainder of the cabins or units and a proportionate share of the land on which they are located will be designated as class 3a. The owner of property desiring designation as class 4c property under this clause must provide guest registers or other records demonstrating that the units for which class 4c designation is sought were not occupied for more than 250 days in the year preceding the assessment if so requested. The portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, (4) conference center or meeting room, and (5) other nonresidential facility operated on a commercial basis not directly related to temporary and seasonal residential occupancy for recreation purposes does not qualify for class 4c. For the purposes of this paragraph, "recreational activities" means renting ice fishing houses, boats and motors, snowmobiles, downhill or cross-country ski equipment; providing marina services, launch services, or guide services; or selling bait and fishing tackle;

(2) qualified property used as a golf course if:

(i) it is open to the public on a daily fee basis. It may charge membership fees or dues, but a membership fee may not be required in order to use the property for golfing, and its green fees for golfing must be comparable to green fees typically charged by municipal courses; and

(ii) it meets the requirements of section 273.112, subdivision 3, paragraph (d).

A structure used as a clubhouse, restaurant, or place of refreshment in conjunction with the golf course is classified as class 3a property;

(3) real property up to a maximum of three acres of land owned and used by a nonprofit community service oriented organization and not used for residential purposes on either a temporary or permanent basis, provided that:

(i) the property is not used for a revenue-producing activity for more than six days in the calendar year preceding the year of assessment; or

(ii) the organization makes annual charitable contributions and donations at least equal to the property's previous year's property taxes and the property is allowed to be used for public and community meetings or events for no charge, as appropriate to the size of the facility.

For purposes of this clause:

(A) "charitable contributions and donations" has the same meaning as lawful gambling purposes under section 349.12, subdivision 25, excluding those purposes relating to the payment of taxes, assessments, fees, auditing costs, and utility payments;

(B) "property taxes" excludes the state general tax;

(C) a "nonprofit community service oriented organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, fraternal, civic, or educational purposes, and which is exempt from federal income taxation pursuant to section 501(c)(3), (8), (10), or (19) of the Internal Revenue Code; and

(D) "revenue-producing activities" shall include but not be limited to property or that portion of the property that is used as an on-sale intoxicating liquor or 3.2 percent malt liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling alley, a retail store, gambling conducted by organizations licensed under chapter 349, an insurance business, or office or other space leased or rented to a lessee who conducts a for-profit enterprise on the premises.

Any portion of the property not qualifying under either item (i) or (ii) is class 3a. The use of the property for social events open exclusively to members and their guests for periods of less than 24 hours, when an admission is not charged nor any revenues are received by the organization shall not be considered a revenue-producing activity.

The organization shall maintain records of its charitable contributions and donations and of public meetings and events held on the property and make them available upon request any time to the assessor to ensure eligibility. An organization meeting the requirement under item (ii) must file an application by May 1 with the assessor for eligibility for the current year's assessment. The commissioner shall prescribe a uniform application form and instructions;

(4) postsecondary student housing of not more than one acre of land that is owned by a nonprofit corporation organized under chapter 317A and is used exclusively by a student cooperative, sorority, or fraternity for on-campus housing or housing located within two miles of the border of a college campus;

(5)(i) manufactured home parks as defined in section 327.14, subdivision 3, excluding manufactured home parks described in items (ii) and (iii), (ii) manufactured home parks as defined in section 327.14, subdivision 3, that are described in section 273.124, subdivision 3a, and (iii) class I manufactured home parks as defined in section 327C.015, subdivision 2;

(6) real property that is actively and exclusively devoted to indoor fitness, health, social, recreational, and related uses, is owned and operated by a not-for-profit corporation, and is located within the metropolitan area as defined in section 473.121, subdivision 2;

(7) a leased or privately owned noncommercial aircraft storage hangar not exempt under section 272.01, subdivision 2, and the land on which it is located, provided that:

(i) the land is on an airport owned or operated by a city, town, county, Metropolitan Airports Commission, or group thereof; and

(ii) the land lease, or any ordinance or signed agreement restricting the use of the leased premise, prohibits commercial activity performed at the hangar.

If a hangar classified under this clause is sold after June 30, 2000, a bill of sale must be filed by the new owner with the assessor of the county where the property is located within 60 days of the sale;

(8) a privately owned noncommercial aircraft storage hangar not exempt under section 272.01, subdivision 2, and the land on which it is located, provided that:

(i) the land abuts a public airport; and

(ii) the owner of the aircraft storage hangar provides the assessor with a signed agreement restricting the use of the premises, prohibiting commercial use or activity performed at the hangar; and

(9) residential real estate, a portion of which is used by the owner for homestead purposes, and that is also a place of lodging, if all of the following criteria are met:

(i) rooms are provided for rent to transient guests that generally stay for periods of 14 or fewer days;

(ii) meals are provided to persons who rent rooms, the cost of which is incorporated in the basic room rate;

(iii) meals are not provided to the general public except for special events on fewer than seven days in the calendar year preceding the year of the assessment; and

(iv) the owner is the operator of the property.

The market value subject to the 4c classification under this clause is limited to five rental units. Any rental units on the property in excess of five, must be valued and assessed as class 3a. The portion of the property used for purposes of a homestead by the owner must be classified as class 1a property under subdivision 22;

(10) real property up to a maximum of three acres and operated as a restaurant as defined under section 157.15, subdivision 12, provided it: (i) is located on a lake as defined under section 103G.005, subdivision 15, paragraph (a), clause (3); and (ii) is either devoted to commercial purposes for not more than 250 consecutive days, or receives at least 60 percent of its annual gross receipts from business conducted during four consecutive months. Gross receipts from the sale of alcoholic beverages must be included in determining the property's qualification under item (ii). The property's primary business must be as a restaurant and not as a bar. Gross receipts from gift shop sales located on the premises must be excluded. Owners of real property desiring 4c classification under this clause must submit an annual declaration to the assessor by February 1 of the current assessment year, based on the property's relevant information for the preceding assessment year;

(11) lakeshore and riparian property and adjacent land, not to exceed six acres, used as a marina, as defined in section 86A.20, subdivision 5, which is made accessible to the public and devoted to recreational use for marina services. The marina owner must annually provide evidence to the assessor that it provides services, including lake or river access to the public by means of an access ramp or other facility that is either located on the property of the marina or at a publicly owned site that abuts the property of the marina. No more than 800 feet of lakeshore may be included in this classification. Buildings used in conjunction with a marina for marina services, including but not limited to buildings used to provide food and beverage services, fuel, boat repairs, or the sale of bait or fishing tackle, are classified as class 3a property; and

(12) real and personal property devoted to noncommercial temporary and seasonal residential occupancy for recreation purposes.

Class 4c property has a classification rate of 1.5 percent of market value, except that (i) each parcel of noncommercial seasonal residential recreational property under clause (12) has the same classification rates as class 4bb property, (ii) manufactured home parks assessed under clause (5), item (i), have the same classification rate as class 4b property, the market value of manufactured home parks assessed under clause (5), item (ii), have a classification rate of 0.75 percent if more than 50 percent of the lots in the park are occupied by shareholders in the cooperative corporation or association and a classification rate of one percent if 50 percent or less of the lots are so occupied, and class I manufactured home parks as defined in section 327C.015, subdivision 2, have a classification rate of 1.0 percent, (iii) commercial-use seasonal residential recreational property and marina recreational land as described in clause (11), has a classification rate of one percent for the first $500,000 of market value, and 1.25 percent for the remaining market value, (iv) the market value of property described in clause (4) has a classification rate of one percent, (v) the market value of property described in clauses (2), (6), and (10) has a classification rate of 1.25 percent, and (vi) that portion of the market value of property in clause (9) qualifying for class 4c property has a classification rate of 1.25 percent~~, and (vii) property qualifying for classification under clause (3) that is owned or operated by a congressionally chartered veterans organization has a classification rate of one percent. The commissioner of veterans affairs must provide a list of congressionally chartered veterans organizations to the commissioner of revenue by June 30, 2017, and by January 1, 2018, and each year thereafter~~.

(e) Class 4d property includes:

(1) qualifying low-income rental housing certified to the assessor by the Housing Finance Agency under section 273.128, subdivision 3. If only a portion of the units in the building qualify as low-income rental housing units as certified under section 273.128, subdivision 3, only the proportion of qualifying units to the total number of units in the building qualify for class 4d(1). The remaining portion of the building shall be classified by the assessor based upon its use. Class 4d(1) also includes the same proportion of land as the qualifying low-income rental housing units are to the total units in the building. For all properties qualifying as class 4d(1), the market value determined by the assessor must be based on the normal approach to value using normal unrestricted rents; and

(2) a unit that is owned by the occupant and used as a homestead by the occupant, and otherwise meets all the requirements for community land trust property under section 273.11, subdivision 12, provided that by December 31 of each assessment year, the community land trust certifies to the assessor that (i) the community land trust owns the real property on which the unit is located, and (ii) the unit owner is a member in good standing of the community land trust. For all units qualifying as class 4d(2), the market value determined by the assessor must be based on the normal approach to value without regard to any restrictions that apply because the unit is a community land trust property.

(f) Class 4d(1) property has a classification rate of 0.25 percent. Class 4d(2) property has a classification rate of 0.75 percent.

EFFECTIVE DATE. This section is effective beginning with property taxes payable in 2025."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Swedzinski amendment and the roll was called. There were 63 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Altendorf	Bakeberg	Burkel	Dotseth	Gillman	Hudella
Anderson, P. E.	Baker	Davids	Engen	Grossell	Hudson
Anderson, P. H.	Bennett	Davis	Fogelman	Harder	Igo
Backer	Bliss	Demuth	Garofalo	Heintzeman	Jacob

Johnson	McDonald	Neu Brindley	Petersburg	Scott	Wiens
Joy	Mueller	Newton	Pfarr	Skraba	Witte
Kiel	Murphy	Niska	Quam	Swedzinski	Wolgamott
Knudsen	Myers	Novotny	Rarick	Torkelson	Zeleznikar
Koznick	Nadeau	O'Driscoll	Robbins	Urdahl	
Kresha	Nash	Olson, B.	Schomacker	West	
Lawrence	Nelson, N.	Perryman	Schultz	Wiener	

Those who voted in the negative were:

Acomb	Edelson	Hanson, J.	Keeler	Moller	Sencer-Mura
Agbaje	Elkins	Hassan	Klevorn	Nelson, M.	Smith
Bahner	Feist	Hemmingsen-Jaeger	Koegel	Noor	Stephenson
Berg	Finke	Her	Kotyza-Witthuhn	Norris	Tabke
Bierman	Fischer	Hill	Kraft	Olson, L.	Vang
Brand	Frazier	Hollins	Lee, F.	Pérez-Vega	Virnig
Carroll	Frederick	Hornstein	Lee, K.	Pinto	Xiong
Cha	Freiberg	Howard	Liebling	Pryor	Youakim
Clardy	Gomez	Huot	Lillie	Pursell	Spk. Hortman
Coulter	Greenman	Hussein	Lislegard	Rehm	
Curran	Hansen, R.	Jordan	Long	Reyer	

The motion did not prevail and the amendment was not adopted.

Olson, B., moved to amend H. F. No. 5247, the second engrossment, as amended, as follows:

Page 29, after line 25, insert:

"Section 1. Minnesota Statutes 2023 Supplement, section 273.13, subdivision 34, is amended to read:

Subd. 34. **Homestead of veteran with a disability or family caregiver.** (a) All or a portion of the market value of property owned by a veteran and serving as the veteran's homestead under this section is excluded in determining the property's taxable market value if the veteran has a service-connected disability of 70 percent or more as certified by the United States Department of Veterans Affairs. To qualify for exclusion under this subdivision, the veteran must have been honorably discharged from the United States armed forces, as indicated by United States Government Form DD214 or other official military discharge papers.

(b)(1) For a disability rating of 70 percent or more, ~~$150,000~~ $200,000 of market value is excluded, except as provided in clause (2); and

(2) for a total (100 percent) and permanent disability, ~~$300,000~~ $400,000 of market value is excluded.

(c) If a veteran with a disability qualifying for a valuation exclusion under paragraph (b), clause (2), predeceases the veteran's spouse, and if upon the death of the veteran the spouse holds the legal or beneficial title to the homestead and permanently resides there, the exclusion shall carry over to the benefit of the veteran's spouse until such time as the spouse remarries, or sells, transfers, or otherwise disposes of the property, except as otherwise provided in paragraph (n). Qualification under this paragraph requires an application under paragraph (h), and a spouse must notify the assessor if there is a change in the spouse's marital status, ownership of the property, or use of the property as a permanent residence.

(d) If the spouse of a member of any branch or unit of the United States armed forces who dies due to a service-connected cause while serving honorably in active service, as indicated on United States Government Form DD1300 or DD2064, holds the legal or beneficial title to a homestead and permanently resides there, the spouse is entitled to the benefit described in paragraph (b), clause (2), until such time as the spouse remarries or sells, transfers, or otherwise disposes of the property, except as otherwise provided in paragraph (n).

(e) If a veteran meets the disability criteria of paragraph (a) but does not own property classified as homestead in the state of Minnesota, then the homestead of the veteran's primary family caregiver, if any, is eligible for the exclusion that the veteran would otherwise qualify for under paragraph (b).

(f) In the case of an agricultural homestead, only the portion of the property consisting of the house and garage and immediately surrounding one acre of land qualifies for the valuation exclusion under this subdivision.

(g) A property qualifying for a valuation exclusion under this subdivision is not eligible for the market value exclusion under subdivision 35, or classification under subdivision 22, paragraph (b).

(h) To qualify for a valuation exclusion under this subdivision a property owner must apply to the assessor by December 31 of the first assessment year for which the exclusion is sought. Except as provided in paragraph (c), the owner of a property that has been accepted for a valuation exclusion must notify the assessor if there is a change in ownership of the property or in the use of the property as a homestead.

(i) A first-time application by a qualifying spouse for the market value exclusion under paragraph (d) must be made any time within two years of the death of the service member.

(j) For purposes of this subdivision:

(1) "active service" has the meaning given in section 190.05;

(2) "own" means that the person's name is present as an owner on the property deed;

(3) "primary family caregiver" means a person who is approved by the secretary of the United States Department of Veterans Affairs for assistance as the primary provider of personal care services for an eligible veteran under the Program of Comprehensive Assistance for Family Caregivers, codified as United States Code, title 38, section 1720G; and

(4) "veteran" has the meaning given the term in section 197.447.

(k) If a veteran did not apply for or receive the exclusion under paragraph (b), clause (2), before dying, or the exclusion under paragraph (b), clause (2), did not exist at the time of the veterans death, the veteran's spouse is entitled to the benefit under paragraph (b), clause (2), until the spouse remarries or sells, transfers, or otherwise disposes of the property, except as otherwise provided in paragraph (n), if:

(1) the spouse files a first-time application;

(2) upon the death of the veteran, the spouse holds the legal or beneficial title to the homestead and permanently resides there;

(3) the veteran met the honorable discharge requirements of paragraph (a); and

(4) the United States Department of Veterans Affairs certifies that:

(i) the veteran met the total (100 percent) and permanent disability requirement under paragraph (b), clause (2); or

(ii) the spouse has been awarded dependency and indemnity compensation.

(l) The purpose of this provision of law providing a level of homestead property tax relief for veterans with a disability, their primary family caregivers, and their surviving spouses is to help ease the burdens of war for those among our state's citizens who bear those burdens most heavily.

(m) By July 1, the county veterans service officer must certify the disability rating and permanent address of each veteran receiving the benefit under paragraph (b) to the assessor.

(n) A spouse who received the benefit in paragraph (c), (d), or (k) but no longer holds the legal or beneficial title to the property may continue to receive the exclusion for a property other than the property for which the exclusion was initially granted until the spouse remarries or sells, transfers, or otherwise disposes of the property, provided that:

(1) the spouse applies under paragraph (h) for the continuation of the exclusion allowed under this paragraph;

(2) the spouse holds the legal or beneficial title to the property for which the continuation of the exclusion is sought under this paragraph, and permanently resides there;

(3) the estimated market value of the property for which the exclusion is sought under this paragraph is less than or equal to the estimated market value of the property that first received the exclusion, based on the value of each property on the date of the sale of the property that first received the exclusion; and

(4) the spouse has not previously received the benefit under this paragraph for a property other than the property for which the exclusion is sought.

(o) If a spouse had previously received the exclusion under paragraph (c) or (d) and the exclusion expired prior to taxes payable in 2020, the spouse may reapply under this section for the exclusion under paragraph (c) or (d).

EFFECTIVE DATE. This section is effective beginning with assessment year 2024."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Olson, B., amendment and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Acomb	Backer	Berg	Carroll	Davids	Elkins
Agbaje	Bahner	Bierman	Cha	Davis	Engen
Altendorf	Bakeberg	Bliss	Clardy	Demuth	Feist
Anderson, P. E.	Baker	Brand	Coulter	Dotseth	Finke
Anderson, P. H.	Bennett	Burkel	Curran	Edelson	Fischer

Fogelman	Hill	Koegel	Nadeau	Pinto	Torkelson
Frazier	Hollins	Kotyza-Witthuhn	Nash	Pryor	Urdahl
Frederick	Hornstein	Koznick	Nelson, M.	Pursell	Vang
Freiberg	Howard	Kraft	Nelson, N.	Quam	Virnig
Garofalo	Hudella	Kresha	Neu Brindley	Rarick	West
Gillman	Hudson	Lawrence	Newton	Rehm	Wiener
Gomez	Huot	Lee, F.	Niska	Reyer	Wiens
Greenman	Hussein	Lee, K.	Noor	Robbins	Witte
Grossell	Igo	Liebling	Norris	Schomacker	Wolgamott
Hansen, R.	Jacob	Lillie	Novotny	Schultz	Xiong
Hanson, J.	Johnson	Lislegard	O'Driscoll	Scott	Youakim
Harder	Jordan	Long	Olson, B.	Sencer-Mura	Zeleznikar
Hassan	Joy	McDonald	Olson, L.	Skraba	Spk. Hortman
Heintzeman	Keeler	Moller	Pérez-Vega	Smith	
Hemmingsen-Jaeger	Kiel	Mueller	Perryman	Stephenson	
Her	Klevorn	Murphy	Petersburg	Swedzinski	
Hicks	Knudsen	Myers	Pfarr	Tabke	

The motion prevailed and the amendment was adopted.

Anderson, P. E., offered an amendment to H. F. No. 5247, the second engrossment, as amended.

POINT OF ORDER

Long raised a point of order pursuant to rule 3.21 that the Anderson, P. E., amendment was not in order. Speaker pro tempore Her ruled the point of order well taken and the Anderson, P. E., amendment out of order.

Anderson, P. E., appealed the decision of Speaker pro tempore Her.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Her stand as the judgment of the House?" and the roll was called. There were 67 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Acomb	Coulter	Freiberg	Hill	Koegel	Moller
Agbaje	Curran	Gomez	Hollins	Kotyza-Witthuhn	Nelson, M.
Bahner	Edelson	Greenman	Hornstein	Kraft	Newton
Berg	Elkins	Hansen, R.	Howard	Lee, F.	Noor
Bierman	Feist	Hanson, J.	Huot	Lee, K.	Norris
Brand	Finke	Hassan	Hussein	Liebling	Olson, L.
Carroll	Fischer	Hemmingsen-Jaeger	Jordan	Lillie	Pérez-Vega
Cha	Frazier	Her	Keeler	Lislegard	Pinto
Clardy	Frederick	Hicks	Klevorn	Long	Pryor

Pursell	Sencer-Mura	Tabke	Wolgamott	Spk. Hortman
Rehm	Smith	Vang	Xiong	
Reyer	Stephenson	Virnig	Youakim	

Those who voted in the negative were:

Altendorf	Demuth	Igo	Murphy	Petersburg	Urdahl
Anderson, P. E.	Dotseth	Jacob	Myers	Pfarr	West
Anderson, P. H.	Engen	Johnson	Nadeau	Quam	Wiener
Backer	Fogelman	Joy	Nash	Rarick	Wiens
Bakeberg	Garofalo	Kiel	Nelson, N.	Robbins	Witte
Baker	Gillman	Knudsen	Neu Brindley	Schomacker	Zeleznikar
Bennett	Grossell	Koznick	Niska	Schultz	
Bliss	Harder	Kresha	Novotny	Scott	
Burkel	Heintzeman	Lawrence	O'Driscoll	Skraba	
Davids	Hudella	McDonald	Olson, B.	Swedzinski	
Davis	Hudson	Mueller	Perryman	Torkelson	

So it was the judgment of the House that the decision of Speaker pro tempore Her should stand.

Witte offered an amendment to H. F. No. 5247, the second engrossment, as amended.

POINT OF ORDER

Agbaje raised a point of order pursuant to rule 3.21 that the Witte amendment was not in order. Speaker pro tempore Her ruled the point of order well taken and the Witte amendment out of order.

