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State of Minnesota

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**HOUSE OF REPRESENTATIVES**

**Unofficial Engrossment**

House Engrossment of a Senate File

NINETY-THIRD SESSION

**S. F. No. 3035**

- 04/17/2023 Companion to House File No. 3028. (Authors:Hassan and Xiong)  
Read First Time and Referred to the Committee on Ways and Means
- 04/20/2023 Adoption of Report: Placed on the General Register as Amended  
Read for the Second Time
- 04/24/2023 Calendar for the Day, Amended  
Read Third Time as Amended  
Passed by the House as Amended and transmitted to the Senate to include Committee and Floor Amendments
- 04/26/2023 Senate refused to concur and a Conference Committee was appointed
- 05/16/2023 Conference Committee Report Adopted  
Read Third Time as Amended by Conference and repassed by the Senate  
Read Third Time as Amended by Conference and repassed by the House
- 05/23/2023 Presented to Governor
- 05/24/2023 Governor Approval

1.1 A bill for an act

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

1.3 Labor and Industry, Department of Employment and Economic Development,

1.4 Bureau of Mediation Services, Public Employment Relations Board, Workers'

1.5 Compensation Court of Appeals, and Explore Minnesota; making economic

1.6 development, labor, and workforce development policy changes; authorizing

1.7 rulemaking; requiring reports; appropriating money; amending Minnesota Statutes

1.8 2022, sections 13.43, subdivision 6; 116J.5492, subdivisions 8, 10; 116J.55,

1.9 subdivisions 1, 5, 6; 116J.871, subdivisions 1, 2; 116J.8748, subdivisions 3, 4, 6,

1.10 by adding a subdivision; 116J.9924, subdivision 4; 116L.361, subdivision 7;

1.11 116L.362, subdivision 1; 116L.364, subdivision 3; 116L.365, subdivision 1;

1.12 116L.56, subdivision 2; 116L.561, subdivision 5; 116L.562, subdivision 2; 175.16,

1.13 subdivision 1; 177.26, subdivisions 1, 2; 177.27, subdivisions 1, 4, 7, 8, 9, 10;

1.14 178.01; 178.011, subdivision 7; 178.03, subdivision 1; 178.11; 179.86, subdivisions

1.15 1, 3, by adding subdivisions; 179A.041, by adding a subdivision; 181.14,

1.16 subdivision 1; 181.171, subdivision 4; 181.635, subdivisions 1, 2, 3, 4, 6; 181.85,

1.17 subdivisions 2, 4; 181.86, subdivision 1; 181.87, subdivisions 2, 3, 7; 181.88;

1.18 181.89, subdivision 2, by adding a subdivision; 181.9435, subdivision 1; 181.9436;

1.19 182.654, subdivision 11; 182.666, subdivisions 1, 2, 3, 4, 5, by adding a

1.20 subdivision; 268.035, subdivision 20; 268A.15, by adding a subdivision; 326B.092,

1.21 subdivision 6; 326B.096; 326B.103, subdivision 13, by adding subdivisions;

1.22 326B.106, subdivisions 1, 4, by adding a subdivision; 326B.802, subdivision 15;

1.23 341.21, subdivisions 2a, 2b, 2c, 4f, 7, by adding a subdivision; 341.221; 341.25;

1.24 341.27; 341.28, subdivisions 2, 3, by adding subdivisions; 341.30, subdivision 4;

1.25 341.32, subdivision 2; 341.321; 341.33; 341.355; 357.021, subdivision 1a; 469.40,

1.26 subdivision 11; 469.47, subdivisions 1, 5; 517.08, subdivision 1c; proposing coding

1.27 for new law in Minnesota Statutes, chapters 13; 116J; 116L; 179; 181; 182; 341;

1.28 repealing Minnesota Statutes 2022, sections 116J.9924, subdivision 6; 177.26,

1.29 subdivision 3; Laws 2019, First Special Session chapter 7, article 2, section 8, as

1.30 amended.

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

1.32 **ARTICLE 1**

1.33 **APPROPRIATIONS; ECONOMIC DEVELOPMENT**

1.34 Section 1. **APPROPRIATIONS.**



3.1 Statutes, section 116J.431. This appropriation  
3.2 is available until June 30, 2027.

3.3 (b) \$6,425,000 each year is for the small  
3.4 business partnership program under Minnesota  
3.5 Statutes, section 116J.8746. In fiscal year 2026  
3.6 and beyond, the base amount is \$4,679,000.

3.7 (c) \$1,772,000 each year is for contaminated  
3.8 site cleanup and development grants under  
3.9 Minnesota Statutes, sections 116J.551 to  
3.10 116J.558. This appropriation is available until  
3.11 expended.

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

3.17 (e) \$389,000 each year is for the Center for  
3.18 Rural Policy and Development. In fiscal year  
3.19 2026 and beyond, the base amount is  
3.20 \$139,000.

3.21 (f) \$25,000 each year is for the administration  
3.22 of state aid for the Destination Medical Center  
3.23 under Minnesota Statutes, sections 469.40 to  
3.24 469.47.

3.25 (g) \$875,000 each year is for the host  
3.26 community economic development program  
3.27 established in Minnesota Statutes, section  
3.28 116J.548.

3.29 (h)(1) \$6,500,000 each year is for grants to  
3.30 local communities to increase the number of  
3.31 quality child care providers to support  
3.32 economic development. This appropriation is  
3.33 available through June 30, 2025. Beginning  
3.34 in fiscal year 2026, the base amount is

4.1 \$1,500,000. Fifty percent of grant funds must  
4.2 go to communities located outside the  
4.3 seven-county metropolitan area as defined in  
4.4 Minnesota Statutes, section 473.121,  
4.5 subdivision 2.

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

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

5.1 jurisdiction over early learning, child care, and  
5.2 economic development.

5.3 (i) \$3,500,000 each year is for a grant to the  
5.4 Minnesota Initiative Foundations. This  
5.5 appropriation is available until June 30, 2027.  
5.6 Beginning in fiscal year 2026, the base amount  
5.7 is \$1,000,000. The Minnesota Initiative  
5.8 Foundations must use grant funds under this  
5.9 section to:

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

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

5.21 (3) provide locally based training and technical  
5.22 assistance to rural child care business owners  
5.23 individually or through a learning cohort.

5.24 Access to financial and business development  
5.25 assistance must prepare child care businesses  
5.26 for quality engagement and improvement by  
5.27 stabilizing operations, leveraging funding from  
5.28 other sources, and fostering business acumen  
5.29 that allows child care businesses to plan for  
5.30 and afford the cost of providing quality child  
5.31 care; and

5.32 (4) recruit child care programs to participate  
5.33 in quality rating and improvement  
5.34 measurement programs. The Minnesota

6.1 Initiative Foundations must work with local  
6.2 partners to provide low-cost training,  
6.3 professional development opportunities, and  
6.4 continuing education curricula. The Minnesota  
6.5 Initiative Foundations must fund, through local  
6.6 partners, an enhanced level of coaching to  
6.7 rural child care providers to obtain a quality  
6.8 rating through measurement programs.

6.9 (j) \$8,000,000 each year is for the Minnesota  
6.10 job creation fund under Minnesota Statutes,  
6.11 section 116J.8748. Of this amount, the  
6.12 commissioner of employment and economic  
6.13 development may use up to three percent for  
6.14 administrative expenses. This appropriation  
6.15 is available until expended.

6.16 (k) \$12,370,000 each year is for the Minnesota  
6.17 investment fund under Minnesota Statutes,  