Witte appealed the decision of Speaker pro tempore Her.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Her stand as the judgment of the House?" and the roll was called. There were 67 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Acomb	Coulter	Gomez	Hollins	Kotyza-Witthuhn	Nelson, M.
Agbaje	Curran	Greenman	Hornstein	Kraft	Newton
Bahner	Edelson	Hansen, R.	Howard	Lee, F.	Noor
Berg	Elkins	Hanson, J.	Huot	Lee, K.	Norris
Bierman	Feist	Hassan	Hussein	Liebling	Olson, L.
Brand	Fischer	Hemmingsen-Jaeger	Jordan	Lillie	Pérez-Vega
Carroll	Frazier	Her	Keeler	Lislegard	Pinto
Cha	Frederick	Hicks	Klevorn	Long	Pryor
Clardy	Freiberg	Hill	Koegel	Moller	Pursell

Quam	Sencer-Mura	Tabke	Wolgamott	Spk. Hortman
Rehm	Smith	Vang	Xiong	
Reyer	Stephenson	Virnig	Youakim	

Those who voted in the negative were:

Altendorf	Davis	Hudella	Lawrence	Novotny	Scott
Anderson, P. E.	Demuth	Hudson	McDonald	O'Driscoll	Skraba
Anderson, P. H.	Dotseth	Igo	Mueller	Olson, B.	Swedzinski
Backer	Engen	Jacob	Murphy	Perryman	Torkelson
Bakeberg	Fogelman	Johnson	Myers	Petersburg	Urdahl
Baker	Garofalo	Joy	Nadeau	Pfarr	West
Bennett	Gillman	Kiel	Nash	Rarick	Wiener
Bliss	Grossell	Knudsen	Nelson, N.	Robbins	Wiens
Burkel	Harder	Koznick	Neu Brindley	Schomacker	Witte
Davids	Heintzeman	Kresha	Niska	Schultz	Zeleznikar

So it was the judgment of the House that the decision of Speaker pro tempore Her should stand.

Engen offered an amendment to H. F. No. 5247, the second engrossment, as amended.

POINT OF ORDER

Berg raised a point of order pursuant to rule 3.21 that the Engen amendment was not in order. Speaker pro tempore Her ruled the point of order well taken and the Engen amendment out of order.

Engen appealed the decision of Speaker pro tempore Her.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Her stand as the judgment of the House?" and the roll was called. There were 67 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Acomb	Coulter	Freiberg	Hill	Koegel	Moller
Agbaje	Curran	Gomez	Hollins	Kotyza-Witthuhn	Nelson, M.
Bahner	Edelson	Greenman	Hornstein	Kraft	Newton
Berg	Elkins	Hansen, R.	Howard	Lee, F.	Noor
Bierman	Feist	Hanson, J.	Huot	Lee, K.	Norris
Brand	Finke	Hassan	Hussein	Liebling	Olson, L.
Carroll	Fischer	Hemmingsen-Jaeger	Jordan	Lillie	Pérez-Vega
Cha	Frazier	Her	Keeler	Lislegard	Pinto
Clardy	Frederick	Hicks	Klevorn	Long	Pryor

Pursell	Sencer-Mura	Tabke	Wolgamott	Spk. Hortman
Rehm	Smith	Vang	Xiong	
Reyer	Stephenson	Virnig	Youakim	

Those who voted in the negative were:

Altendorf	Davis	Hudella	Lawrence	Novotny	Schultz
Anderson, P. E.	Demuth	Hudson	McDonald	O'Driscoll	Scott
Anderson, P. H.	Dotseth	Igo	Mueller	Olson, B.	Skraba
Backer	Engen	Jacob	Murphy	Perryman	Swedzinski
Bakeberg	Fogelman	Johnson	Myers	Petersburg	Torkelson
Baker	Garofalo	Joy	Nadeau	Pfarr	Urdahl
Bennett	Gillman	Kiel	Nash	Quam	West
Bliss	Grossell	Knudsen	Nelson, N.	Rarick	Wiens
Burkel	Harder	Koznick	Neu Brindley	Robbins	Witte
Davids	Heintzeman	Kresha	Niska	Schomacker	Zeleznikar

So it was the judgment of the House that the decision of Speaker pro tempore Her should stand.

Engen offered an amendment to H. F. No. 5247, the second engrossment, as amended.

POINT OF ORDER

Lee, K., raised a point of order pursuant to rule 3.21 that the Engen amendment was not in order. Speaker pro tempore Her ruled the point of order well taken and the Engen amendment out of order.

Engen appealed the decision of Speaker pro tempore Her.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Her stand as the judgment of the House?" and the roll was called. There were 67 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Acomb	Coulter	Freiberg	Hill	Koegel	Moller
Agbaje	Curran	Gomez	Hollins	Kotyza-Witthuhn	Nelson, M.
Bahner	Edelson	Greenman	Hornstein	Kraft	Newton
Berg	Elkins	Hansen, R.	Howard	Lee, F.	Noor
Bierman	Feist	Hanson, J.	Huot	Lee, K.	Norris
Brand	Finke	Hassan	Hussein	Liebling	Olson, L.
Carroll	Fischer	Hemmingsen-Jaeger	Jordan	Lillie	Pérez-Vega
Cha	Frazier	Her	Keeler	Lislegard	Pinto
Clardy	Frederick	Hicks	Klevorn	Long	Pryor

Pursell	Sencer-Mura	Tabke	Wolgamott	Spk. Hortman
Rehm	Smith	Vang	Xiong	
Reyer	Stephenson	Virnig	Youakim	

Those who voted in the negative were:

Altendorf	Davis	Hudella	Lawrence	Novotny	Scott
Anderson, P. E.	Demuth	Hudson	McDonald	O'Driscoll	Skraba
Anderson, P. H.	Dotseth	Igo	Mueller	Olson, B.	Swedzinski
Backer	Engen	Jacob	Murphy	Perryman	Torkelson
Bakeberg	Fogelman	Johnson	Myers	Petersburg	Urdahl
Baker	Garofalo	Joy	Nadeau	Pfarr	West
Bennett	Gillman	Kiel	Nash	Rarick	Wiens
Bliss	Grossell	Knudsen	Nelson, N.	Robbins	Witte
Burkel	Harder	Koznick	Neu Brindley	Schomacker	Zeleznikar
Davids	Heintzeman	Kresha	Niska	Schultz	

So it was the judgment of the House that the decision of Speaker pro tempore Her should stand.

Olson, B., offered an amendment to H. F. No. 5247, the second engrossment, as amended.

POINT OF ORDER

Jordan raised a point of order pursuant to rule 3.21 that the Olson, B., amendment was not in order. Speaker pro tempore Her ruled the point of order well taken and the Olson, B., amendment out of order.

Kresha was excused for the remainder of today's session.

Speaker pro tempore Her called Tabke to the Chair.

H. F. No. 5247, A bill for an act relating to taxation; modifying individual income taxes, corporate franchise taxes, property taxes, local government aids, minerals taxes, sales and use taxes, gross receipts taxes, excise taxes, and other tax-related provisions; modifying income tax credits and subtractions; expanding the child tax credit and providing for a minimum credit; providing for nonconformity to certain worker classification rules; providing for disclosure of certain corporate franchise tax information; providing for direct free filing; requiring a corporate tax base erosion study; modifying property tax exemptions, credits, classifications, and abatements; adjusting local government aid calculations and payments and forgiving local government aid penalties; providing for an advance homestead credit for seniors; providing for transfers and distributions of proceeds of minerals taxes; providing for issuance of revenue bonds; providing for an amusement device gross receipts tax in lieu of the sales and use tax; providing sales and use tax construction exemptions; repealing the tax on illegal marijuana and controlled substances; providing special tax increment financing authority; authorizing cities and counties to impose local sales and use taxes for certain projects; establishing a local sales tax equalization distribution; providing for state auditor oversight of local sales and use taxes; modifying certain special local taxes; providing for taxpayer assistance and outreach grants; providing aid for various uses; providing for the establishment of land valuation districts; making technical changes; requiring reports; transferring money; appropriating money; amending Minnesota Statutes 2022, sections 10A.02, subdivision 11b; 10A.322, subdivision 4; 116U.27, subdivision 2; 123B.53, subdivision 1; 123B.71, subdivision 8; 270C.21; 270C.445, subdivision 6; 272.02, subdivisions 7, 19, by adding subdivisions; 273.13, subdivision 22; 273.135, subdivision 2; 273.1393; 273.38; 273.41; 275.065, by adding a subdivision; 276.04, subdivision 2, as amended, by adding a subdivision; 276A.01, subdivision 17; 276A.06, subdivision 8;

289A.08, subdivision 1; 289A.12, subdivision 18; 290.0132, by adding a subdivision; 290.0683, subdivision 3; 290.92, by adding a subdivision; 290A.03, by adding subdivisions; 295.53, subdivision 4a; 297A.68, subdivisions 3a, 45; 297A.99, subdivision 3, by adding a subdivision; 297I.20, subdivision 4; 298.17; 298.28, subdivision 8; 298.282, subdivision 1; 298.292, subdivision 2; 375.192, subdivision 2; 446A.086, subdivision 1; 469.104; 469.1812, by adding a subdivision; 469.1813, subdivisions 1, 6, by adding a subdivision; 469.190, subdivisions 1, 7; 474A.091, subdivisions 2, 2a; 609.902, subdivision 4; Minnesota Statutes 2023 Supplement, sections 41B.0391, subdivision 4; 123B.71, subdivision 12; 126C.40, subdivision 6; 273.13, subdivision 25; 273.1392; 275.065, subdivision 3; 290.01, subdivision 19; 290.0132, subdivision 34; 290.0134, subdivision 20; 290.06, subdivision 23; 290.0661, subdivisions 1, 8, by adding a subdivision; 290.0671, subdivision 1a; 290.0693, subdivisions 1, 6, 8; 290.0695, subdivision 2; 290A.03, subdivisions 3, 13; 297A.61, subdivision 3; 297A.99, subdivision 1; 297H.13, subdivision 2; 298.018, subdivision 1; 298.28, subdivisions 7a, 16; 477A.30, subdivisions 4, 5, 6, 7; 477A.35, subdivision 6; Laws 1986, chapter 396, section 5, as amended; Laws 1986, chapter 400, section 44, as amended; Laws 2010, chapter 389, article 7, section 22, as amended; Laws 2014, chapter 308, article 6, section 9, as amended; Laws 2017, First Special Session chapter 1, article 6, section 22; Laws 2023, chapter 1, sections 22; 28; proposing coding for new law in Minnesota Statutes, chapters 270B; 273; 289A; 290A; 295; 297A; 428A; repealing Minnesota Statutes 2022, sections 13.4967, subdivision 5; 297D.02; 297D.03; 297D.05; 297D.09, subdivisions 1, 2; 297D.12; 297D.13; Minnesota Statutes 2023 Supplement, sections 297A.99, subdivision 3a; 297D.01; 297D.04; 297D.06; 297D.07; 297D.08; 297D.085; 297D.09, subdivision 1a; 297D.10; 297D.11; 477A.30, subdivision 8; Laws 2023, chapter 64, article 15, section 24.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 68 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Acomb	Elkins	Hemmingsen-Jaeger	Koegel	Noor	Stephenson
Agbaje	Feist	Her	Kotyza-Witthuhn	Norris	Tabke
Bahner	Finke	Hicks	Kraft	Olson, L.	Vang
Berg	Fischer	Hill	Lee, F.	Pelowski	Virnig
Bierman	Frazier	Hollins	Lee, K.	Pérez-Vega	Wolgamott
Brand	Frederick	Hornstein	Liebling	Pinto	Xiong
Carroll	Freiberg	Howard	Lillie	Pryor	Youakim
Cha	Gomez	Huot	Lislegard	Pursell	Spk. Hortman
Clardy	Greenman	Hussein	Long	Rehm	
Coulter	Hansen, R.	Jordan	Moller	Reyer	
Curran	Hanson, J.	Keeler	Nelson, M.	Sencer-Mura	
Edelson	Hassan	Klevorn	Newton	Smith	

Those who voted in the negative were:

Altendorf	Bliss	Fogelman	Hudson	Koznick	Nash
Anderson, P. E.	Burkel	Garofalo	Igo	Lawrence	Nelson, N.
Anderson, P. H.	Davids	Gillman	Jacob	McDonald	Neu Brindley
Backer	Davis	Grossell	Johnson	Mueller	Niska
Bakeberg	Demuth	Harder	Joy	Murphy	Novotny
Baker	Dotseth	Heintzeman	Kiel	Myers	O'Driscoll
Bennett	Engen	Hudella	Knudsen	Nadeau	Olson, B.

Perryman	Quam	Schomacker	Skraba	Urdahl	Wiens
Petersburg	Rarick	Schultz	Swedzinski	West	Witte
Pfarr	Robbins	Scott	Torkelson	Wiener	Zeleznikar

The bill was passed, as amended, and its title agreed to.

Davids was excused for the remainder of today's session.

There being no objection, the order of business reverted to Calendar for the Day.

CALENDAR FOR THE DAY

S. F. No. 5289 was reported to the House.

Hassan moved to amend S. F. No. 5289, the third engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 5205, the second engrossment:

"ARTICLE 1
ECONOMIC DEVELOPMENT APPROPRIATIONS

Section 1. Laws 2023, chapter 53, article 20, section 2, subdivision 1, is amended to read:

Subdivision 1. **Total Appropriation** **$382,802,000** **$ ~~310,131,000~~ 306,306,000**

Appropriations by Fund

	2024	2025
General	352,525,000	~~279,854,000~~ 276,029,000
Remediation	700,000	700,000
Workforce Development	30,277,000	30,277,000

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

Sec. 2. Laws 2023, chapter 53, article 20, section 2, subdivision 2, is amended to read:

Subd. 2. **Business and Community Development** 195,061,000 ~~139,929,000~~ 136,104,000

Appropriations by Fund

General	193,011,000	~~137,879,000~~ 134,054,000
Remediation	700,000	700,000
Workforce Development	1,350,000	1,350,000

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

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

(c) $2,500,000 ~~each~~ the first year is for Launch Minnesota. ~~These are~~ This is a onetime ~~appropriations~~ appropriation. Of this amount:

(1) $1,500,000 ~~each year~~ is for innovation grants to eligible Minnesota entrepreneurs or start-up businesses to assist with their operating needs;

(2) $500,000 ~~each year~~ is for administration of Launch Minnesota; and

(3) $500,000 ~~each year~~ is for grantee activities at Launch Minnesota.

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

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

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

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

(iii) partner with large businesses;

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

(v) assist with scientific and technical writing;

(vi) help manage federal grants and contracts; and

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

(e) $10,000,000 the first year is for the Minnesota Expanding Opportunity Fund Program under Minnesota Statutes, section 116J.8733. This is a onetime appropriation and is available until June 30, 2025.

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

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

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

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

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

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

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

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

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

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

Within one year of receiving grant money, grant recipients must report to the commissioner on the outcomes of the grant program, including but not limited to the number of new providers, the number of additional child care provider jobs created, the number of additional child care openings, and the amount of cash and in-kind local money invested. Within one month of all grant recipients reporting on program outcomes, the commissioner must report the grant recipients' outcomes to the chairs and ranking members of the legislative committees with jurisdiction over early learning and child care and economic development.

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

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

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

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

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

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

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

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

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

(r) $12,370,000 each year is for the Minnesota investment fund under Minnesota Statutes, section 116J.8731. Of this amount, the commissioner of employment and economic development may use up to three percent for administration and monitoring of the program. This appropriation is available until expended. Notwithstanding Minnesota Statutes, section 116J.8731, money appropriated to the commissioner for the Minnesota investment fund may be used for the redevelopment program under Minnesota Statutes, sections 116J.575 and 116J.5761, at the discretion of the commissioner. Grants under this paragraph are not subject to the grant amount limitation under Minnesota Statutes, section 116J.8731.

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

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

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

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

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

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

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

(z) $47,475,000 each year is for the PROMISE grant program. This is a onetime appropriation and is available until June 30, 2027. Of this amount:

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

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

(3) $39,500,000 each year is for grants to the Neighborhood Development Center. Of this amount, the following amounts are designated for the following areas:

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

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

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

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

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

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

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

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

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

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

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

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

(dd) $5,000,000 the first year is for a grant to the Bloomington Port Authority to provide funding for the Expo 2027 host organization. The Bloomington Port Authority must enter into an agreement with the host organization over the use of money, which may be used for activities, including but not limited to finalizing the community dossier and staffing the host organization and for infrastructure design and planning, financial modeling, development planning and coordination of both real estate and public private partnerships, and reimbursement of costs the Bloomington Port Authority incurred. In selecting vendors and exhibitors for Expo 2027, the host organization shall prioritize outreach to, collaboration with, and inclusion of businesses that are majority owned by people of color, women, and people with disabilities. The host organization and Bloomington Port Authority may be reimbursed for expenses 90 days prior to encumbrance. This appropriation is contingent on approval of the project by the Bureau International des Expositions. If the project is not approved by the Bureau International des Expositions, the money shall transfer to the Minnesota investment fund under Minnesota Statutes, section 116J.8731. Any unencumbered balance remaining at the end of the first year does not cancel but is available for the second year.

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

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

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

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

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

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

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

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

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

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

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

(1) support child care providers through business training and shared services programs and to create materials that could be used, free of charge, for start-up, expansion, and operation of child

care businesses statewide, with the goal of helping new and existing child care businesses in underserved areas of the state become profitable and sustainable; and

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

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

(i) leasehold improvements;

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

(iii) inventory or supplies;

(iv) machinery or equipment purchases;

(v) working capital; and

(vi) debt refinancing.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(yy) $500,000 ~~each~~ the first year is for a grant to the Asian Economic Development Association for asset building and financial empowerment for entrepreneurs and small business owners, small business development and technical assistance, and cultural placemaking. This is a onetime appropriation.

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

Sec. 3. Laws 2023, chapter 53, article 20, section 3, is amended to read:

Sec. 3. **EXPLORE MINNESOTA TOURISM**	**$ ~~40,954,000~~ 40,554,000**	**$21,369,000**

(a) $500,000 each year must be matched from nonstate sources to develop maximum private sector involvement in tourism. Each $1 of state incentive must be matched with $6 of private sector money. "Matched" means revenue to the state or documented in-kind, soft match, or cash expenditures directly expended to support Explore Minnesota Tourism under Minnesota Statutes, section 116U.05. The incentive in fiscal year 2024 is based on fiscal year 2023 private sector contributions. The incentive in fiscal year 2025 is based on fiscal year 2024 private sector contributions. This incentive is ongoing.

(b) $11,000,000 the first year is for the development of Explore Minnesota for Business under Minnesota Statutes, section 116U.07, to market the overall livability and economic opportunities of Minnesota. This is a onetime appropriation.

(c) $5,500,000 each year is for the development of new initiatives for Explore Minnesota Tourism. If the amount in the first year is insufficient, the amount in the second year is available in the first year. This is a onetime appropriation.

(d) ~~$6,047,000~~ $5,647,000 the first year and $600,000 the second year is for grants for infrastructure and associated costs for cultural festivals and events, including but not limited to buildout, permits, sanitation and maintenance services, transportation, staffing, event programming, public safety, facilities and equipment rentals, signage, and insurance. This is a onetime appropriation. Of this amount:

(1) $1,847,000 the first year is for a grant to the Minneapolis Downtown Council for the Taste of Minnesota event;

(2) $1,200,000 the first year is for a grant to the Stairstep Foundation for African American cultural festivals and events;

(3) ~~$1,200,000~~ $800,000 the first year is for grants for Somali community and cultural festivals and events, including festivals and events in greater Minnesota, as follows:

(i) $400,000 is for a grant to Ka Joog; and

(ii) $400,000 is for a grant to the Somali Museum of Minnesota; ~~and~~

~~(iii) $400,000 is for a grant to ESHARA;~~

(4) $1,200,000 the first year is for a grant to West Side Boosters for Latino cultural festivals and events; and

(5) $600,000 the first year and $600,000 the second year are for grants to the United Hmong Family, Inc. for the Hmong International Freedom Festival event.

(e) Money for marketing grants is available either year of the biennium. Unexpended grant money from the first year is available in the second year.

(f) The base for Explore Minnesota is $17,023,000 from the general fund in fiscal year 2026 and each year thereafter.

Sec. 4. **APPROPRIATIONS.**

Subdivision 1. **Department of Employment and Economic Development.** $6,797,000 in fiscal year 2025 is appropriated from the general fund to the commissioner of employment and economic development. This appropriation is onetime and in addition to the amounts appropriated in Laws 2023, chapter 53. Of this amount:

(1) $500,000 is for a grant to the Asian Economic Development Association for asset building and financial empowerment for entrepreneurs and small business owners, small business development and technical assistance, and cultural placemaking. This amount is available until June 30, 2027;

(2) $497,000 is for a grant to Propel Nonprofits for a microloan capital program to provide assistance to organizations that primarily serve historically underserved communities, including loans, forgivable loans, grants for working capital or regranting, and real estate and technical assistance. Up to five percent of this amount may be used by the grantee for administrative costs;

(3) $1,000,000 is for a grant to the New American Development Center to provide small businesses and entrepreneurs with technical assistance, financial education, training, and lending and to build the grantee's capacity;

(4) $1,000,000 is for a grant to the Entrepreneur Fund to capitalize their revolving loan funds to address unmet financing needs in northeast Minnesota of for-profit business startups, expansions, and ownership transitions;

(5) $500,000 is for a grant to the Coalition of Asian American Leaders to support outreach, training, technical assistance, peer network development, and direct financial assistance for Asian Minnesotan women entrepreneurs. This amount is available until June 30, 2026;

(6) $300,000 is for a grant to Fortis Capital for a revolving loan fund to provide risk-mitigating capital for commercial development activities in underserved communities and to entrepreneurs from disadvantaged groups statewide. This amount is available until expended and up to ten percent of the amount may be used for administrative costs;

(7) $500,000 is for a grant to Arrowhead Economic Opportunity Agency to develop a new service center; and

(8) $2,500,000 is for Launch Minnesota and is available until June 30, 2027. Of this amount:

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

(ii) $500,000 is for administration of Launch Minnesota; and

(iii) $500,000 is for grantee activities at Launch Minnesota.

Subd. 2. **Explore Minnesota.** $3,425,000 in fiscal year 2025 is appropriated from the general fund to Explore Minnesota. This appropriation is in addition to the amounts appropriated in Laws 2023, chapter 53, and, except as otherwise specified, is onetime. Of this amount:

(1) $725,000 is for Explore Minnesota Film. The base for this appropriation is $525,000 in fiscal year 2026 and $525,000 in fiscal year 2027;

(2) $300,000 is for Explore Minnesota Film for the film production jobs program under Minnesota Statutes, section 116U.26. The base for this appropriation is $300,000 in fiscal year 2026 and $300,000 in fiscal year 2027;

(3) $400,000 is for a grant to Ka Joog for Somali community and cultural festivals and events, including festivals and events in greater Minnesota;

(4) $1,000,000 is for a grant to Minnesota Sports and Events for the World Junior Hockey Championships; and

(5) $1,000,000 is for a grant to 2026 Special Olympics USA Games. This amount is available until June 30, 2027.

Sec. 5. **CANCELLATIONS OF PRIOR APPROPRIATIONS.**

The $5,000,000 fiscal year 2024 appropriation from the general fund in Laws 2023, chapter 53, article 20, section 2, subdivision 2, paragraph (dd), is canceled.

ARTICLE 2
ECONOMIC DEVELOPMENT

Section 1. Minnesota Statutes 2022, section 116J.435, subdivision 3, is amended to read:

Subd. 3. **Grant program established.** (a) The commissioner shall make ~~competitive~~ grants to local governmental units to acquire and prepare land on which public infrastructure required to support an eligible project will be located~~, including demolition of structures and remediation of any hazardous conditions on the land, or to predesign, design, acquire,~~ and to construct, furnish, and equip public infrastructure required to support an eligible project. The local governmental unit receiving a grant must provide for the remainder of the public infrastructure costs from other sources. ~~The commissioner may waive the requirements related to an eligible project under subdivision 2 if a project would be eligible under this section but for the fact that its location requires infrastructure improvements to residential development.~~

(b) The amount of a grant may not exceed ~~the lesser of the cost of the public infrastructure or~~ 50 percent of the sum of the cost of the public infrastructure ~~plus the cost of the completed eligible~~ project.

(c) The purpose of the program is to keep or enhance jobs in the area, increase the tax base, or to expand or create new economic development through the growth of new innovative businesses and organizations.

Sec. 2. Minnesota Statutes 2022, section 116J.435, subdivision 4, is amended to read:

Subd. 4. **Application.** (a) The commissioner must develop forms and procedures for soliciting and reviewing applications for grants under this section. At a minimum, a local governmental unit must include ~~the following information~~ in its application a resolution certifying that the money required to be supplied by the local governmental unit to complete the public infrastructure project is available and committed. The commissioner must evaluate complete applications for eligible projects using the following criteria:

(1) ~~a resolution of its governing body certifying that the money required to be supplied by the local governmental unit to complete the public infrastructure is available and committed~~ the project is an eligible project as defined under subdivision 2;

(2) ~~a detailed estimate, along with necessary supporting evidence, of the total development costs for the public infrastructure and eligible project~~ the project is expected to result in or will attract substantial public and private capital investment and provide substantial economic benefit to the county or city in which the project would be located;

(3) ~~an assessment of the potential or likely use of the site for innovative business activities after completion of the public infrastructure and eligible project~~ the project is not relocating substantially the same operation from another location in the state, unless the commissioner determines the project cannot be reasonably accommodated within the county or city in which the business is currently located, or the business would otherwise relocate to another state; and

(4) ~~a timeline indicating the major milestones of the public infrastructure and eligible project and their anticipated completion dates;~~ the project is expected to create or retain full-time jobs.

~~(5) a commitment from the governing body to repay the grant if the milestones are not realized by the completion date identified in clause (4); and~~

~~(6) any additional information or material the commissioner prescribes.~~

(b) The determination of whether to make a grant ~~under subdivision 3~~ for a site is within the discretion of the commissioner, subject to this section. The commissioner's decisions and application of the ~~priorities~~ criteria are not subject to judicial review, except for abuse of discretion.

Sec. 3. Minnesota Statutes 2022, section 116J.5492, subdivision 2, is amended to read:

Subd. 2. **Membership.** (a) The advisory committee consists of 18 voting members and eight ex officio nonvoting members.

(b) The voting members of the advisory committee are appointed by the commissioner of employment and economic development, except as specified below:

(1) two members of the senate, one appointed by the majority leader of the senate and one appointed by the minority leader of the senate;

(2) two members of the house of representatives, one appointed by the speaker of the house of representatives and one appointed by the minority leader of the house of representatives;

(3) one representative of the Prairie Island Indian community;

(4) four representatives of impacted communities, of which two must represent counties and two must represent municipalities, and, to the extent possible, of the impacted facilities in those communities, at least one must be a coal plant, at least one must be a nuclear plant, and at least one must be a natural gas plant;

(5) three representatives of impacted workers at impacted facilities;

(6) one representative of impacted workers employed by companies that, under contract, regularly perform construction, maintenance, or repair work at an impacted facility;

(7) one representative with professional economic development or workforce retraining experience;

(8) two representatives of utilities that operate an impacted facility;

(9) one representative from a nonprofit organization with expertise and experience delivering energy efficiency and conservation programs; ~~and~~

(10) one representative of a school district facing revenue loss due to energy transition; and

~~(10)~~ (11) one representative from the Coalition of Utility Cities.

(c) The ex officio nonvoting members of the advisory committee consist of:

(1) the governor or the governor's designee;

(2) the commissioner of employment and economic development or the commissioner's designee;

(3) the commissioner of commerce or the commissioner's designee;

(4) the commissioner of labor and industry or the commissioner's designee;

(5) the commissioner of revenue or the commissioner's designee;

(6) the executive secretary of the Public Utilities Commission or the secretary's designee;

(7) the commissioner of the Pollution Control Agency or the commissioner's designee; and

(8) the chancellor of the Minnesota State Colleges and Universities or the chancellor's designee.

Sec. 4. Minnesota Statutes 2023 Supplement, section 116J.682, subdivision 1, is amended to read:

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

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

(c) "Partner organizations" or "partners" means:

(1) nonprofit organizations or public entities, including higher education institutions, engaged in business development or economic development;

(2) community development financial institutions; ~~or~~

(3) community development corporations; and

(4) Tribal economic development entities.

(d) "Small business" has the meaning given in section 3 of the Small Business Act, United States Code, title 15, section 632.

(e) "Underserved populations and geographies" means individuals who are Black, Indigenous, people of color, veterans, people with disabilities, people who are LGBTQ+, and low-income individuals and includes people from rural Minnesota.

Sec. 5. Minnesota Statutes 2023 Supplement, section 116J.682, subdivision 3, is amended to read:

Subd. 3. **Small business assistance partnerships grants.** (a) The commissioner shall make small business assistance partnerships grants to local and regional community-based organizations to provide small business development and technical assistance services to entrepreneurs and small business owners. The commissioner must prioritize applications that provide services to underserved populations and geographies.

(b) Grantees shall use the grant funds to provide high-quality, free ~~or low-cost~~ professional business development and technical assistance services that support the start-up, growth, and success of Minnesota's entrepreneurs and small business owners.

(c) Grantees may use up to 15 percent of grant funds for expenses incurred while administering the grant, including but not limited to expenses related to technology, utilities, legal services, training, accounting, insurance, financial management, benefits, reporting, servicing of loans, and audits.

Sec. 6. Minnesota Statutes 2023 Supplement, section 116J.8733, is amended to read:

116J.8733 MINNESOTA EXPANDING OPPORTUNITY FUND PROGRAM.

Subdivision 1. **Establishment.** The Minnesota Expanding Opportunity Fund Program is established to capitalize Minnesota nonprofit corporations, Tribal economic development entities, and community development financial institutions to increase lending activities with Minnesota small businesses.

Subd. 2. **Long-term loans.** The department may make long-term loans of ten to 12 years at 0.5 percent or lower interest rates to nonprofit corporations, Tribal economic development entities, and community development financial institutions to enable nonprofit corporations, Tribal economic development entities, and community development financial institutions to make more loans to Minnesota small businesses. The department may use the interest received to offset the cost of administering small business lending programs.

Subd. 3. **Loan eligibility~~; nonprofit corporation~~.** (a) The eligible nonprofit corporation, Tribal economic development entity, or community development financial institution must not meet the definition of recipient under section 116J.993, subdivision 6.

(b) The commissioner may enter into loan agreements with Minnesota nonprofit corporations, Tribal economic development entities, and community development financial institutions that apply to participate in the Minnesota Expanding Opportunity Fund Program. The commissioner shall evaluate applications from applicant nonprofit corporations, Tribal economic development entities, and community development financial institutions. In evaluating applications, the department must consider, among other things, whether the nonprofit corporation, Tribal economic development entity, or community development financial institution:

(1) meets the statutory definition of a community development financial institution as defined in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994, United States Code, title 12, section 4702;

(2) has a board of directors or loan or credit committee that includes citizens experienced in small business services and community development;

(3) has the technical skills to analyze small business loan requests;

(4) is familiar with other available public and private funding sources and economic development programs;

(5) is enrolled in one or more eligible federally funded state programs; and

(6) has the administrative capacity to manage a loan portfolio.

Subd. 4. **Revolving loan fund.** (a) The commissioner shall establish a revolving loan fund to make loans to nonprofit corporations, Tribal economic development entities, and community development financial institutions for the purpose of increasing nonprofit corporation, Tribal economic development entity, and community development financial institution capital and lending activities with Minnesota small businesses.

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

Subd. 5. **Loan portfolio administration.** (a) The fee or interest rate charged by a nonprofit corporation, Tribal economic development entity, or community development financial institution for a loan under this subdivision must not exceed ~~the Wall Street Journal prime rate plus two~~ ten percent. A nonprofit corporation, Tribal economic development entity, or community development financial institution participating in the Minnesota Expanding Opportunity Fund Program may charge a loan closing fee equal to or less than ~~two~~ one percent of the loan value.

(b) The nonprofit corporation, Tribal economic development entity, or community development financial institution may retain all earnings from fees and interest from loans to small businesses.

(c) The department must provide the nonprofit corporation, Tribal economic development entity, or community development financial institution making the loan with a fee equal to one percent of the loan value for every loan closed to offset related expenses for loan processing, loan servicing, legal filings, and reporting.

Subd. 6. **Cooperation.** A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program loan shall cooperate with other organizations, including but not limited to community development corporations, community action agencies, and the Minnesota small business development centers.

Subd. 7. **Reporting requirements.** (a) A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program loan must submit an annual report to the commissioner by February 15 of each year that includes:

(1) the number of businesses to which a loan was made;

(2) a description of businesses supported by the program;

(3) demographic information, as specified by the commissioner, regarding each borrower;

(4) an account of loans made during the calendar year;

(5) the program's impact on job creation and retention;

(6) the source and amount of money collected and distributed by the program;

(7) the program's assets and liabilities; and

(8) an explanation of administrative expenses.

(b) A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program loan must provide for an independent annual audit to be performed in accordance with generally accepted accounting practices and auditing standards and submit a copy of each annual audit report to the commissioner.

Sec. 7. Minnesota Statutes 2023 Supplement, section 116J.8751, is amended by adding a subdivision to read:

Subd. 10. **Expiration.** This section expires June 30, 2027.

Sec. 8. Minnesota Statutes 2022, section 116M.18, is amended to read:

116M.18 MINNESOTA EMERGING ENTREPRENEUR PROGRAM.

Subdivision 1. **Establishment.** The Minnesota emerging entrepreneur program is established to award grants to nonprofit corporations, Tribal economic development entities, and community development financial institutions to fund loans to businesses owned by minority or low-income persons, women, veterans, or people with disabilities.

Subd. 1a. **Statewide loans.** To the extent there is sufficient eligible demand, loans shall be made so that an approximately equal dollar amount of loans are made to businesses in the metropolitan area as in the nonmetropolitan area. After March 31 of each fiscal year, the department may allow loans to be made anywhere in the state without regard to geographic area.

Subd. 1b. **Grants.** The department shall make grants to nonprofit corporations, Tribal economic development entities, and community development financial institutions to fund loans to businesses owned by minority or low-income persons, women, veterans, or people with disabilities to encourage private investment, to provide jobs for minority and low-income persons, to create and strengthen minority business enterprises, and to promote economic development in a low-income area.

Subd. 2. **Grant eligibility~~; nonprofit corporation~~.** (a) The department may enter into agreements with nonprofit corporations, Tribal economic development entities, and community development financial institutions to fund loans the nonprofit corporation, Tribal economic development entity, or community development financial institution makes to businesses owned by minority or low-income persons, women, veterans, or people with disabilities. The department shall evaluate applications from nonprofit corporations, Tribal economic development entities, and community development financial institutions. In evaluating applications, the department must consider, among other things, whether the nonprofit corporation, Tribal economic development entity, or community development financial institution:

(1) has a board of directors that includes citizens experienced in business and community development, minority business enterprises, addressing racial income disparities, and creating jobs for low-income and minority persons;

(2) has the technical skills to analyze projects;

(3) is familiar with other available public and private funding sources and economic development programs;

(4) can initiate and implement economic development projects;

(5) can establish and administer a revolving loan account or has operated a revolving loan account;

(6) can work with job referral networks which assist minority and low-income persons; and

(7) has established relationships with minority communities.

(b) The department shall review existing agreements with nonprofit corporations, Tribal economic development entities, and community development financial institutions every five years and may renew or terminate the agreement based on the review. In making its review, the department shall consider, among other criteria, the criteria in paragraph (a). The department shall open the program to new applicants every two years.

Subd. 3. **Revolving loan fund.** (a) The department shall establish a revolving loan fund to make grants to nonprofit corporations, Tribal economic development entities, and community development financial institutions for the purpose of making loans to businesses owned by minority or low-income persons, women, veterans, or people with disabilities, and to support minority business enterprises and job creation for minority and low-income persons.

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

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

(d) Loan applications given preliminary approval by the nonprofit corporation, Tribal economic development entity, or community development financial institution must be forwarded to the department ~~for approval~~. ~~The commissioner must give final approval for each loan made by the nonprofit corporation.~~ Nonprofit corporations, Tribal economic development entities, and community development financial institutions designated as preferred partners do not need final approval by the commissioner. All other loans must be approved by the commissioner and the commissioner must make approval decisions within 20 days of receiving a loan application unless the application contains insufficient information to make an approval decision. The amount of the state funds contributed to any loan may not exceed 50 percent of each loan. The commissioner must develop the criteria necessary to receive loan forgiveness.

Subd. 4. **Business loan criteria.** (a) The criteria in this subdivision apply to loans made by nonprofit corporations, Tribal economic development entities, and community development financial institutions under the program.

(b) Loans must be made to businesses that are not likely to undertake a project for which loans are sought without assistance from the program.

(c) A loan must be used to support a business owned by a minority or a low-income person, woman, veteran, or a person with disabilities. Priority must be given for loans to the lowest income areas.

(d) The minimum state contribution to a loan is $5,000 and the maximum is $150,000.

(e) The state contribution must be matched by at least an equal amount of new private investment.

(f) A loan may not be used for a retail development project.

(g) The business must agree to work with job referral networks that focus on minority and low-income applicants.

(h) Up to ten percent of a loan's principal amount may be forgiven if ~~the department approves and~~ the borrower has met lender and agency criteria, including being current with all payments, for at least two years. The commissioner must develop the criteria for receiving loan forgiveness.

Subd. 4a. **Microenterprise loan.** (a) Program grants may be used to make microenterprise loans to small, beginning businesses, including a sole proprietorship. Microenterprise loans are subject to this section except that:

(1) they may also be made to qualified retail businesses;

(2) they may be made for a minimum of $5,000 and a maximum of ~~$35,000~~ $40,000;

(3) in a low-income area, they may be made for a minimum of $5,000 and a maximum of ~~$50,000~~ $55,000; and

(4) they do not require a match.

(b) Up to ten percent of a loan's principal amount may be forgiven if ~~the department approves and~~ the borrower has met lender criteria, including being current with all payments, for at least two years.

Subd. 5. **Revolving fund administration.** (a) The department shall establish a minimum interest rate or fee for loans or guarantees to ensure that necessary loan administration costs are covered. The interest rate charged by a nonprofit corporation, Tribal economic development entity, or community development financial institution for a loan under this subdivision must not exceed the Wall Street Journal prime rate plus ~~four~~ two percent, with a maximum rate of ten percent. For a loan under this subdivision, the nonprofit corporation, Tribal economic development entity, or community development financial institution may charge a loan origination fee equal to or less than one percent of the loan value. The nonprofit corporation, Tribal economic development entity, or community development financial institution may retain the amount of the origination fee.

(b) Loan repayment of principal must be paid to the department for deposit in the revolving loan fund. Loan interest payments must be deposited in a revolving loan fund created by the nonprofit corporation, Tribal economic development entity, or community development financial institution originating the loan being repaid for further distribution or use, consistent with the criteria of this section.

(c) Administrative expenses of the nonprofit corporations, Tribal economic development entities, and community development financial institutions with whom the department enters into agreements, including expenses incurred by a nonprofit corporation, Tribal economic development entity, or community development financial institution in providing financial, technical, managerial, and marketing assistance to a business enterprise receiving a loan under subdivision 4, may be paid out of the interest earned on loans and out of interest earned on money invested by the state Board of Investment under section 116M.16, subdivision 2, as may be provided by the department.

(d) The department must provide the nonprofit corporation, Tribal economic development entity, or community development financial institution making the loan with a fee equal to one percent of the loan value for every loan closed to offset related expenses for loan processing, loan servicing, legal filings, and reporting.

Subd. 7. **Cooperation.** A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program grant shall cooperate with other organizations, including but not limited to, community development corporations, community action agencies, and the Minnesota small business development centers.

Subd. 8. **Reporting requirements.** A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program grant shall:

(1) submit an annual report to the department by February 15 of each year that includes a description of businesses supported by the grant program, an account of loans made during the calendar year, the program's impact on minority business enterprises and job creation for minority persons and low-income persons, the source and amount of money collected and distributed by the program, the program's assets and liabilities, and an explanation of administrative expenses; and

(2) provide for an independent annual audit to be performed in accordance with generally accepted accounting practices and auditing standards and submit a copy of each annual audit report to the department.

Subd. 9. **Small business emergency loan account.** The small business emergency loan account is created as an account in the special revenue fund.

Sec. 9. **<u>[116U.255] EXPLORE MINNESOTA FILM.</u>**

<u>Subdivision 1.</u> **<u>Office established; director.</u>** <u>(a) Explore Minnesota Film is established as an office within Explore Minnesota.</u>

<u>(b) The director of Explore Minnesota shall appoint the director of Explore Minnesota Film. The director of Explore Minnesota Film must be qualified by experience with issues related to film and television production and economic development.</u>

<u>(c) The office may employ staff necessary to carry out the duties required in this section.</u>

<u>Subd. 2.</u> **<u>Duties.</u>** <u>The director of Explore Minnesota Film is authorized to:</u>

<u>(1) administer the film production jobs program and the film production credit program;</u>

<u>(2) promote Minnesota as a location for film and television production;</u>

<u>(3) assist in the establishment and implementation of programs related to film and television production, including but not limited to permitting and workforce development;</u>

<u>(4) improve communication among local, state, federal, and private entities regarding film and television production logistics and best practices;</u>

<u>(5) coordinate the development of statewide policies addressing film and television production; and</u>

<u>(6) act as a liaison to production entities, workers, and state agencies.</u>

Sec. 10. Minnesota Statutes 2022, section 116U.26, is amended to read:

116U.26 FILM PRODUCTION JOBS PROGRAM.

(a) The film production jobs program is created. The program shall be operated by ~~the Minnesota Film and TV Board~~ <u>Explore Minnesota Film</u> with administrative oversight and control by the ~~commissioner of employment and economic development~~ <u>director of Explore Minnesota</u>. The program shall make payment to producers of feature films, national television or Internet programs, documentaries, music videos, and commercials that directly create new film jobs in Minnesota. To be eligible for a payment, a producer must submit documentation to ~~the Minnesota Film and TV Board~~ <u>Explore Minnesota Film</u> of expenditures for production costs incurred in Minnesota that are directly attributable to the production in Minnesota of a film product.

~~The Minnesota Film and TV Board~~ <u>Explore Minnesota Film</u> shall make recommendations to the ~~commissioner of employment and economic development~~ <u>director of Explore Minnesota</u> about program payment, but the ~~commissioner~~ <u>director</u> has the authority to make the final determination on payments. The ~~commissioner's~~ <u>director's</u> determination must be based on proper documentation of eligible production costs submitted for payments. No more than five percent of the funds appropriated for the program in any year may be expended for administration, including costs for independent audits and financial reviews of projects.

(b) For the purposes of this section:

(1) "production costs" means the cost of the following:

(i) a story and scenario to be used for a film;

(ii) salaries of talent, management, and labor, including payments to personal services corporations for the services of a performing artist;

(iii) set construction and operations, wardrobe, accessories, and related services;

(iv) photography, sound synchronization, lighting, and related services;

(v) editing and related services;

(vi) rental of facilities and equipment;

(vii) other direct costs of producing the film in accordance with generally accepted entertainment industry practice;

(viii) above-the-line talent fees for nonresident talent; or

(ix) costs incurred during postproduction; and

(2) "film" means a feature film, television or Internet pilot, program, series, documentary, music video, or television commercial, whether on film, video, or digital media. Film does not include news, current events, public programming, or a program that includes weather or market reports; a talk show; a production with respect to a questionnaire or contest; a sports event or sports activity; a gala presentation or awards show; a finished production that solicits funds; or a production for which the production company is required under United States Code, title 18, section 2257, to maintain records with respect to a performer portrayed in a single-media or multimedia program.

(c) Notwithstanding any other law to the contrary, ~~the Minnesota Film and TV Board~~ Explore Minnesota Film may make reimbursements of: (1) up to 25 percent of production costs for films that locate production outside the metropolitan area, as defined in section 473.121, subdivision 2, or that incur a minimum Minnesota expenditure of $1,000,000 in the metropolitan area within a 12-month period; or (2) up to 20 percent of production costs for films that incur less than $1,000,000 in Minnesota production costs in the metropolitan area within a 12-month period.

Sec. 11. Minnesota Statutes 2023 Supplement, section 116U.27, subdivision 1, is amended to read:

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

(b) "Allocation certificate" means a certificate issued by the commissioner to a taxpayer upon receipt and approval of an initial application for a credit for a project that has not yet been completed.

(c) "Application" means the application for a credit under subdivision 4.

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

~~(e)~~ (d) "Credit certificate" means a certificate issued by the commissioner upon receipt and approval of the cost verification report in subdivision 4, paragraph (e).

(e) "Director" means the director of Explore Minnesota.

(f) "Eligible production costs" means eligible production costs as defined in section 116U.26, paragraph (b), clause (1), incurred in Minnesota that are directly attributable to the production of a film project in Minnesota.

(g) "Film" has the meaning given in section 116U.26, paragraph (b), clause (2).

(h) "Project" means a film:

(1) that includes the promotion of Minnesota;

(2) for which the taxpayer has expended at least $1,000,000 in any consecutive 12-month period beginning after expenditures are first paid in Minnesota for eligible production costs; and

(3) to the extent practicable, that employs Minnesota residents.

Television commercials are exempt from the requirement under clause (1).

(i) "Promotion of Minnesota" or "promotion" means visible display of a static or animated logo, approved by the ~~commissioner and lasting approximately five seconds~~ director, that promotes Minnesota within its presentation in the end credits ~~before the below-the-line crew crawl~~ for the life of the project.

Sec. 12. Minnesota Statutes 2023 Supplement, section 116U.27, subdivision 4, is amended to read:

Subd. 4. **Applications; allocations.** (a) To qualify for a credit under this section, a taxpayer must submit to the ~~commissioner~~ director an application for a credit in the form prescribed by the ~~commissioner~~ director, in consultation with the commissioner of revenue.

(b) Upon approving an application for a credit that meets the requirements of this section, the ~~commissioner~~ director shall issue allocation certificates that:

(1) verify eligibility for the credit;

(2) state the amount of credit anticipated for the eligible project, with the credit amount up to 25 percent of eligible project costs; and

(3) state the taxable year in which the credit is allocated.

~~The commissioner must consult with the Minnesota Film and TV Board prior to issuing an allocation certificate.~~

(c) The ~~commissioner~~ director must not issue allocation certificates for more than $24,950,000 of credits each year. If the entire amount is not allocated in that taxable year, any remaining amount is available for allocation for the four following taxable years until the entire allocation has been made. The ~~commissioner~~ director must not award any credits for taxable years beginning after December 31, 2030, and any unallocated amounts cancel on that date.

(d) The ~~commissioner~~ director must allocate credits on a first-come, first-served basis.

(e) Upon completion of a project, the taxpayer shall submit to the ~~commissioner~~ director a report prepared by an independent certified public accountant licensed in the state of Minnesota to verify the amount of eligible production costs related to the project. The report must be prepared in accordance with generally accepted accounting principles. Upon receipt and approval of the cost verification report and other documents required by the ~~commissioner~~ director, the ~~commissioner~~ director shall determine the final amount of eligible production costs and issue a credit certificate to the taxpayer. The credit may not exceed the anticipated credit amount on the allocation certificate. If the credit is less than the anticipated amount on the allocation credit, the difference is returned to the amount available for allocation under paragraph (c). To claim the credit under section 290.06, subdivision 39, or 297I.20, subdivision 4, a taxpayer must include a copy of the credit certificate as part of the taxpayer's return.

Sec. 13. Minnesota Statutes 2022, section 116U.27, subdivision 5, is amended to read:

Subd. 5. **Report required.** By January 15, 2025, the commissioner of revenue, in consultation with the ~~commissioner~~ director, must provide a report to the chairs and ranking minority members of the legislative committees with jurisdiction over economic development and taxes. The report must comply with sections 3.195 and 3.197, and must detail the following:

(1) the amount of credit certifications issued annually;

(2) the number of applications submitted, the number of allocation certificates issued, the amount of allocation certificates issued, the number of reports submitted upon completion of a project, and the number of credit certificates issued;

(3) the types of projects eligible for the credit;

(4) the total economic impact of the credit in Minnesota, including the calendar year over calendar year percentage changes in the number of jobs held by Minnesota residents in businesses having a primary North American Industry Classification System code of 512110 as reported to the commissioner, for calendar years 2019 through 2023;

(5) the number of taxpayers per tax type which are assignees of credit certificates under subdivision 3;

(6) annual Minnesota taxes paid by businesses having a primary North American Industry Classification System code of 512110, for taxable years beginning after December 31, 2018, and before January 1, 2024; and

(7) any other information the commissioner of revenue, in consultation with the ~~commissioner~~ director, deems necessary for purposes of claiming and administering the credit.

Sec. 14. Laws 2023, chapter 53, article 15, section 32, subdivision 6, is amended to read:

Subd. 6. **Administrative costs.** The commissioner of employment and economic development may use up to one percent of the appropriation made for this section for administrative expenses of the department. Of this amount, the Northland Foundation may use up to five percent for administrative expenses.

Sec. 15. Laws 2023, chapter 53, article 15, section 33, subdivision 4, is amended to read:

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

(b) Under the plan:

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

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

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

(4) the fee or interest rate on a loan shall not be higher than ~~the Wall Street Journal prime rate~~ ten percent;

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

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

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

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

Sec. 16. Laws 2023, chapter 53, article 15, section 33, subdivision 5, is amended to read:

Subd. 5. **Reports.** (a) The partner organization shall submit a report to the commissioner by ~~January~~ December 31 of 2024, 2025, and 2026. The report shall include:

(1) an account of all loans made through the program the preceding calendar year and the impact of those loans on community businesses and job creation for targeted groups;

(2) information on the source and amount of money collected and distributed under the program, its assets and liabilities, and an explanation of administrative expenses; and

(3) an independent audit of grant funds performed in accordance with generally accepted accounting practices and auditing standards.

(b) By February 15 of ~~2024,~~ 2025, ~~and~~ 2026, and 2027, the commissioner shall submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over workforce and economic development on program outcomes, including copies of all reports received under paragraph (a).

Sec. 17. **BROOKLYN PARK BIOTECH INNOVATION DISTRICT.**

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

(b) "Authority" means the Brooklyn Park Economic Development Authority.

(c) "Biotech innovation district" means a geographic area in the city identified in the development plan.

(d) "City" means the city of Brooklyn Park.

(e) "Development plan" means the plan adopted under subdivision 2.

(f) "Project" means a project to implement the development plan.

(g) "Public infrastructure project" means a project financed at least partially with public money to:

(1) acquire or remediate real property, including site improvement;

(2) demolish, repair, or rehabilitate buildings;

(3) install, construct, or reconstruct public infrastructure necessary for the biotech innovation district;

(4) acquire, construct, reconstruct, develop, or equip parking facilities and other transit-related facilities; and

(5) acquire, install, construct, reconstruct, develop, or equip recreational, social, cultural, or tourism facilities.

Subd. 2. **Development plan.** (a) The authority must prepare a plan for the development of a biotech innovation district within the city. At least 60 days prior to a hearing on adopting the proposed development plan, the economic development authority must provide copies of the proposed development plan to the city, which the city must make available to the public in its offices and on the city's website. At least ten days before the hearing, the authority must publish notice of the hearing in a newspaper selected by the city for publication of the notice. At the hearing, the authority may only adopt the plan if it finds that:

(1) the plan provides an outline for the development of the city as a site of biotech innovation;

(2) the plan identifies the location of the proposed biotech innovation district;

(3) the plan is sufficiently complete, including the identification of planned and anticipated projects, to indicate its relationship to definite state and local objectives;

(4) the proposed development affords maximum opportunity, consistent with the needs of the city, county, and state, for the development of the city by private enterprise as a biotech innovation district;

(5) the plan conforms to the general plan for the development of the city; and

(6) the plan includes:

(i) strategic planning consistent with a biotech innovation district;

(ii) a framework to identify and prioritize short- and long-term public investment and public infrastructure project development and to facilitate private investment and development;

(iii) land use planning;

(iv) multimodal transportation planning;

(v) goals, objectives, and strategies to increase racial equity and to create community wealth for city residents, local businesses, and businesses owned by women and people of color, guided by the city's racial equity principles; and

(vi) ongoing market research plans.

(b) In identifying planned and anticipated projects under paragraph (a), clause (2), the authority must prioritize projects that will pay a wage covering the cost of living for Hennepin County, calculated using the most recent report completed pursuant to Minnesota Statutes, section 116J.013.

(c) The city must adopt the development plan within 60 days following its adoption by the authority and may incorporate the development plan into the city's comprehensive plan. Minnesota Statutes, section 15.99, does not apply to review and approval of the development plan.

(d) The authority may modify the development plan at any time and must modify the plan at least once every five years. To modify the development plan, the authority must follow the same procedures set out in paragraph (a) for the development plan.

(e) When preparing the proposed development plan, the authority must seek input from the community and other partners such as biotech trade associations, the City of Brooklyn Park Planning Commission, the City of Brooklyn Park Community Long-Range Improvement Committee, skilled trades, and other regional partners.

Subd. 3. **Special powers; requirements; limitations.** (a) In implementing the development plan, the city may exercise the powers of a port authority under Minnesota Statutes, sections 469.048 to 469.068.

(b) The city must provide financial and administrative support to the authority and may appropriate city funds to the authority for its work in developing and implementing the development plan.

(c) The city may issue general obligation bonds, revenue bonds, or other obligations to finance the development and implementation of the development project. Debt undertaken pursuant to this paragraph is not subject to the net debt limit in Minnesota Statutes, section 475.53. Approval of the electors is not necessary to issue bonds or other obligations under this paragraph. The city may pledge any of its revenues, including property taxes and state aid issued pursuant to Minnesota Statutes, section 469.47, to the obligations issued pursuant to this paragraph. The city must not issue obligations that are only payable from or secured by state aid issued pursuant to Minnesota Statutes, section 469.47.

(d) Notwithstanding Minnesota Statutes, section 469.068, the city and its authority need not require competitive bidding on a parking facility or other public improvement constructed to implement the development plan.

(e) Except as otherwise specified, all activities to develop and implement the development plan must comply with applicable state law and regulations and city ordinances, zoning, and planning requirements.

Subd. 4. **Report.** Beginning in 2025, by February 15 of each year, the city and authority must submit a joint report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over jobs and economic development. The report must include:

(1) the development plan and any proposed changes to the development plan;

(2) information on the progress of projects identified in the development plan;

(3) costs and financing sources for the costs, including the amount paid with state aid and local contributions of projects completed in the previous two years;

(4) estimated costs and financing sources for projects anticipated to start in the next two years; and

(5) debt service schedules for all outstanding obligations of the city and authority for debt issued for projects identified in the plan.

Sec. 18. **PROMISE ACT GRANTS; 2023 APPROPRIATION.**

The appropriation for the PROMISE grant program in Laws 2023, chapter 53, article 20, section 2, subdivision 2, paragraph (z), clause (3), item (ii), includes, in addition to the corridors listed in item (ii), the following designated areas in South Minneapolis:

(1) Hennepin Avenue Commercial corridor;

(2) South Hennepin Community corridor; and

(3) Uptown Special Service District.

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

Sec. 19. **PROMISE ACT LOANS; 2023 APPROPRIATION.**

The appropriation for the PROMISE loan program in Laws 2023, chapter 53, article 20, section 2, subdivision 2, paragraph (aa), clause (3), item (ii), includes, in addition to the corridors listed in item (ii), the following designated areas in South Minneapolis:

(1) Hennepin Avenue Commercial corridor;

(2) South Hennepin Community corridor; and

(3) Uptown Special Service District.

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

Sec. 20. **REPEALER.**

Minnesota Statutes 2022, section 116J.435, subdivision 5, is repealed.

ARTICLE 3
WORKFORCE DEVELOPMENT APPROPRIATIONS

Section 1. Laws 2023, chapter 53, article 20, section 2, subdivision 4, is amended to read:

Subd. 4. **General Support Services** 18,045,000 8,045,000

Appropriations by Fund

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

The base for the general support services division in fiscal year 2026 is $5,950,000 for the general fund and $95,000 for the workforce development fund.

(a) $1,269,000 each year is for transfer to the Minnesota Housing Finance Agency for operating the Olmstead Compliance Office.

(b) $10,000,000 the first year is for the workforce digital transformation projects. This appropriation is onetime and is available until June 30, 2027.

Sec. 2. Laws 2023, chapter 53, article 20, section 2, subdivision 6, is amended to read:

Subd. 6. **Vocational Rehabilitation**	45,691,000	~~45,691,000~~ 40,636,000

Appropriations by Fund

	2024	2025
General	37,861,000	~~37,861,000~~ 32,806,000
Workforce Development	7,830,000	7,830,000

(a) $14,300,000 each year is for the state's vocational rehabilitation program under Minnesota Statutes, chapter 268A.

(b) $11,495,000 each year from the general fund and $6,830,000 each year from the workforce development fund are for extended employment services for persons with severe disabilities under Minnesota Statutes, section 268A.15. Of the amounts appropriated from the general fund, $4,500,000 each year is for maintaining prior rate increases to providers of extended employment services for persons with severe disabilities under Minnesota Statutes, section 268A.15.

(c) $5,055,000 ~~each year~~ in the first year is for grants to programs that provide employment support services to persons with mental illness under Minnesota Statutes, sections 268A.13 and 268A.14, and is available until June 30, 2025. The base for this appropriation is $2,555,000 in fiscal year 2026 and each year thereafter.

(d) $7,011,000 each year is for grants to centers for independent living under Minnesota Statutes, section 268A.11. This appropriation is available until June 30, 2027. The base for this appropriation is $3,011,000 in fiscal year 2026 and each year thereafter.

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

Sec. 3. **APPROPRIATIONS; DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT.**

$16,750,000 in fiscal year 2025 is appropriated from the workforce development fund to the commissioner of employment and economic development. This is a onetime appropriation and is in addition to the amounts appropriated in Laws 2023, chapter 53. Of this amount:

(1) $550,000 is for a grant to Sabathani Community Center for specialized community outreach and engagement, a marketing and communication plan, program evaluation, personal empowerment training for men, empowerment and truancy curriculum for youth, wellness training for seniors, a workforce strategies mentorship and jobs training program, a 15-passenger van, and service kiosks for the Sabathani Community Center, including a onetime paid internship to support these programs;

(2) $700,000 is for a grant to the Shakopee Chamber Foundation for the Shakopee area workforce development scholarship pilot program;

(3) $2,000,000 is for a grant to PFund Foundation for: (i) workforce development and job skills training for LGBTQIA2S+ individuals; and (ii) medical, mental health, social, and other service providers who serve those individuals. Up to five percent of this amount may be used for the grantee's administrative costs;

(4) $200,000 is for a grant to Bolder Options Youth Mentoring Program for disadvantaged youth ages 12 to 22 in the Bolder Options program in the Twin Cities and Rochester for providing mentorship, programming, and educational, job placement, and job training services;

(5) $200,000 is for a grant to the Greater Minneapolis Council of Churches for a STEM training and career preparation program targeted at the needs of BIPOC youth who are at least 11 years of age and less than 24 years of age. This amount is available until June 30, 2027;

(6) $255,000 is for a grant to the International Institute of Minnesota to expand their business career pathways for new Americans by paying the costs of adding a new employment counselor, a digital literacy instructor, and a professional leadership training instructor, and associated program costs including entrepreneurship training and work readiness training;

(7) $350,000 is for a grant to the city of Austin to develop and implement training programs offered by Riverland Community College for water operators and for wastewater operators. This amount is available until June 30, 2027. Of this amount: $100,000 is to develop training programs for water supply system operators and wastewater treatment facility operators; $100,000 is for personnel to staff the programs within the Riverland Customized Training and Education division of Riverland Community College; $65,000 is for marketing the programs; $35,000 is for the costs of Riverland Community College for administering the programs; $35,000 is for equipment for the programs; and $15,000 is for the costs of the city of Austin for administering the programs;

(8) $200,000 is for a grant to the Jobs Foundation for direct training, support services, safety enhancements, and economic support for formerly incarcerated individuals participating in the Repowered work readiness program;

(9) $280,000 is for a grant to Hired to create services for low-income Minnesotans designed to increase job retention by offering a continuum of employment coaching, navigation, and support services to economically disadvantaged employees leading to a more stable workforce for employers;

(10) $100,000 is for a grant to Equaspace for work space, IT support, human resources assistance, accounting, fundraising, and executive director support to be used to provide work space and wrap-around services to small and startup nonprofit organizations;

(11) $1,000,000 is for a grant to Lakeview Methodist Health Care Center to expand child care program capacity;

(12) $500,000 is for a grant to Change Starts With Community for the Change Starts With Community Violence Prevention Program;

(13) $1,000,000 is for a grant to African Immigrants Community Services for workforce development for new Americans;

(14) $1,000,000 is for a grant to WomenVenture for supporting child care providers by providing business training, mentorship, services, and educational materials, by facilitating shared administrative staff and pooled management of services such as banking and payroll, by providing child care management software and software training, and by distributing subgrants and loans, which may be forgivable at WomenVenture's discretion. This amount is available until June 30, 2027;

(15) $1,000,000 is for a grant to the Black Chamber of Commerce for technical support to Black-owned small businesses, for implementing initiatives to address barriers facing the Black business community, and for networking, mentorship, and training programs. This amount is available until June 30, 2027;

(16) $375,000 is to provide grants to secondary career and technical education programs for the purpose of offering instruction in meat cutting and butchery, including the costs of faculty training and of obtaining necessary equipment and facilities. The commissioner of employment and economic development may prioritize funding to applicants that are coordinating with Minnesota State Colleges and Universities institutions or with local industry partners and may enter into an interagency agreement with the Department of Agriculture for operation of the program, including agreements to transfer funds. By November 1, 2025, the commissioner of employment and economic development must report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture finance, education finance, and workforce development finance regarding all grants issued under this clause by county and the number and amount of grant requests not fulfilled;

(17) $75,000 is for a grant to InspireMSP to develop programming to assist middle-school-aged children in Minneapolis and St. Paul to develop an interest in and connect with the creative industry in Minnesota;

(18) $150,000 is for a grant to Summit Academy OIC to start and enroll students in a dental assistant program and to work with employers to place students in the field upon successful completion of the program;

(19) $250,000 is for a grant to the Karen Organization of Minnesota for job training and financial support and incentives for job training participants;

(20) $100,000 is for a grant to Indigenous Roots for soft skills training and career readiness training for youth and dance instructors of the Cypher Side Dance School;

(21) $100,000 is for a grant to Ramsey County for a subgrant with Milestone Community Development to provide competitive grants for culturally specific East African-led youth workforce development programs, which must be awarded through at least two requests for proposals, and this amount is available until June 30, 2026;

(22) $100,000 is for a grant to Ramsey County for a subgrant with People in Action to provide workforce development programming. This amount is available until June 30, 2026, and 40 percent of the amount must be expended within the city of St. Paul. Grants provided by People in Action must be awarded through at least two requests for proposals;

(23) $700,000 is for a grant to the Metro Youth Diversion Center to support its Youth-Care Assessment and Readiness Education program to enhance workforce development opportunities for youth with a focus on underrepresented East African students;

(24) $174,000 is for a grant to Independent School District No. 709, Duluth, for a software subscription to facilitate the career planning of students;

(25) $171,000 is for a grant to Independent School District No. 704, Proctor, to develop a regional career and technical education program to serve Independent School District No. 704, Proctor, Independent School District No. 700, Hermantown, and Independent School District No. 99, Esko;

(26) $100,000 is for a grant to Lake County Ambulance Service to establish a training program for Cook County and Lake County high school students interested in pursuing careers as emergency medical technicians;

(27) $2,000,000 is for a grant to the city of Brooklyn Park for the Brooklyn Park Small Business Center and for the city to expand the workforce development programming of Brooklyn Park and Brooklyn Center through workforce development programs serving primarily underrepresented populations, including such programs as Brooklynk, Career Pathways, Youth Entrepreneurship, and Community Partnership. This appropriation is available until June 30, 2027;

(28) $750,000 is for a grant to Riverside Plaza Tenant Association to address employment, economic, and technology access disparities for low-income unemployed or underemployed individuals through training in health care, technology, and construction or skilled trades industries;

(29) $150,000 is for a grant to African Career, Education, and Resources, Inc., to develop a program for health care skills training and computer skills training in collaboration with the Organization of Liberians in Minnesota;

(30) $150,000 is for a grant to the Organization of Liberians in Minnesota to develop a program for health care skills training and computer skills training in collaboration with the African Career, Education, and Resources, Inc.;

(31) $180,000 is for a grant to Equitable Development Action for it to fund programs and provide technical assistance to underserved businesses;

(32) $50,000 is to for a grant to Ka Joog to operate a workforce technology training center to provide job readiness, skills training, entrepreneurship training, digital literacy, and ongoing career learning;

(33) $50,000 is for a grant to HIRPHA International for use on youth apprenticeships, entrepreneurship training, computer skills, and work readiness training;

(34) $300,000 is for a grant to Theater Mu for planning and to design, redesign, renovate, construct, furnish, and equip a building located in the city of St. Paul that will house a workforce development program for working and aspiring BIPOC artists, administrative offices, and a public gathering space for theater art;

(35) $100,000 is for a grant to Higher Works Collaborative to act as the fiscal agent for the Center for African Immigrants and Refugees Organization to provide workforce training by enhancing their youth programs that help students gain work experience, earn experience in high-demand fields, and transition into family-sustaining careers;

(36) $450,000 is for a grant to YWCA St. Paul for a strategic intervention program designed to target and connect program participants to meaningful, sustainable living wage employment;

(37) $50,000 is for a grant to United Senior Lao American Association to provide job and skills training for an underserved population;

(38) $100,000 is for a grant to Hmong American Farmers Association for workforce readiness, employment exploration, and skills development;

(39) $240,000 is for a grant to MN Zej Zog for workforce readiness, employment exploration, and skills development;

(40) $250,000 is for the Minnesota Family Resiliency Partnership under Minnesota Statutes, section 116L.96;

(41) $150,000 is for a grant to Ramsey County for a Justice Impact Navigator to support Ramsey County residents who have a justice impact or who are reentering the community after incarceration to connect to resources with a focus on employment and training supports. Funds will be used for a navigator pilot and other administrative expenses such as outreach, marketing, and resources for residents; and

(42) $150,000 is for a grant to Ramsey County for a Digital Equity Specialist to support Ramsey County residents with digital literacy resources and skills to connect to employment and training supports. Funds must be used for a digital navigator pilot serving in Ramsey County Career Labs and community-based locations and other administrative expenses, such as outreach, marketing, and resources for residents.

Sec. 4. **APPROPRIATION; UNIVERSITY OF MINNESOTA; THE CENTER FOR NURSING EQUITY AND EXCELLENCE.**

$250,000 in fiscal year 2025 is appropriated from the workforce development fund to the Board of Regents of the University of Minnesota to perform the duties required to establish and carry out the duties of the Center for Nursing Equity and Excellence. This is a onetime appropriation.

Sec. 5. **APPROPRIATIONS.**

$5,055,000 in fiscal year 2025 is appropriated from the general fund to the commissioner of employment and economic development for grants to programs that provide employment support services to persons with mental illness under Minnesota Statutes, sections 268A.13 and 268A.14. This is a onetime appropriation and available until June 30, 2027.

ARTICLE 4
WORKFORCE DEVELOPMENT

Section 1. Minnesota Statutes 2022, section 116J.8748, subdivision 1, is amended to read:

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

(b) "Agreement" or "business subsidy agreement" means a business subsidy agreement under section 116J.994 that must include, but is not limited to: specification of the duration of the agreement, job goals and a timeline for achieving those goals over the duration of the agreement, construction and other investment goals and a timeline for achieving those goals over the duration of the agreement, and the value of benefits the firm may receive following achievement of capital investment and employment goals. The local government and business must report to the commissioner on the business performance using the forms developed by the commissioner.

(c) "Business" means an individual, corporation, partnership, limited liability company, association, or other entity.

(d) "Capital investment" means money that is expended for the purpose of building or improving real fixed property where employees under paragraphs (g) and (h) are or will be employed and also includes construction materials, services, and supplies, and the purchase and installation of equipment and machinery as provided under subdivision 4, paragraph (b), clause (5).

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

(f) "Minnesota job creation fund business" means a business that is designated by the commissioner under subdivision 3.

(g) "Minority person" means a person belonging to a racial or ethnic minority as defined in Code of Federal Regulations, title 49, section 23.5.

(h) "New full-time <u>equivalent</u> employee" means an employee who:

(1) begins work at a Minnesota job creation fund business facility noted in a business subsidy agreement and following the designation as a job creation fund business; and

(2) has expected work hours of at least 2,080 hours annually <u>or the equivalent of annualized expected hours of work equal to 2,080 hours of one or more employees</u>.

(i) "Persons with disabilities" means an individual with a disability, as defined under the Americans with Disabilities Act, United States Code, title 42, section 12102.

(j) "Retained job <u>equivalent</u>" means a full-time <u>equivalent</u> position:

(1) that existed at the facility prior to the designation as a job creation fund business; and

(2) has expected work hours of at least 2,080 hours annually <u>or the equivalent of annualized expected hours of work equal to 2,080 hours of one or more employees</u>.

(k) "Veteran" means a veteran as defined in section 197.447.

(l) "Wages" has the meaning given in section 290.92, subdivision 1, clause (1).

Sec. 2. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 3, is amended to read:

Subd. 3. **Minnesota job creation fund business designation; requirements.** (a) To receive designation as a Minnesota job creation fund business, a business must satisfy all of the following conditions:

(1) the business is or will be engaged in, within Minnesota, one of the following as its primary business activity:

(i) manufacturing;

(ii) warehousing;

(iii) distribution;

(iv) information technology;

(v) finance;

(vi) insurance; or

(vii) professional or technical services;

(2) the business must not be primarily engaged in lobbying; gambling; entertainment; professional sports; political consulting; leisure; hospitality; or professional services provided by attorneys, accountants, business consultants, physicians, or health care consultants, or primarily engaged in making retail sales to purchasers who are physically present at the business's location;

(3) the business must enter into a binding construction and job creation business subsidy agreement with the commissioner to expend directly, or ensure expenditure by or in partnership with a third party constructing or managing the project, at least $500,000 in capital investment in a capital investment project that includes a new, expanded, or remodeled facility within one year following designation as a Minnesota job creation fund business or $250,000 if the project is located outside the metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans, women, or persons with a disability; and:

(i) create at least ten new full-time equivalent employee positions within two years of the benefit date following the designation as a Minnesota job creation fund business or five new full-time equivalent employee positions within two years of the benefit date if the project is located outside the metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans, women, or persons with a disability; or

(ii) expend at least $25,000,000, which may include the installation and purchase of machinery and equipment, in capital investment and retain at least 100 full-time equivalent employees for projects located in the metropolitan area as defined in section 200.02, subdivision 24, or expend at least $10,000,000, which may include the installation and purchase of machinery and equipment, in capital investment and retain at least 50 full-time equivalent employees for projects located outside the metropolitan area;

(4) positions or employees moved or relocated from another Minnesota location of the Minnesota job creation fund business must not be included in any calculation or determination of job creation or new positions under this paragraph; and

(5) a Minnesota job creation fund business must not terminate, lay off, or reduce the working hours of an employee for the purpose of hiring an individual to satisfy job creation goals under this subdivision.

(b) Prior to approving the proposed designation of a business under this subdivision, the commissioner shall consider the following:

(1) the economic outlook of the industry in which the business engages;

(2) the projected sales of the business that will be generated from outside the state of Minnesota;

(3) how the business will build on existing regional, national, and international strengths to diversify the state's economy;

(4) whether the business activity would occur without financial assistance;

(5) whether the business is unable to expand at an existing Minnesota operation due to facility or land limitations;

(6) whether the business has viable location options outside Minnesota;

(7) the effect of financial assistance on industry competitors in Minnesota;

(8) financial contributions to the project made by local governments; and

(9) any other criteria the commissioner deems necessary.

(c) Upon receiving notification of local approval under subdivision 2, the commissioner shall review the determination by the local government and consider the conditions listed in paragraphs (a) and (b) to determine whether it is in the best interests of the state and local area to designate a business as a Minnesota job creation fund business.

(d) If the commissioner designates a business as a Minnesota job creation fund business, the business subsidy agreement shall include the performance outcome commitments and the expected financial value of any Minnesota job creation fund benefits.

(e) The commissioner may amend an agreement once, upon request of a local government on behalf of a business, only if the performance is expected to exceed thresholds stated in the original agreement.

(f) A business may apply to be designated as a Minnesota job creation fund business at the same location more than once only if all goals under a previous Minnesota job creation fund agreement have been met and the agreement is completed.

Sec. 3. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 4, is amended to read:

Subd. 4. **Certification; benefits.** (a) The commissioner may certify a Minnesota job creation fund business as eligible to receive a specific value of benefit under paragraphs (b) and (c) when the business has achieved its job creation and capital investment goals noted in its agreement under subdivision 3.

(b) A qualified Minnesota job creation fund business may be certified eligible for the benefits in this paragraph for up to five years for projects located in the metropolitan area as defined in section 200.02, subdivision 24, and seven years for projects located outside the metropolitan area, as determined by the commissioner when considering the best interests of the state and local area. Notwithstanding section 16B.98, subdivision 5, paragraph (a), clause (3), or 16B.98, subdivision 5, paragraph (b), grant agreements for projects located outside the metropolitan area may be for up to seven years in length. The eligibility for the following benefits begins the date the commissioner certifies the business as a qualified Minnesota job creation fund business under this subdivision:

(1) up to five percent rebate for projects located in the metropolitan area as defined in section 200.02, subdivision 24, and 7.5 percent for projects located outside the metropolitan area, on capital investment on qualifying purchases as provided in subdivision 5 with the total rebate for a project not to exceed $500,000;

(2) an award of up to $500,000 based on full-time job creation and wages paid as provided in subdivision 6 with the total award not to exceed $500,000;

(3) up to $1,000,000 in capital investment rebates and $1,000,000 in job creation awards are allowable for projects that have at least $25,000,000 in capital investment and 100 new full-time equivalent employees in the metropolitan area as defined in section 200.02, subdivision 24, or at least $10,000,000 in capital investment and 50 new full-time equivalent employees for projects located outside the metropolitan area;

(4) up to $1,000,000 in capital investment rebates and up to $1,000,000 in job creation awards are allowable for projects that have at least $25,000,000 in capital investment, which may include the installation and purchase of machinery and equipment, and 100 retained full-time equivalent employees for projects located in the metropolitan

area as defined in section 200.02, subdivision 24, or at least $10,000,000 in capital investment, which may include the installation and purchase of machinery and equipment, and 50 retained full-time equivalent employees for projects located outside the metropolitan area; and

(5) for clauses (3) and (4) only, the capital investment expenditure requirements may include the installation and purchases of machinery and equipment. These expenditures are not eligible for the capital investment rebate provided under subdivision 5.

(c) The job creation award may be provided in multiple years as long as the qualified Minnesota job creation fund business continues to meet the job creation goals provided for in its agreement under subdivision 3 and the total award does not exceed $500,000 except as provided under paragraph (b), clauses (3) and (4). Under paragraph (b), clause (4), a job creation award of $2,000 per full-time equivalent job retained ~~job~~ may be provided one time if the qualified Minnesota job creation fund business meets the minimum capital investment and retained employee requirement as provided in paragraph (b), clause (4), for at least two years.

(d) No rebates or award may be provided until the Minnesota job creation fund business or a third party constructing or managing the project has at least $500,000 in capital investment in the project and at least ten full-time equivalent jobs have been created and maintained for at least one year or the retained employees, as provided in paragraph (b), clause (4), remain for at least one year. The agreement may require additional performance outcomes that need to be achieved before rebates and awards are provided. If fewer retained jobs are maintained, but still above the minimum under this subdivision, the capital investment award shall be reduced on a proportionate basis.

(e) The forms needed to be submitted to document performance by the Minnesota job creation fund business must be in the form and be made under the procedures specified by the commissioner. The forms shall include documentation and certification by the business that it is in compliance with the business subsidy agreement, sections 116J.871 and 116L.66, and other provisions as specified by the commissioner.

(f) Minnesota job creation fund businesses must pay each new full-time equivalent employee added pursuant to the agreement total compensation, including benefits not mandated by law, that on an annualized basis is equal to at least 110 percent of the federal poverty level for a family of four.

(g) A Minnesota job creation fund business must demonstrate reasonable progress on capital investment expenditures within six months following designation as a Minnesota job creation fund business to ensure that the capital investment goal in the agreement under subdivision 1 will be met. Businesses not making reasonable progress will not be eligible for benefits under the submitted application and will need to work with the local government unit to resubmit a new application and request to be a Minnesota job creation fund business. Notwithstanding the goals noted in its agreement under subdivision 1, this action shall not be considered a default of the business subsidy agreement.

Sec. 4. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 6, is amended to read:

Subd. 6. **Job creation award.** (a) A qualified Minnesota job creation fund business is eligible for an annual award for each new full-time equivalent job created and maintained under subdivision 4, paragraph (b), clauses (2) and (3), by the business using the following schedule: $1,000 for each job position paying annual wages at least $26,000 but less than $35,000; $2,000 for each job position paying at least $35,000 but less than $45,000; $3,000 for each job position paying at least $45,000 but less than $55,000; and $4,000 for each job position paying at least $55,000; and as noted in the goals under the agreement provided under subdivision 1. These awards are increased by $1,000 if the business is located outside the metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans, women, or persons with a disability.

(b) A qualified Minnesota job creation fund business is eligible for a onetime $2,000 award for each full-time equivalent job retained and maintained under subdivision 4, paragraph (b), clause (4), provided that each retained job pays total compensation, including benefits not mandated by law, that on an annualized basis is equal to at least 150 percent of the federal poverty level for a family of four.

(c) The job creation award schedule must be adjusted annually using the percentage increase in the federal poverty level for a family of four.

(d) Minnesota job creation fund businesses seeking an award credit provided under subdivision 4 must submit forms and applications to the Department of Employment and Economic Development as prescribed by the commissioner.

Sec. 5. Minnesota Statutes 2023 Supplement, section 116L.17, subdivision 1, is amended to read:

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

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

(c) "Dislocated worker" means an individual who is a resident of Minnesota at the time employment ceased or was working in the state at the time employment ceased and:

(1) has been permanently separated or has received a notice of permanent separation from public or private sector employment and is eligible for or has exhausted entitlement to unemployment benefits, and is unlikely to return to the previous industry or occupation;

(2) has been long-term unemployed and has limited opportunities for employment or reemployment in the same or a similar occupation in the area in which the individual resides, including older individuals who may have substantial barriers to employment by reason of age;

(3) has been terminated or has received a notice of termination of employment as a result of a plant closing or a substantial layoff at a plant, facility, or enterprise;

(4) has been self-employed, including farmers and ranchers, and is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters;

(5) is a veteran as defined by section 197.447, has been discharged or released from active duty under honorable conditions within the last 36 months, and (i) is unemployed or (ii) is employed in a job verified to be below the skill level and earning capacity of the veteran;

(6) is an individual determined by the United States Department of Labor to be covered by trade adjustment assistance under United States Code, title 19, sections 2271 to 2331, as amended; ~~or~~

(7) is a displaced homemaker. A "displaced homemaker" is an individual who has spent a substantial number of years in the home providing homemaking service and (i) has been dependent upon the financial support of another; and due to divorce, separation, death, or disability of that person, must now find employment to self support; or (ii) derived the substantial share of support from public assistance on account of dependents in the home and no longer receives such support. To be eligible under this clause, the support must have ceased while the worker resided in Minnesota~~.~~;

(8) is the spouse of a member of the United States armed forces who is on active duty and who meets at least one of the following: (i) has lost employment as a direct result of relocation to accommodate a permanent change in the service member's duty station; or (ii) is unemployed or underemployed and facing barriers to obtaining or upgrading employment;

(9) is an individual with non-work-related injuries or illnesses who does not have a workers' compensation case but needs support to re-enter or remain in the workforce; or

(10) is an adult with a low income, is a recipient of public assistance, or is deficient in basic skills.

For the purposes of this section, "dislocated worker" does not include an individual who was an employee, at the time employment ceased, of a political committee, political fund, principal campaign committee, or party unit, as those terms are used in chapter 10A, or an organization required to file with the federal elections commission.

(d) "Eligible organization" means a state or local government unit, nonprofit organization, community action agency, business organization or association, or labor organization.

(e) "Plant closing" means the announced or actual permanent shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment.

(f) "Substantial layoff" means a permanent reduction in the workforce, which is not a result of a plant closing, and which results in an employment loss at a single site of employment during any 30-day period for at least 50 employees excluding those employees that work less than 20 hours per week.

Sec. 6. Minnesota Statutes 2023 Supplement, section 116L.43, subdivision 1, is amended to read:

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

(b) "Community-based organization" means a nonprofit organization that:

(1) provides workforce development programming or services;

~~(2) has an annual organizational budget of no more than $1,000,000;~~

~~(3)~~ (2) has its primary office located in a historically underserved community of color or low-income community; and

~~(4)~~ (3) serves a population that generally reflects the demographics of that local community.

(c) "Entry level jobs" means part-time or full-time jobs that an individual can perform without any prior education or experience.

(d) "High wage" means the income needed for a family to cover minimum necessary expenses in a given geographic area, including food, child care, health care, housing, and transportation.

(e) "Industry specific certification" means a credential an individual can earn to show proficiency in a particular area or skill.

(f) "Remedial training" means additional training provided to staff following the identification of a need and intended to increase proficiency in performing job tasks.

(g) "Small business" has the same meaning as section 645.445.

Sec. 7. Minnesota Statutes 2022, section 268.035, subdivision 20, is amended to read:

Subd. 20. **Noncovered employment.** "Noncovered employment" means:

(1) employment for the United States government or an instrumentality thereof, including military service;

(2) employment for a state, other than Minnesota, or a political subdivision or instrumentality thereof;

(3) employment for a foreign government;

(4) employment covered under the federal Railroad Unemployment Insurance Act;

(5) employment for a church or convention or association of churches, or a nonprofit organization operated primarily for religious purposes that is operated, supervised, controlled, or principally supported by a church or convention or association of churches;

(6) employment for an elementary or secondary school with a curriculum that includes religious education that is operated by a church, a convention or association of churches, or a nonprofit organization that is operated, supervised, controlled, or principally supported by a church or convention or association of churches;

(7) employment for Minnesota or a political subdivision, or a nonprofit organization, of a duly ordained or licensed minister of a church in the exercise of a ministry or by a member of a religious order in the exercise of duties required by the order;

(8) employment for Minnesota or a political subdivision, or a nonprofit organization, of an individual receiving rehabilitation of "sheltered" work in a facility conducted for the purpose of carrying out a program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury or a program providing "sheltered" work for individuals who because of an impaired physical or mental capacity cannot be readily absorbed in the competitive labor market. This clause applies only to services performed in a facility certified by the Rehabilitation Services Branch of the department or in a day training or habilitation program licensed by the Department of Human Services;

(9) employment for Minnesota or a political subdivision, or a nonprofit organization, of an individual receiving work relief or work training as part of an unemployment work relief or work training program financed in whole or in part by any federal agency or an agency of a state or political subdivision thereof. This clause does not apply to programs that require unemployment benefit coverage for the participants;

(10) employment for Minnesota or a political subdivision, as an elected official, a member of a legislative body, or a member of the judiciary;

(11) employment as a member of the Minnesota National Guard or Air National Guard;

(12) employment for Minnesota or a political subdivision, or instrumentality thereof, of an individual serving on a temporary basis in case of fire, flood, tornado, or similar emergency;

(13) employment as an election official or election worker for Minnesota or a political subdivision, if the compensation for that employment was less than $1,000 in a calendar year;

(14) employment for Minnesota that is a major policy-making or advisory position in the unclassified service;

(15) employment for Minnesota in an unclassified position established under section 43A.08, subdivision 1a;

(16) employment for a political subdivision of Minnesota that is a nontenured major policy making or advisory position;

(17) domestic employment in a private household, local college club, or local chapter of a college fraternity or sorority, if the wages paid in any calendar quarter in either the current or prior calendar year to all individuals in domestic employment totaled less than $1,000.

"Domestic employment" includes all service in the operation and maintenance of a private household, for a local college club, or local chapter of a college fraternity or sorority as distinguished from service as an employee in the pursuit of an employer's trade or business;

(18) employment of an individual by a son, daughter, or spouse, and employment of a child under the age of 18 by the child's father or mother;

(19) employment of an inmate of a custodial or penal institution;

(20) employment for a school, college, or university, by a student who is enrolled and whose primary relation to the school, college, or university is as a student. This does not include an individual whose primary relation to the school, college, or university is as an employee who also takes courses;

(21) employment of an individual who is enrolled as a student in a full-time program at a nonprofit or public educational institution that maintains a regular faculty and curriculum and has a regularly organized body of students in attendance at the place where its educational activities are carried on, taken for credit at the institution, that combines academic instruction with work experience, if the employment is an integral part of the program, and the institution has so certified to the employer, except that this clause does not apply to employment in a program established for or on behalf of an employer or group of employers;

(22) employment of a foreign college or university student who works on a seasonal or temporary basis under the J-1 visa summer work travel program described in Code of Federal Regulations, title 22, section 62.32;

(23) employment of university, college, or professional school students in an internship or other training program with the city of St. Paul or the city of Minneapolis under Laws 1990, chapter 570, article 6, section 3;

(24) employment for a hospital by a patient of the hospital. "Hospital" means an institution that has been licensed by the Department of Health as a hospital;

(25) employment as a student nurse for a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in an accredited nurses' training school;

(26) employment as an intern for a hospital by an individual who has completed a four-year course in an accredited medical school;

(27) employment as an insurance salesperson, by other than a corporate officer, if all the wages from the employment is solely by way of commission. The word "insurance" includes an annuity and an optional annuity;

(28) employment as an officer of a township mutual insurance company or farmer's mutual insurance company under chapter 67A;

(29) employment of a corporate officer, if the officer directly or indirectly, including through a subsidiary or holding company, owns 25 percent or more of the employer corporation, and employment of a member of a limited liability company, if the member directly or indirectly, including through a subsidiary or holding company, owns 25 percent or more of the employer limited liability company;

(30) employment as a real estate salesperson, other than a corporate officer, if all the wages from the employment is solely by way of commission;

(31) employment as a direct seller as defined in United States Code, title 26, section 3508;

(32) employment of an individual under the age of 18 in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

(33) casual employment performed for an individual, other than domestic employment under clause (17), that does not promote or advance that employer's trade or business;

(34) employment in "agricultural employment" unless it is "covered agricultural employment" under subdivision 11; ~~or~~

(35) if employment during one-half or more of any pay period was covered employment, all the employment for the pay period is covered employment; but if during more than one-half of any pay period the employment was noncovered employment, then all of the employment for the pay period is noncovered employment. "Pay period" means a period of not more than a calendar month for which a payment or compensation is ordinarily made to the employee by the employer~~.~~; or

(36) employment of a foreign agricultural worker who works on a seasonal or temporary basis under the H-2A visa temporary agricultural employment program described in Code of Federal Regulations, title 20, part 655.

Sec. 8. Laws 2023, chapter 53, article 20, section 2, subdivision 3, is amended to read:

Subd. 3. **Employment and Training Programs**			112,038,000	104,499,000

Appropriations by Fund

	2024	2025
General	91,036,000	83,497,000
Workforce Development	21,002,000	21,002,000

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

(b) $25,000,000 each year is for the targeted population workforce grants under Minnesota Statutes, section 116L.43. The department may use up to five percent of this appropriation for administration, monitoring, and oversight of the program. Of this amount:

(1) $18,500,000 each year is for job and entrepreneurial skills training grants under Minnesota Statutes, section 116L.43, subdivision 2;

(2) $1,500,000 each year is for diversity and inclusion training for small employers under Minnesota Statutes, section 116L.43, subdivision 3; and

(3) $5,000,000 each year is for capacity building grants under Minnesota Statutes, section 116L.43, subdivision 4.

The base for this appropriation is $1,275,000 in fiscal year 2026 and each year thereafter.

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

(d) $10,000,000 each year is for the Drive for Five Initiative to conduct outreach and provide job skills training, career counseling, case management, and supportive services for careers in (1) technology, (2) labor, (3) the caring professions, (4) manufacturing, and (5) educational and professional services. This is a onetime appropriation.

(e) Of the amounts appropriated in paragraph (d), the commissioner must make $7,000,000 each year available through a competitive request for proposal process. The grant awards must be used to provide education and training in the five industries identified in paragraph (d). Education and training may include:

(1) student tutoring and testing support services;

(2) training and employment placement in high wage and high growth employment;

(3) assistance in obtaining industry-specific certifications;

(4) remedial training leading to enrollment in employment training programs or services;

(5) real-time work experience;

(6) career and educational counseling;

(7) work experience and internships; and

(8) supportive services.

(f) Of the amount appropriated in paragraph (d), $2,000,000 each year must be awarded through competitive grants made to trade associations or chambers of commerce for job placement services. Grant awards must be used to encourage workforce training efforts to ensure that efforts are aligned with employer demands and that graduates are connected with employers that are currently hiring. Trade associations or chambers must partner with employers with current or anticipated employment opportunities and nonprofit workforce training partners participating in this program. The trade associations or chambers must work closely with the industry sector training providers in the five industries identified in paragraph (d). Grant awards may be used for:

(1) employer engagement strategies to align employment opportunities for individuals exiting workforce development training programs. These strategies may include business recruitment, job opening development, employee recruitment, and job matching. Trade associations must utilize the state's labor exchange system;

(2) diversity, inclusion, and retention training of their members to increase the business' understanding of welcoming and retaining a diverse workforce; and

(3) industry-specific training.

(g) Of the amount appropriated in paragraph (d), $1,000,000 each year is to hire, train, and deploy business services representatives in local workforce development areas throughout the state. Business services representatives must work with an assigned local workforce development area to address the hiring needs of Minnesota's businesses by connecting job seekers and program participants in the CareerForce system. Business services representatives serve in the classified service of the state and operate as part of the agency's Employment and Training Office. The commissioner shall develop and implement training materials and reporting and evaluation procedures for the activities of the business services representatives. The business services representatives must:

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

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

(3) work with the local area board and its partners to identify candidates for openings in small and midsize companies in the local area.

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

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

(j) $1,000,000 each year is for competitive grants to organizations providing services to relieve economic disparities in the Southeast Asian community through workforce recruitment, development, job creation, assistance of smaller organizations to increase capacity, and outreach. Of this amount, up to five percent is for administration and monitoring of the program.

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

(l) $750,000 each year from the general fund and $6,698,000 each year from the workforce development fund are for the youth-at-work competitive grant program under Minnesota Statutes, section 116L.562. Of this amount, up to five percent is for administration and monitoring of the youth workforce development competitive grant program. All grant awards shall be for two consecutive years. Grants shall be awarded in the first year. The base for this appropriation is $750,000 from the general fund and $3,348,000 from the workforce development fund beginning in fiscal year 2026 and each year thereafter.

(m) $1,093,000 each year is from the general fund and $1,000,000 each year is from the workforce development fund for the youthbuild program under Minnesota Statutes, sections 116L.361 to 116L.366. The base for this appropriation is $1,000,000 from the workforce development fund in fiscal year 2026 and each year thereafter.

(n) $4,511,000 each year from the general fund and $4,050,000 each year from the workforce development fund are for the Minnesota youth program under Minnesota Statutes, sections

116L.56 and 116L.561. The base for this appropriation is $0 from the general fund and $4,050,000 from the workforce development fund in fiscal year 2026 and each year thereafter.

(o) $750,000 each year is for the Office of New Americans under Minnesota Statutes, section 116J.4231.

(p) $1,000,000 each year from the workforce development fund is for a grant to the Minnesota Technology Association to support the SciTech internship program, a program that supports science, technology, engineering, and math (STEM) internship opportunities for two- and four-year college students and graduate students in their fields of study. The internship opportunities must match students with paid internships within STEM disciplines at small, for-profit companies located in Minnesota having fewer than 250 employees worldwide. At least 325 students must be matched each year. No more than 15 percent of the hires may be graduate students. Selected hiring companies shall receive from the grant 50 percent of the wages paid to the intern, capped at $3,000 per intern. The program must work toward increasing the participation among women or other underserved populations. This is a onetime appropriation.

(q) $750,000 each year is for grants to the Minneapolis Park and Recreation Board's Teen Teamworks youth employment and training programs. This is a onetime appropriation and available until June 30, 2027. Any unencumbered balance remaining at the end of the first year does not cancel but is available in the second year.

(r) $900,000 each year is for a grant to Avivo to provide low-income individuals with career education and job skills training that is fully integrated with chemical and mental health services. Of this amount, up to $250,000 each year is for a grant to Avivo to provide resources and support services to survivors of sex trafficking and domestic abuse in the greater St. Cloud area as they search for employment. Program resources include but are not limited to costs for day care, transportation, housing, legal advice, procuring documents required for employment, interview clothing, technology, and Internet access. The program shall also include public outreach and corporate training components to communicate to the public and potential employers about the specific struggles faced by survivors as they re-enter the workforce. This is a onetime appropriation.

(s) $1,000,000 each year is for the getting to work grant program under Minnesota Statutes, section 116J.545. Of this amount, up to five percent is for administration and monitoring of the program. This is a onetime appropriation.

(t) $400,000 each year is for a grant to the nonprofit 30,000 Feet to fund youth apprenticeship jobs, wraparound services, after-school programming, and summer learning loss prevention efforts targeted at African American youth. This is a onetime appropriation.

(u) $463,000 the first year is for a grant to the Boys and Girls Club of Central Minnesota. This is a onetime appropriation. Of this amount:

(1) $313,000 is to fund one year of free full-service programming for a new program in Waite Park that will employ part-time youth development staff and provide community volunteer opportunities for people of all ages. Career exploration and life skills programming will be a significant dimension of programming at this new site; and

(2) $150,000 is for planning and design for a new multiuse facility for the Boys and Girls Club of Waite Park and other community partners, including the Waite Park Police Department and the Whitney Senior Center.

(v) $1,000,000 each year is for a grant to the Minnesota Alliance of Boys and Girls Clubs to administer a statewide project of youth job skills and career development. This project, which may have career guidance components including health and life skills, must be designed to encourage, train, and assist youth in early access to education and job-seeking skills, work-based learning experience, including career pathways in STEM learning, career exploration and matching, and first job placement through local community partnerships and on-site job opportunities. This grant requires a 25 percent match from nonstate resources. This is a onetime appropriation.

(w) $1,000,000 the first year is for a grant to the Owatonna Area Chamber of Commerce Foundation for the Learn and Earn Initiative to help the Owatonna and Steele County region grow and retain a talented workforce. This is a onetime appropriation and is available until June 30, 2025. Of this amount:

(1) $900,000 is to develop an advanced manufacturing career pathway program for youth and adult learners with shared learning spaces, state-of-the-art equipment, and instructional support to grow and retain talent in Owatonna; and

(2) $100,000 is to create the Owatonna Opportunity scholarship model for the Learn and Earn Initiative for students and employers.

(x) $250,000 each year from the workforce development fund is for a grant to the White Bear Center for the Arts for establishing a paid internship program for high school students to learn professional development skills through an arts perspective. This is a onetime appropriation.

(y) $250,000 each year is for the Minnesota Family Resiliency Partnership under Minnesota Statutes, section 116L.96. The commissioner, through the adult career pathways program, shall distribute the money to existing nonprofit and state displaced homemaker programs. This is a onetime appropriation.

(z) $600,000 each year is for a grant to East Side Neighborhood Services. This is a onetime appropriation of which:

(1) $300,000 each year is for the senior community service employment program, which provides work readiness training to low-income adults ages 55 and older to provide ongoing support and mentoring services to the program participants as well as the transition period from subsidized wages to unsubsidized wages; and

(2) $300,000 each year is for the nursing assistant plus program to serve the increased need for growth of medical talent pipelines through expansion of the existing program and development of in-house training.

The amounts specified in clauses (1) and (2) may also be used to enhance employment programming for youth and young adults, ages 14 to 24, to introduce them to work culture, develop essential work readiness skills, and make career plans through paid internship experiences and work readiness training.

(aa) $1,500,000 each year from the workforce development fund is for a grant to Ujamaa Place to assist primarily African American men with job training, employment preparation, internships, education, vocational housing, and organizational capacity building. This is a onetime appropriation.

(bb) $500,000 each year is for a grant to Comunidades Organizando el Poder y la Acción Latina (COPAL) for worker center programming that supports primarily low-income, migrant, and Latinx workers with career planning, workforce training and education, workers' rights advocacy, health resources and navigation, and wealth creation resources. This is a onetime appropriation.

(cc) $2,000,000 each year is for a grant to Propel Nonprofits to provide capacity-building grants and related technical assistance to small, culturally specific organizations that primarily serve historically underserved cultural communities. Propel Nonprofits may only award grants to nonprofit organizations that have an annual organizational budget of less than $1,000,000. These grants may be used for:

(1) organizational infrastructure improvements, including developing database management systems and financial systems, or other administrative needs that increase the organization's ability to access new funding sources;

(2) organizational workforce development, including hiring culturally competent staff, training and skills development, and other methods of increasing staff capacity; or

(3) creating or expanding partnerships with existing organizations that have specialized expertise in order to increase capacity of the grantee organization to improve services to the community.

Of this amount, up to five percent may be used by Propel Nonprofits for administrative costs. This is a onetime appropriation.

(dd) $1,000,000 each year is for a grant to Goodwill Easter Seals Minnesota and its partners. The grant must be used to continue the FATHER Project in Rochester, St. Cloud, St. Paul, Minneapolis, and the surrounding areas to assist fathers in overcoming barriers that prevent fathers from supporting their children economically and emotionally, including with community re-entry following confinement. This is a onetime appropriation.

(ee) $250,000 the first year is for a grant to the ProStart and Hospitality Tourism Management Program for a well-established, proven, and successful education program that helps young people advance careers in the hospitality industry and addresses critical long-term workforce shortages in that industry.

(ff) $450,000 each year is for grants to Minnesota Diversified Industries to provide inclusive employment opportunities and services for people with disabilities. This is a onetime appropriation.

(gg) $1,000,000 the first year is for a grant to Minnesota Diversified Industries to assist individuals with disabilities through the unified work model by offering virtual and in-person career skills classes augmented with virtual reality tools. Minnesota Diversified Industries shall submit a report on the number and demographics of individuals served, hours of career skills programming delivered, outreach to employers, and recommendations for future career skills delivery methods to the chairs and ranking minority members of the legislative committees with jurisdiction over labor and workforce development policy and finance by January 15, 2026. This is a onetime appropriation and is available until June 30, 2025.

(hh) $1,264,000 each year is for a grant to Summit Academy OIC to expand employment placement, GED preparation and administration, and STEM programming in the Twin Cities, Saint Cloud, and Bemidji. This is a onetime appropriation.

(ii) $500,000 each year is for a grant to Minnesota Independence College and Community to provide employment preparation, job placement, job retention, and service coordination services to adults with autism and learning differences. This is a onetime appropriation.

(jj) $1,000,000 the first year and $2,000,000 the second year are for a clean economy equitable workforce grant program. Money must be used for grants to support partnership development, planning, and implementation of workforce readiness programs aimed at workers who are Black, Indigenous, and People of Color. Programs must include workforce training, career development, workers' rights training, employment placement, and culturally appropriate job readiness and must prepare workers for careers in the high-demand fields of construction, clean energy, and energy efficiency. Grants must be given to nonprofit organizations that serve historically disenfranchised communities, including new Americans, with preference for organizations that are new providers of workforce programming or which have partnership agreements with registered apprenticeship programs. This is a onetime appropriation.

(kk) $350,000 the first year and $25,000 the second year are for a grant to the University of Minnesota Tourism Center for the creation and operation of an online hospitality training program in partnership with Explore Minnesota Tourism. This training program must be made available at no cost to Minnesota residents in an effort to address critical workforce shortages in the hospitality and tourism industries and assist in career development. The base for this appropriation is $25,000 in fiscal year 2026 and each year thereafter for ongoing system maintenance, management, and content updates.

(ll) $3,000,000 the first year is for competitive grants to support high school robotics teams and prepare youth for careers in STEM fields. Of this amount, $2,000,000 is for creating internships for high school students to work at private companies in STEM fields, including the payment of student stipends. This is a onetime appropriation and is available until June 30, 2028.

(mm) $750,000 each year is for grants to the nonprofit Sanneh Foundation to fund out-of-school and summer programs focused on mentoring and behavioral, social, and emotional learning interventions and enrichment activities directed toward low-income students of color. This is a onetime appropriation and available until June 30, ~~2026~~ 2027.

(nn) $1,000,000 each year is for a grant to the Hmong American Partnership to expand job training and placement programs primarily serving the Southeast Asian community. This is a onetime appropriation.

(oo) $1,000,000 each year is for a grant to Comunidades Latinas Unidas En Servicio (CLUES) to address employment, economic, and technology access disparities for low-income unemployed or underemployed individuals. Grant money must support short-term certifications and transferable skills in high-demand fields, workforce readiness, customized financial capability, and employment supports. At least 50 percent of this amount must be used for programming targeted at greater Minnesota. This is a onetime appropriation.

(pp) $300,000 each year is for a grant to All Square. The grant must be used to support the operations of All Square's Fellowship and Prison to Law Pipeline programs which operate in Minneapolis, St. Paul, and surrounding correctional facilities to assist incarcerated and formerly incarcerated Minnesotans in overcoming employment barriers that prevent economic and emotional freedom. This is a onetime appropriation.

(qq) $1,000,000 each year is for a grant to the Redemption Project to provide employment services to adults leaving incarceration, including recruiting, educating, training, and retaining employment mentors and partners. This is a onetime appropriation.

(rr) $500,000 each year is for a grant to Greater Twin Cities United Way to make grants to partner organizations to provide workforce training using the career pathways model that helps students gain work experience, earn experience in high-demand fields, and transition into family-sustaining careers. This is a onetime appropriation.

(ss) $3,000,000 each year is for a grant to Community Action Partnership of Hennepin County. This is a onetime appropriation. Of this amount:

(1) $1,500,000 each year is for grants to 21 Days of Peace for social equity building and community engagement activities; and

(2) $1,500,000 each year is for grants to A Mother's Love for community outreach, empowerment training, and employment and career exploration services.

(tt) $750,000 each year is for a grant to Mind the G.A.P.P. (Gaining Assistance to Prosperity Program) to improve the quality of life of unemployed and underemployed individuals by improving their employment outcomes and developing individual earnings potential. This is a onetime appropriation. Any unencumbered balance remaining at the end of the first year does not cancel but is available in the second year.

(uu) $550,000 each year is for a grant to the International Institute of Minnesota. Grant money must be used for workforce training for new Americans in industries in need of a trained workforce. This is a onetime appropriation.

(vv) $400,000 each year from the workforce development fund is for a grant to Hired to expand their career pathway job training and placement program that connects lower-skilled job seekers to entry-level and gateway jobs in high-growth sectors. This is a onetime appropriation.

(ww) $500,000 each year is for a grant to the American Indian Opportunities and Industrialization Center for workforce development programming, including reducing academic disparities for American Indian students and adults. This is a onetime appropriation.

(xx) $500,000 each year from the workforce development fund is for a grant to the Hmong Chamber of Commerce to train ethnically Southeast Asian business owners and operators in better business practices. Of this amount, up to $5,000 may be used for administrative costs. This is a onetime appropriation.

(yy) $275,000 each year is for a grant to Southeast Minnesota Workforce Development Area 8 and Workforce Development, Inc., to provide career planning, career pathway training and education, wraparound support services, and job skills advancement in high-demand careers to individuals with barriers to employment in Steele County, and to help families build secure pathways out of poverty and address worker shortages in the Owatonna and Steele County area, as well as supporting Employer Outreach Services that provide solutions to workforce challenges and direct connections to workforce programming. Money may be used for program expenses, including but not limited to hiring instructors and navigators; space rental; and supportive services to help participants attend classes, including assistance with course fees, child care, transportation, and safe and stable housing. Up to five percent of grant money may be used for Workforce Development, Inc.'s administrative costs. This is a onetime appropriation and is available until June 30, 2027.

(zz) $589,000 the first year and $588,000 the second year are for grants to the Black Women's Wealth Alliance to provide low-income individuals with job skills training, career counseling, and job placement assistance. This is a onetime appropriation.

(aaa) $250,000 each year is for a grant to Abijahs on the Backside to provide equine experiential mental health therapy to first responders suffering from job-related trauma and post-traumatic stress disorder. For purposes of this paragraph, a "first responder" is a peace officer as defined in Minnesota Statutes, section 626.84, subdivision 1, paragraph (c); a full-time firefighter as defined in Minnesota Statutes, section 299N.03, subdivision 5; or a volunteer firefighter as defined in Minnesota Statutes, section 299N.03, subdivision 7.

Abijahs on the Backside must report to the commissioner of employment and economic development and the chairs and ranking minority members of the legislative committees with jurisdiction over employment and economic development policy and finance on the equine experiential mental health therapy provided to first responders under this paragraph. The report must include an overview of the program's budget, a detailed explanation of program expenditures, the number of first responders served by the program, and a list and explanation of the services provided to and benefits received by program participants. An initial report is due by January 15, 2024, and a final report is due by January 15, 2026. This is a onetime appropriation.

(bbb) $500,000 each year is for a grant to Ramsey County to provide job training and workforce development for underserved communities. Grant money may be subgranted to Milestone Community Development for the Milestone Tech program. This is a onetime appropriation.

(ccc) $500,000 each year is for a grant to Ramsey County for a technology training pathway program focused on intergenerational community tech work for residents who are at least 18 years old and no more than 24 years old and ~~who live in a census tract that has a poverty rate of at least 20 percent as reported in the most recently completed decennial census published by the United States Bureau of the Census~~ whose household income is at or below 200 percent of the federal poverty level. Grant money may be used for program administration, training, training stipends, wages, and support services. This is a onetime appropriation.

(ddd) $200,000 each year is for a grant to Project Restore Minnesota for the Social Kitchen project, a pathway program for careers in the culinary arts. This is a onetime appropriation and is available until June 30, 2027.

(eee) $100,000 each year is for grants to the Minnesota Grocers Association Foundation for Carts to Careers, a statewide initiative to promote careers, conduct outreach, provide job skills training, and award scholarships for students pursuing careers in the food industry. This is a onetime appropriation.

(fff) $1,200,000 each year is for a grant to Twin Cities R!SE. Of this amount, $700,000 each year is for performance grants under Minnesota Statutes, section 116J.8747, to Twin Cities R!SE to provide training to individuals facing barriers to employment; and $500,000 each year is to increase the capacity of the Empowerment Institute through employer partnerships across Minnesota and expansion of the youth personal empowerment curriculum. This is a onetime appropriation and available until June 30, 2026.

(ggg) $750,000 each year is for a grant to Bridges to Healthcare to provide career education, wraparound support services, and job skills training in high-demand health care fields to low-income parents, nonnative speakers of English, and other hard-to-train individuals, helping families build secure pathways out of poverty while also addressing worker shortages in one of Minnesota's most innovative industries. Grants may be used for program expenses, including but not limited to hiring instructors and navigators; space rental; and supportive services to help participants attend classes, including assistance with course fees, child care, transportation, and safe and stable housing. In addition, up to five percent of grant money may be used for Bridges to Healthcare's administrative costs. This is a onetime appropriation.

(hhh) $500,000 each year is for a grant to Big Brothers Big Sisters of the Greater Twin Cities to provide disadvantaged youth ages 12 to 21 with job-seeking skills, connections to job training and education opportunities, and mentorship while exploring careers. The grant shall serve youth in the Big Brothers Big Sisters chapters in the Twin Cities, central Minnesota, and southern Minnesota. This is a onetime appropriation.

(iii) $3,000,000 each year is for a grant to Youthprise to provide economic development services designed to enhance long-term economic self-sufficiency in communities with concentrated African populations statewide. Of these amounts, 50 percent is for subgrants to Ka Joog and 50 percent is for competitive subgrants to community organizations. This is a onetime appropriation.

(jjj) $350,000 each year is for a grant to the YWCA Minneapolis to provide training to eligible individuals, including job skills training, career counseling, and job placement assistance necessary to secure a child development associate credential and to have a career path in early education. This is a onetime appropriation.

(kkk) $500,000 each year is for a grant to Emerge Community Development to support and reinforce critical workforce training at the Emerge Career and Technical Center, Cedar Riverside Opportunity Center, and Emerge Second Chance programs in the city of Minneapolis. This is a onetime appropriation.

(lll) $425,000 each year is for a grant to Better Futures Minnesota to provide job skills training to individuals who have been released from incarceration for a felony-level offense and are no more than 12 months from the date of release. This is a onetime appropriation.

Better Futures Minnesota shall annually report to the commissioner on how the money was spent and what results were achieved. The report must include, at a minimum, information and data about the number of participants; participant homelessness, employment, recidivism, and child support compliance; and job skills training provided to program participants.

(mmm) $500,000 each year is for a grant to Pillsbury United Communities to provide job training and workforce development services for underserved communities. This is a onetime appropriation.

(nnn) $500,000 each year is for a grant to Project for Pride in Living for job training and workforce development services for underserved communities. This is a onetime appropriation.

(ooo) $300,000 each year is for a grant to YMCA of the North to provide career exploration, job training, and workforce development services for underserved youth and young adults. This is a onetime appropriation.

(ppp) $500,000 each year is for a grant to Al Maa'uun, formerly the North at Work program, for a strategic intervention program designed to target and connect program participants to meaningful, sustainable living wage employment. This is a onetime appropriation.

(qqq) $500,000 each year is for a grant to CAIRO to provide workforce development services in health care, technology, and transportation (CDL) industries. This is a onetime appropriation.

(rrr) $500,000 each year is for a grant to the Central Minnesota Community Empowerment Organization for providing services to relieve economic disparities in the African immigrant community through workforce recruitment, development, job creation, assistance of smaller organizations to increase capacity, and outreach. Of this amount, up to five percent is for administration and monitoring of the program. This is a onetime appropriation.

(sss) $270,000 each year is for a grant to the Stairstep Foundation for community-based workforce development efforts. This is a onetime appropriation.

(ttt) $400,000 each year is for a grant to Building Strong Communities, Inc, for a statewide apprenticeship readiness program to prepare women, BIPOC community members, and veterans to enter the building and construction trades. This is a onetime appropriation.

(uuu) $150,000 each year is for prevailing wage staff under Minnesota Statutes, section 116J.871, subdivision 2.

(vvv) $250,000 each year is for the purpose of awarding a grant to Minnesota Community of African People with Disabilities (MNCAPD), Roots Connect, and Fortune Relief and Youth Empowerment Organization (FRAYEO). This is a onetime appropriation. MNCAPD, Roots Connect, and FRAYEO must use grant proceeds to provide funding for workforce development activities for at-risk youth from low-income families and unengaged young adults experiencing disabilities, including:

(1) job readiness training for at-risk youth, including resume building, interview skills, and job search strategies;

(2) on-the-job training opportunities with local businesses;

(3) support services such as transportation assistance and child care to help youth attend job training programs; and

(4) mentorship and networking opportunities to connect youth with professionals in the youth's desired fields.

(www)(1) $250,000 each year is for a grant to Greater Rochester Advocates for Universities and Colleges (GRAUC), a collaborative organization representing health care, business, workforce development, and higher education institutions, for expenses relating to starting up a state-of-the-art simulation center for training health care workers in southeast Minnesota. Once established, this center must be self-sustaining through user fees. Eligible expenses include leasing costs, developing and providing training, and operational costs. This is a onetime appropriation.

(2) By January 15, 2025, GRAUC must submit a report, including an independent financial audit of the use of grant money, to the chairs and ranking minority members of the legislative committees having jurisdiction over higher education and economic development. This report must include details on the training provided at the simulation center, including the names of all organizations that use the center for training, the number of individuals each organization trained, and the type of training provided.

(xxx)(1) $350,000 each year is for a grant to the Minnesota Association of Black Lawyers for a pilot program supporting black undergraduate students pursuing admission to law school. This is a onetime appropriation.

(2) The program must:

(i) enroll an initial cohort of ten to 20 black Minnesota resident students attending a baccalaureate degree-granting postsecondary institution in Minnesota full time;

(ii) support each of the program's students with an academic scholarship in the amount of $4,000 per academic year;

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

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

(3) The Minnesota Association of Black Lawyers may use grant funds under clause (1) for costs related to:

(i) student scholarships;

(ii) academic events and programming, including food and transportation costs for students;

(iii) LSAT preparation materials, courses, and registrations; and

(iv) hiring staff for the program.

(4) By January 30, 2024, and again by January 30, 2025, the Minnesota Association of Black Lawyers must submit a report to the commissioner and to the chairs and ranking minority members of legislative committees with jurisdiction over workforce development finance and policy and higher education finance and

policy. The report must include an accurate and detailed account of the pilot program, its outcomes, and its revenues and expenses, including the use of all state funds appropriated in clause (1).

(yyy) $2,000,000 the first year is for a grant to the Power of People Leadership Institute (POPLI) to expand pre- and post-release personal development and leadership training and community reintegration services, to reduce recidivism, and increase access to employment. This is a onetime appropriation and is available until June 30, 2025.

(zzz) $500,000 the first year is to the Legislative Coordinating Commission for the Working Group on Youth Interventions. This is a onetime appropriation.

Sec. 9. Laws 2023, chapter 53, article 21, section 6, is amended to read:

Sec. 6. **TRANSFERS.**

(a) In the biennium ending on June 30, 2025, the commissioner of management and budget must transfer $400,000,000 from the general fund to the Minnesota forward fund account established in Minnesota Statutes, section 116J.8752, subdivision 2. The base for this transfer is $0.

(b) In the biennium ending on June 30, 2025, the commissioner of management and budget shall transfer $25,000,000 from the general fund to the Minnesota climate innovation authority account established in Minnesota Statutes, section 216C.441, subdivision 11. The base for this transfer is $0.

(c) In the biennium ending on June 30, 2025, the commissioner of management and budget must transfer $75,000,000 from the general fund to the state competitiveness fund account established in Minnesota Statutes, section 216C.391, subdivision 2. Notwithstanding Minnesota Statutes, section 216C.391, subdivision 2, the commissioner of commerce must use this transfer for grants to eligible entities for projects receiving federal loans or tax credits where the benefits are in disadvantaged communities. The base for this transfer is $0. Up to three percent of money transferred under this paragraph is for administrative costs.

(d) ~~In the biennium ending on June 30, 2027,~~ The commissioners of management and budget, in consultation with the commissioners of employment and economic development and commerce, may transfer money between the Minnesota forward fund account, the Minnesota climate innovation authority account, and the state competitiveness fund account. The commissioner of management and budget must notify the Legislative Advisory Commission within 15 days of making transfers under this paragraph.

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

Sec. 10. **CHANGE STARTS WITH COMMUNITY VIOLENCE PREVENTION PROGRAM.**

Subdivision 1. **Objectives.** Change Starts With Community must:

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

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

Subd. 2. **Partnerships.** (a) Change Starts With Community shall partner with the Cargill Foundation to support at-risk youth educational career field trips and mental health check-ins, exposing participants to multiple career paths and preventing further trauma through mental health check-ins for youth.

(b) Change Starts With Community shall partner with Hennepin County juvenile corrections and the Minneapolis Police Department to receive referrals for at-risk youth who would benefit from enrollment in the program to prevent risky behaviors and community violence.

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

Subd. 4. **Report.** Change Starts With Community shall report to the commissioner of employment and economic development, outlining the utilization of grant money, program outcomes, and the impact on the targeted population. The report shall be submitted no later than six months after the end of fiscal year 2025.

Sec. 11. **CENTER FOR NURSING EQUITY AND EXCELLENCE.**

Subdivision 1. **Establishment.** The Center for Nursing Equity and Excellence is established within the University of Minnesota, in collaboration with Minnesota State Colleges and Universities, to address nursing workforce needs, including issues of health equity, recruitment, retention, and utilization of nursing workforce resources that are within the current scope of the practice of nurses.

Subd. 2. **Duties.** The center shall:

(1) develop a strategic statewide plan for nursing workforce supply based on a detailed analysis of workforce needs by conducting a statistically valid biennial data-driven gap analysis of the supply and demand of the health care workforce. The center shall:

(i) establish and maintain a database on nursing supply and demand in the state, including current supply and demand; and

(ii) analyze the current and future supply and demand in the state;

(2) establish and maintain a database on nursing workforce needs, including current data and future projections;

(3) develop recommendations to increase nurse faculty and clinical preceptors, support nurse faculty development, and promote advanced nurse education;

(4) develop best practices in the academic preparation and continuing education needs of qualified nurse educators, nurse faculty, and clinical preceptors;

(5) collect data on nurse faculty, employment, distribution, and retention;

(6) pilot innovative projects to support the recruitment, development, and retention of qualified nurse faculty and clinical preceptors;

(7) encourage and coordinate the development of academic practice partnerships, including partnerships with hospitals that provide opportunities for nursing students to obtain clinical experience to support nurse faculty employment and advancement;

(8) develop distance learning infrastructure for advancing faculty competencies in the pedagogy of teaching and the evidence-based use of technology, simulation, and distance learning techniques;

(9) enhance and promote recognition, reward, and renewal activities for nurses in the state by:

(i) promoting nursing excellence programs such as magnet recognition by the American Nurses Credentialing Center;

(ii) proposing and creating additional reward, recognition, and renewal activities for nurses; and

(iii) promoting media and positive image-building efforts for nursing; and

(10) routinely convene various groups representative of nurses, health care professionals, business and industry consumers, lawmakers, and educators to:

(i) review and comment on data analysis prepared for the center;

(ii) recommend systemic changes, including strategies for implementation of recommended changes; and

(iii) evaluate and report the results of these efforts to the legislature and other entities.

Subd. 3. **Report.** Beginning in 2025, by no later than January 15 of each year, the center shall submit a report to the governor and the chairs and ranking minority members of the legislative committees having jurisdiction over higher education, health care, and workforce development, providing details of the center's activities during the preceding calendar year in pursuit of its goals and in the execution of its duties.

Sec. 12. **SHAKOPEE AREA WORKFORCE DEVELOPMENT SCHOLARSHIPS PILOT.**

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

(b) "Employer-sponsored applicant" means a student applicant with a local employer scholarship equal to or greater than 25 percent of the workforce development scholarship.

(c) "Local employer" means an employer with a physical location in a county within the service area of the foundation as listed in paragraph (d).

(d) "Shakopee Chamber Foundation" or "foundation" means a nonprofit organization which provides workforce and charitable services to Scott County as well as the Shakopee Mdewakanton Sioux Community.

Subd. 2. **Grants and administration.** (a) The commissioner of employment and economic development must award appropriated grant funds to the foundation to administer the Shakopee area workforce development scholarship pilot program. The foundation may use up to ten percent of grant funds for administrative costs.

(b) The foundation and participating college or university from the Minnesota State Colleges and Universities system must establish an application process and other guidelines for implementing this program.

Subd. 3. **Scholarship recipient requirements.** (a) To be eligible for a scholarship from the foundation, a student must:

(1) be enrolling or enrolled at least half-time in a program at a college or university from the Minnesota State Colleges and Universities system approved by the Dakota-Scott Workforce Development Board under subdivision 4; and

(2) complete the Free Application for Federal Student Aid (FAFSA), if applicable to the program for which they are enrolling or enrolled.

(b) A recipient of a scholarship awarded under this section must:

(1) adhere to any applicable participating local employer program requirements; and

(2) sign a contract agreeing to fulfill the employment obligation under paragraph (c).

(c) A scholarship recipient must fulfill a three-year full-time employment commitment within the service area of the foundation as listed in subdivision 1, paragraph (d). The employment may be with the local employer sponsoring the student or any qualified local employer in a high-demand occupation as defined by the Dakota-Scott Workforce Development Board. If a recipient of a scholarship fails to fulfill the requirements of this paragraph, the foundation may convert the scholarship to a loan. Amounts repaid from a loan must be used to fund scholarship awards under this section.

Subd. 4. **Program eligibility.** (a) The Dakota-Scott Workforce Development Board must annually identify eligible undergraduate degree, diploma, or certificate or industry-recognized credential programs in advanced manufacturing, health care, law enforcement, hospitality, or other high-demand occupations. The Dakota-Scott Workforce Development Board must consider data based on a workforce shortage for full-time employment requiring postsecondary education that is unique to the region, as reported in the most recent Department of Employment and Economic Development job vacancy survey data for the economic development region. A workforce shortage area is one in which the job vacancy rate for full-time employment in a specific occupation in the region is higher than the state average vacancy rate for that same occupation.

(b) By December 1, 2024, and annually through December 1, 2029, the Dakota-Scott Workforce Development Board must provide a list of eligible programs administered by each Minnesota state college and university that are eligible for scholarships in the subsequent year.

Subd. 5. **Employer partnerships.** The foundation and Minnesota State Colleges and Universities must establish partnerships with qualified local employers to ensure that 25 percent of the Shakopee area workforce development scholarship is matched with employer or foundation funds.

Subd. 6. **Scholarship awards.** (a) The foundation must coordinate available funds and award scholarships to Minnesota state colleges and universities with programs approved by the Dakota-Scott Workforce Development Board. Scholarships must be coordinated by the individual colleges approved by the Dakota-Scott Workforce Development Board and applied only after all other available tuition waivers and grant and scholarship funding through a last-dollar-in model. Scholarships are intended to supplement all other tuition waivers and grant and scholarship opportunities and to cover the full cost of attendance to the eligible students.

(b) If the appropriated grant is insufficient to award scholarships to all eligible applicants, priority must first be given to applicants that are program continuing applicants. Priority must then be given to employer-sponsored applicants.

Subd. 7. **Renewal; cap.** A student who has been awarded a scholarship may apply in subsequent academic years until the student completes a qualifying program. A student who successfully completes an eligible program and the subsequent work period requirement is eligible for a scholarship for a second program, but total lifetime awards must not exceed scholarships for two programs.

Subd. 8. **Report required.** The foundation must submit an annual report by December 31 of each year regarding the scholarship program to the chairs and ranking minority members of the legislative committees with jurisdiction over employment and economic development policy. The first report is due no later than December 31, 2025. The annual report must describe the following:

(1) the number of students receiving a scholarship at each participating college during the previous calendar year;

(2) the number of scholarships awarded for each program and the type of each program during the previous calendar year;

(3) the number of scholarship recipients who completed a program of study or certification;

(4) the number of scholarship recipients who secured employment by their graduation date and those who secured employment within three months of their graduation date;

(5) a list of the colleges that received funding, the amount of funding each institution received, and whether all withheld funds were distributed;

(6) a list of occupations scholarship recipients are entering;

(7) the number of students who were denied a scholarship;

(8) a list of participating local employers and amounts of any applicable employer contributions; and

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

Sec. 13. **REVISOR INSTRUCTION.**

The revisor of statutes shall codify Laws 2023, chapter 53, article 21, section 6, paragraph (d), as Minnesota Statutes, section 116J.8752, subdivision 4a. The revisor may make any technical, grammatical, or cross-reference changes necessary to effectuate this recodification.

Sec. 14. **REPEALER.**

Minnesota Statutes 2022, section 116L.17, subdivision 5, is repealed."

"A bill for an act relating to economic development; making supplemental appropriations for economic development and workforce development; establishing Explore Minnesota Film; making various policy changes relating to economic development and workforce development; appropriating money; amending Minnesota Statutes 2022, sections 116J.435, subdivisions 3, 4; 116J.5492, subdivision 2; 116J.8748, subdivision 1; 116M.18; 116U.26; 116U.27, subdivision 5; 268.035, subdivision 20; Minnesota Statutes 2023 Supplement, sections 116J.682, subdivisions 1, 3; 116J.8733; 116J.8748, subdivisions 3, 4, 6; 116J.8751, by adding a subdivision; 116L.17, subdivision 1; 116L.43, subdivision 1; 116U.27, subdivisions 1, 4; Laws 2023, chapter 53, article 15, sections 32, subdivision 6; 33, subdivisions 4, 5; article 20, sections 2, subdivisions 1, 2, 3, 4, 6; 3; article 21, section 6; proposing coding for new law in Minnesota Statutes, chapter 116U; repealing Minnesota Statutes 2022, sections 116J.435, subdivision 5; 116L.17, subdivision 5.

The motion prevailed and the amendment was adopted.

Schultz moved to amend S. F. No. 5289, the third engrossment, as amended, as follows:

Page 63, line 5, after "individual" insert "<u>who is an undocumented immigrant or</u>"

A roll call was requested and properly seconded.

The question was taken on the Schultz amendment and the roll was called. There were 58 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Altendorf	Demuth	Hudson	Murphy	Perryman	Swedzinski
Anderson, P. E.	Dotseth	Igo	Myers	Petersburg	Torkelson
Anderson, P. H.	Engen	Jacob	Nadeau	Pfarr	Urdahl
Backer	Fogelman	Johnson	Nash	Quam	West
Bakeberg	Garofalo	Joy	Nelson, N.	Rarick	Wiener
Baker	Gillman	Kiel	Neu Brindley	Robbins	Wiens
Bennett	Grossell	Koznick	Niska	Schomacker	Witte
Bliss	Harder	Lawrence	Novotny	Schultz	Zeleznikar
Burkel	Heintzeman	Lislegard	O'Driscoll	Scott	
Davis	Hudella	McDonald	Olson, B.	Skraba	

Those who voted in the negative were:

Acomb	Elkins	Hemmingsen-Jaeger	Koegel	Norris	Tabke
Agbaje	Feist	Her	Kotyza-Witthuhn	Olson, L.	Vang
Bahner	Finke	Hicks	Kraft	Pelowski	Virnig
Berg	Fischer	Hill	Lee, F.	Pérez-Vega	Wolgamott
Bierman	Frazier	Hollins	Lee, K.	Pinto	Xiong
Brand	Frederick	Hornstein	Liebling	Pryor	Youakim
Carroll	Freiberg	Howard	Lillie	Pursell	Spk. Hortman
Cha	Gomez	Huot	Long	Rehm	
Clardy	Greenman	Hussein	Moller	Reyer	
Coulter	Hansen, R.	Jordan	Nelson, M.	Sencer-Mura	
Curran	Hanson, J.	Keeler	Newton	Smith	
Edelson	Hassan	Klevorn	Noor	Stephenson	

The motion did not prevail and the amendment was not adopted.

S. F. No. 5289, A bill for an act relating to economic development; making supplemental budget adjustments for the Department of Employment and Economic Development and Explore Minnesota; requiring reports; appropriating money; amending Minnesota Statutes 2022, sections 116U.26; 116U.27, subdivisions 5, 6; Minnesota

Statutes 2023 Supplement, sections 116L.43, subdivision 1; 116U.27, subdivisions 1, 4; Laws 2023, chapter 53, article 20, section 2, subdivisions 1, 2, 3, 4, 6; article 21, sections 6; 7; Laws 2023, chapter 64, article 15, section 30; proposing coding for new law in Minnesota Statutes, chapter 116U; repealing Minnesota Statutes 2022, section 116J.439.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 74 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Acomb	Elkins	Her	Kotyza-Witthuhn	Norris	Stephenson
Agbaje	Feist	Hicks	Kraft	Olson, L.	Tabke
Anderson, P. H.	Finke	Hill	Lee, F.	Pelowski	Vang
Bahner	Fischer	Hollins	Lee, K.	Pérez-Vega	Virnig
Berg	Frazier	Hornstein	Liebling	Perryman	Wolgamott
Bierman	Frederick	Howard	Lillie	Pinto	Xiong
Brand	Freiberg	Huot	Lislegard	Pryor	Youakim
Carroll	Gomez	Hussein	Moller	Pursell	Zeleznikar
Cha	Greenman	Igo	Myers	Rehm	Spk. Hortman
Clardy	Hansen, R.	Jordan	Nadeau	Reyer	
Coulter	Hanson, J.	Keeler	Nelson, M.	Sencer-Mura	
Curran	Hassan	Klevorn	Newton	Skraba	
Edelson	Hemmingsen-Jaeger	Koegel	Noor	Smith	

Those who voted in the negative were:

Altendorf	Demuth	Hudella	McDonald	Olson, B.	Swedzinski
Anderson, P. E.	Dotseth	Hudson	Mueller	Petersburg	Torkelson
Backer	Engen	Jacob	Murphy	Pfarr	Urdahl
Bakeberg	Fogelman	Johnson	Nash	Quam	West
Baker	Garofalo	Joy	Nelson, N.	Rarick	Wiener
Bennett	Gillman	Kiel	Neu Brindley	Robbins	Wiens
Bliss	Grossell	Knudsen	Niska	Schomacker	Witte
Burkel	Harder	Koznick	Novotny	Schultz	
Davis	Heintzeman	Lawrence	O'Driscoll	Scott	

The bill was passed, as amended, and its title agreed to.

Speaker pro tempore Tabke called Her to the Chair.

MOTIONS AND RESOLUTIONS

TAKEN FROM THE TABLE

Hollins moved that H. F. No. 4411 be taken from the table. The motion prevailed.

H. F. No. 4411 was reported to the House.

Johnson moved to amend H. F. No. 4411, the second engrossment, as follows:

Page 4, after line 17, insert:

"Sec. 2. Minnesota Statutes 2022, section 201.13, subdivision 1a, is amended to read:

Subd. 1a. **Social Security Administration; other reports of deceased residents.** The secretary of state ~~may~~ must determine if any of the persons listed on the Social Security Death Index or reported as deceased by the vital records department of another state are registered to vote and prepare a list of those registrants for each county auditor. The county auditor shall change the status of those registrants to "deceased" in the statewide voter registration system."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Torkelson moved to amend H. F. No. 4411, the second engrossment, as amended, as follows:

Page 10, after line 12, insert:

"Sec. 16. **EFFECTIVE DATE.**

This article is effective January 1, 2025."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Torkelson moved to amend H. F. No. 4411, the second engrossment, as amended, as follows:

Page 8, line 5, strike "and"

Page 8, line 12, strike the period and insert "; and"

Page 8, after line 12, insert:

"(7) whether the candidate has been charged with or convicted of a crime."

Freiberg moved to amend the Torkelson amendment to H. F. No. 4411, the second engrossment, as amended, as follows:

Page 1, line 5, delete "charged with or" and delete "crime" and insert "felony"

A roll call was requested and properly seconded.

The question was taken on the Freiberg amendment to the Torkelson amendment and the roll was called. There were 96 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Acomb	Elkins	Her	Kotyza-Witthuhn	Nelson, N.	Robbins
Agbaje	Engen	Hicks	Koznick	Newton	Schomacker
Altendorf	Feist	Hill	Kraft	Noor	Sencer-Mura
Backer	Finke	Hollins	Lawrence	Norris	Skraba
Bahner	Fischer	Hornstein	Lee, F.	Novotny	Smith
Bennett	Frazier	Howard	Lee, K.	Olson, L.	Stephenson
Berg	Frederick	Hudella	Liebling	Pelowski	Swedzinski
Bierman	Freiberg	Hudson	Lillie	Pérez-Vega	Tabke
Brand	Garofalo	Huot	Lislegard	Perryman	Torkelson
Carroll	Gillman	Hussein	Long	Petersburg	Urdahl
Cha	Gomez	Jordan	Moller	Pinto	Vang
Clardy	Greenman	Joy	Mueller	Pryor	Virnig
Coulter	Hansen, R.	Keeler	Murphy	Pursell	Wiens
Davis	Hanson, J.	Kiel	Nadeau	Rarick	Xiong
Demuth	Hassan	Klevorn	Nash	Rehm	Youakim
Edelson	Hemmingsen-Jaeger	Koegel	Nelson, M.	Reyer	Spk. Hortman

Those who voted in the negative were:

Anderson, P. E.	Burkel	Heintzeman	McDonald	Pfarr	Witte
Anderson, P. H.	Dotseth	Igo	Myers	Quam	Wolgamott
Bakeberg	Fogelman	Jacob	Neu Brindley	Scott	Zeleznikar
Baker	Grossell	Johnson	O'Driscoll	West	
Bliss	Harder	Knudsen	Olson, B.	Wiener	

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Torkelson amendment, as amended, to H. F. No. 4411, the second engrossment, as amended. The motion prevailed and the amendment, as amended, was adopted.

Quam moved to amend H. F. No. 4411, the second engrossment, as amended, as follows:

Page 6, after line 2, insert:

"Sec. 4. Minnesota Statutes 2022, section 10A.27, subdivision 8, is amended to read:

Subd. 8. **Excess loans prohibited; limitation on interest.** (a) A candidate must not permit the candidate's principal campaign committee to accept a loan from other than a financial institution for an amount in excess of the contribution limits imposed by this section. A candidate must not permit the candidate's principal campaign committee to accept a loan from a financial institution for which the financial institution may hold an endorser of the loan liable to pay an amount in excess of the amount that the endorser may contribute to that candidate.

(b) A candidate's principal campaign committee must not accept a loan from the candidate if the terms of the loan require the candidate's principal campaign committee to pay interest to the candidate.

EFFECTIVE DATE. This section is retroactive to January 1, 2022."

Page 10, after line 9, insert:

"Sec. 15. **LOANS FROM CANDIDATE TO CANDIDATE'S PRINCIPAL CAMPAIGN COMMITTEE.**

A candidate's principal campaign committee that accepted a loan from the candidate that included in its terms a required interest payment on or after January 1, 2022, must distribute a refund of the interest paid, on a pro rata basis, to any person who contributed to the candidate's principal campaign committee on or after that date. A refund required by this section must be distributed no later than July 1, 2024.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Freiberg moved to amend the Quam amendment to H. F. No. 4411, the second engrossment, as amended, as follows:

Page 1, delete line 14 and insert:

"**EFFECTIVE DATE.** This section is effective January 1, 2025."

Page 1, delete lines 15 to 23

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Quam amendment, as amended, to H. F. No. 4411, the second engrossment, as amended. The motion prevailed and the amendment, as amended, was adopted.

Altendorf moved to amend H. F. No. 4411, the second engrossment, as amended, as follows:

Page 4, after line 17, insert:

"Sec. 2. Minnesota Statutes 2023 Supplement, section 204B.06, subdivision 1b, is amended to read:

Subd. 1b. **Address, electronic mail address, and telephone number.** (a) An affidavit of candidacy must state a telephone number where the candidate can be contacted. An affidavit must also state the candidate's or campaign's nongovernment issued electronic mail address or an attestation that the candidate and the candidate's campaign do not possess an electronic mail address. An affidavit must also state the candidate's address of residence as determined under section 200.031, or at the candidate's request in accordance with paragraph (c), the candidate's campaign contact address. When filing the affidavit, the candidate must present the filing officer with the candidate's valid driver's license or state identification card that contains the candidate's current address of residence, or sufficient documentation to prove the candidate's address of residence for the purpose of being issued a driver's license or state identification card. The form for the affidavit of candidacy must allow the candidate to request, if eligible, that the candidate's address of residence be classified as private data, and to provide the certification required under paragraph (c) for classification of that address.

(b) If an affidavit for an office where a residency requirement must be satisfied by the close of the filing period is filed as provided by paragraph (c), the filing officer must, within one business day of receiving the filing, determine whether the address provided in the affidavit of candidacy is within the area represented by the office the candidate is seeking. For all other candidates who filed for an office whose residency requirement must be satisfied by the close of the filing period, a registered voter in this state may request in writing that the filing officer receiving the affidavit of candidacy review the address as provided in this paragraph, at any time up to one day after the last day for filing for office. If requested, the filing officer must determine whether the address provided in the affidavit of candidacy is within the area represented by the office the candidate is seeking. If the filing officer determines that the address is not within the area represented by the office, the filing officer must immediately notify the candidate and the candidate's name must be removed from the ballot for that office. A determination made by a filing officer under this paragraph is subject to judicial review under section 204B.44.

(c) If the candidate requests that the candidate's address of residence be classified as private data, the candidate must list the candidate's address of residence on a separate form to be attached to the affidavit. The candidate must also certify on the affidavit that either: (1) a police report has been submitted, an order for protection has been issued, or the candidate has a reasonable fear in regard to the safety of the candidate or the candidate's family; or (2) the candidate's address is otherwise private pursuant to Minnesota law. The address of residence provided by a candidate who makes a request for classification on the candidate's affidavit of candidacy and provides the certification required by this paragraph is classified as private data, as defined in section 13.02, subdivision 12, but may be reviewed by the filing officer as provided in this subdivision.

(d) The requirements of this subdivision do not apply to affidavits of candidacy for a candidate for: (1) judicial office; (2) the office of county attorney; or (3) county sheriff.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Altendorf moved to amend H. F. No. 4411, the second engrossment, as amended.

Altendorf requested a division of the Altendorf amendment to H. F. No. 4411, the second engrossment, as amended.

Altendorf further requested that the second portion of the divided Altendorf amendment be voted on first.

The second portion of the Altendorf amendment to H. F. No. 4411, the second engrossment, as amended, reads as follows:

Page 4, after line 17, insert:

"Sec. 2. Minnesota Statutes 2022, section 204C.12, is amended by adding a subdivision to read:

Subd. 4a. **Notification of attempted voting by noncitizen.** The head election judge must notify the county auditor or municipal clerk, and immigration and customs enforcement officials, if it is suspected that an individual who is not a United States citizen has attempted to vote.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the second portion of the Altendorf amendment and the roll was called. There were 50 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Altendorf	Dotseth	Igo	McDonald	Petersburg	Urdahl
Anderson, P. E.	Engen	Jacob	Murphy	Pfarr	West
Anderson, P. H.	Fogelman	Johnson	Nelson, N.	Rarick	Wiener
Backer	Garofalo	Joy	Neu Brindley	Schomacker	Witte
Baker	Gillman	Kiel	Niska	Schultz	Zeleznikar
Bennett	Grossell	Knudsen	Novotny	Scott	
Bliss	Harder	Koznick	O'Driscoll	Skraba	
Burkel	Heintzeman	Lawrence	Olson, B.	Swedzinski	
Davis	Hudella	Lislegard	Perryman	Torkelson	

Those who voted in the negative were:

Acomb	Elkins	Her	Kraft	Norris	Tabke
Agbaje	Feist	Hicks	Lee, F.	Olson, L.	Vang
Bahner	Finke	Hill	Lee, K.	Pelowski	Virnig
Bakeberg	Fischer	Hollins	Liebling	Pérez-Vega	Wiens
Berg	Frazier	Hornstein	Lillie	Pinto	Wolgamott
Bierman	Frederick	Howard	Long	Pryor	Xiong
Brand	Freiberg	Huot	Moller	Pursell	Youakim
Carroll	Gomez	Hussein	Mueller	Rehm	Spk. Hortman
Cha	Greenman	Jordan	Myers	Reyer	
Clardy	Hansen, R.	Keeler	Nadeau	Robbins	
Coulter	Hanson, J.	Klevorn	Nelson, M.	Sencer-Mura	
Curran	Hassan	Koegel	Newton	Smith	
Edelson	Hemmingsen-Jaeger	Kotyza-Witthuhn	Noor	Stephenson	

The motion did not prevail and the second portion of the Altendorf amendment was not adopted.

The first portion of the Altendorf amendment to H. F. No. 4411, the second engrossment, as amended, reads as follows:

Page 4, after line 17, insert:

"Sec. 2. Minnesota Statutes 2022, section 201.014, subdivision 3, is amended to read:

Subd. 3. **Penalty.** Any individual who votes <u>or attempts to vote</u> who ~~knowingly~~ is not eligible to vote is guilty of a felony.

<u>**EFFECTIVE DATE.**</u> <u>This section is effective the day following final enactment.</u>

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail and the first portion of the Altendorf amendment was not adopted.

Olson, B., offered an amendment to H. F. No. 4411, the second engrossment, as amended.

POINT OF ORDER

Frederick raised a point of order pursuant to rule 3.21 that the Olson, B., amendment was not in order. Speaker pro tempore Her ruled the point of order well taken and the Olson, B., amendment out of order.

Torkelson offered an amendment to H. F. No. 4411, the second engrossment, as amended.

POINT OF ORDER

Frederick raised a point of order pursuant to rule 3.21 that the Torkelson amendment was not in order. Speaker pro tempore Her ruled the point of order well taken and the Torkelson amendment out of order.

Torkelson appealed the decision of Speaker pro tempore Her.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Her stand as the judgment of the House?" and the roll was called. There were 68 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Acomb	Cha	Finke	Hansen, R.	Hollins	Klevorn
Agbaje	Clardy	Fischer	Hanson, J.	Hornstein	Koegel
Bahner	Coulter	Frazier	Hassan	Howard	Kotyza-Witthuhn
Berg	Curran	Frederick	Hemmingsen-Jaeger	Huot	Kraft
Bierman	Edelson	Freiberg	Her	Hussein	Lee, F.
Brand	Elkins	Gomez	Hicks	Jordan	Lee, K.
Carroll	Feist	Greenman	Hill	Keeler	Liebling

Lillie	Newton	Pérez-Vega	Reyer	Vang	Spk. Hortman
Lislegard	Noor	Pinto	Sencer-Mura	Virnig	
Long	Norris	Pryor	Smith	Wolgamott	
Moller	Olson, L.	Pursell	Stephenson	Xiong	
Nelson, M.	Pelowski	Rehm	Tabke	Youakim	

Those who voted in the negative were:

Altendorf	Demuth	Hudson	Mueller	Olson, B.	Skraba
Anderson, P. E.	Dotseth	Igo	Murphy	Perryman	Swedzinski
Anderson, P. H.	Engen	Jacob	Myers	Petersburg	Torkelson
Backer	Fogelman	Johnson	Nadeau	Pfarr	Urdahl
Bakeberg	Garofalo	Joy	Nash	Quam	West
Baker	Gillman	Kiel	Nelson, N.	Rarick	Wiener
Bennett	Grossell	Knudsen	Neu Brindley	Robbins	Wiens
Bliss	Harder	Koznick	Niska	Schomacker	Witte
Burkel	Heintzeman	Lawrence	Novotny	Schultz	Zeleznikar
Davis	Hudella	McDonald	O'Driscoll	Scott	

So it was the judgment of the House that the decision of Speaker pro tempore Her should stand.

H. F. No. 4411, A bill for an act relating to elections; providing funding and modifying policy for elections, campaign finance, and the secretary of state; establishing the voting rights act cost sharing account; modifying transfers and appropriations; appropriating money; amending Minnesota Statutes 2022, sections 10A.01, subdivisions 7, 10d; 211A.01, subdivisions 3, 7, 8, by adding a subdivision; 211A.02, subdivision 2; 211A.05, subdivision 1; 211A.06; 211A.07; 211A.12; 211A.14; Minnesota Statutes 2023 Supplement, sections 10A.20, subdivision 2a; 211A.02, subdivision 1; Laws 2021, First Special Session chapter 12, article 1, section 6; Laws 2023, chapter 62, article 1, sections 6; 43; proposing coding for new law in Minnesota Statutes, chapter 200; repealing Minnesota Statutes 2022, sections 211A.01, subdivisions 2, 4; 211A.02, subdivision 4.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 83 yeas and 44 nays as follows:

Those who voted in the affirmative were:

Acomb	Curran	Gomez	Howard	Liebling	Norris
Agbaje	Demuth	Greenman	Huot	Lillie	Olson, L.
Altendorf	Edelson	Hansen, R.	Hussein	Lislegard	Pelowski
Bahner	Elkins	Hanson, J.	Jordan	Long	Pérez-Vega
Berg	Engen	Hassan	Keeler	Moller	Perryman
Bierman	Feist	Hemmingsen-Jaeger	Klevorn	Mueller	Petersburg
Brand	Finke	Her	Koegel	Myers	Pinto
Carroll	Fischer	Hicks	Kotyza-Witthuhn	Nadeau	Pryor
Cha	Frazier	Hill	Kraft	Nelson, M.	Pursell
Clardy	Frederick	Hollins	Lee, F.	Newton	Rehm
Coulter	Freiberg	Hornstein	Lee, K.	Noor	Reyer

Sencer-Mura	Stephenson	Urdahl	West	Wolgamott	Zeleznikar
Skraba	Tabke	Vang	Wiens	Xiong	Spk. Hortman
Smith	Torkelson	Virnig	Witte	Youakim	

Those who voted in the negative were:

Anderson, P. E.	Davis	Hudella	Koznick	Novotny	Schultz
Anderson, P. H.	Dotseth	Hudson	Lawrence	O'Driscoll	Scott
Backer	Fogelman	Igo	McDonald	Olson, B.	Swedzinski
Bakeberg	Garofalo	Jacob	Murphy	Pfarr	Wiener
Baker	Gillman	Johnson	Nash	Quam	
Bennett	Grossell	Joy	Nelson, N.	Rarick	
Bliss	Harder	Kiel	Neu Brindley	Robbins	
Burkel	Heintzeman	Knudsen	Niska	Schomacker	

The bill was passed, as amended, and its title agreed to.

There being no objection, the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 4757, A bill for an act relating to cannabis; transferring enforcement of edible cannabinoid products to the Office of Cannabis Management; clarifying workplace testing for cannabis; making technical changes related to the taxation of cannabis and related products; replacing medical cannabis licenses with endorsements; establishing a petition process to designate cannabinoids as nonintoxicating or approved for use in lower-potency hemp edibles; authorizing lower-potency hemp edibles to contain certain artificially derived cannabinoids created in making delta-9 tetrahydrocannabinol; allowing testing of certain hemp products to be performed by labs meeting accreditation standards regardless of licensing status; authorizing patients enrolled in the registry program to obtain cannabis flower from registered designated caregivers; authorizing registered designated caregivers to cultivate cannabis plants on behalf of patients enrolled in the registry program; authorizing the Office of Cannabis Management to recall certain cannabis and related products; transferring the duties of the medical cannabis program to the Office of Cannabis Management on July 1, 2025; authorizing the appointment of deputy directors; clarifying the process for transfer of certain licenses; providing for license preapproval; removing the requirement that local governments perform certain inspections; removing the requirement that license applications be scored based on identified criteria and requiring that license applications be assessed based on certain minimum criteria; requiring employees of cannabis businesses to meet certain background check requirements; establishing social equity licenses; limiting the number of certain licenses that can be made available in an application period; providing for the conversion of a registration to sell certain hemp-derived products into a hemp business license; providing for a cannabis research license classification; authorizing the Office of Cannabis Management to adjust limits on cultivation area; permitting certain businesses to transport cannabis and related products between facilities operated by the business; replacing the prohibition on certain sales of lower-potency hemp products with a prohibition on selling to an obviously intoxicated person; providing for enforcement of unlicensed businesses engaging in activities that require a license; making technical and conforming changes; amending Minnesota Statutes 2022, sections 17.133, subdivision 1; 152.22, subdivisions 11, 14, by adding a subdivision; 152.25, subdivision 2; 152.27, subdivisions 1, 2, 3, 4, 6, by adding a subdivision; 152.28, subdivision 2; 152.29, subdivision 3; 181.950, subdivision 10; 181.952, as amended; Minnesota Statutes 2023 Supplement, sections 3.9224, subdivision 1; 151.72, subdivisions 1, 2, 3, 4, 5a, 5b, 6, 7; 152.28, subdivision 1; 152.30; 181.951, subdivisions 4, 5, 8; 181.954, subdivision 1; 342.01, subdivisions 14, 17, 19, 48, 50, 52, 54, 63, 64, 65, 66, by adding subdivisions; 342.02, subdivisions 2, 3, 6; 342.03, subdivisions 1, 4; 342.06; 342.07, subdivision 3; 342.09, subdivision 3; 342.10; 342.11; 342.12; 342.13; 342.14; 342.15, by adding a subdivision; 342.17; 342.18, subdivisions 2, 3, by adding subdivisions; 342.19, by adding a subdivision; 342.22; 342.24, subdivisions 1, 2; 342.28, subdivision 2, by adding subdivisions; 342.29, subdivision 4, by adding a subdivision; 342.30, subdivision 4; 342.31, subdivision 4; 342.32, subdivision 4; 342.35, subdivision 1; 342.37, subdivision 1; 342.40, subdivision 7; 342.41, subdivision 3; 342.46, subdivision 8; 342.51; 342.515, subdivision 1, by adding a subdivision; 342.52, subdivisions 1, 2, 3, 4, 5, 9, 11; 342.53; 342.54; 342.55, subdivisions 1, 2; 342.56, subdivisions 1, 2; 342.57, subdivisions 1, 2, 4; 342.60; 342.61, subdivisions 1, 4, 5; 342.62, by adding a subdivision; 342.63, subdivisions 2, 3, 6; 342.64, subdivision 1; 342.73, subdivision 4; 342.80; Laws 2023, chapter 63, article 1, sections 2; 51; 52; 53; 54; 55; 56; 57; 58; 59; 61; article 6, sections 10; 73; proposing coding for new law in Minnesota Statutes, chapter 342; repealing Minnesota Statutes 2022, sections 152.22, subdivision 3; 152.36; Minnesota Statutes 2023 Supplement, sections 342.01, subdivision 28; 342.18, subdivision 1; 342.27, subdivision 13; 342.29, subdivision 9; 342.47; 342.48; 342.49; 342.50; Laws 2023, chapter 63, article 7, sections 4; 6.

THOMAS S. BOTTERN, Secretary of the Senate

Stephenson moved that the House refuse to concur in the Senate amendments to H. F. No. 4757, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 4757:

Stephenson; Hanson, J.; Kozlowski; Frazier and West.

CALENDAR FOR THE DAY

H. F. No. 5216 was reported to the House.

LAY ON THE TABLE

Long moved that H. F. No. 5216 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS

Smith moved that the name of Hornstein be added as an author on H. F. No. 3700. The motion prevailed.

Feist moved that the name of Hornstein be added as an author on H. F. No. 4140. The motion prevailed.

Norris moved that the name of Hornstein be added as an author on H. F. No. 4163. The motion prevailed.

Feist moved that the name of Hornstein be added as an author on H. F. No. 4200. The motion prevailed.

Finke moved that the name of Keeler be added as an author on H. F. No. 4273. The motion prevailed.

Becker-Finn moved that the name of Rehm be added as an author on H. F. No. 4300. The motion prevailed.

Pursell moved that the name of Hornstein be added as an author on H. F. No. 4582. The motion prevailed.

Robbins moved that the name of Myers be added as an author on H. F. No. 4826. The motion prevailed.

Kresha moved that the name of Fogelman be added as an author on H. F. No. 5123. The motion prevailed.

Moller moved that the name of Becker-Finn be added as an author on H. F. No. 5216. The motion prevailed.

Long moved that H. F. No. 5435 be recalled from the Committee on Judiciary Finance and Civil Law and be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

ADJOURNMENT

Long moved that when the House adjourns today it adjourn until 12:00 noon, Monday, May 6, 2024. The motion prevailed.

Long moved that the House adjourn. The motion prevailed, and Speaker pro tempore Her declared the House stands adjourned until 12:00 noon, Monday, May 6, 2024.

PATRICK D. MURPHY, Chief Clerk, House of Representatives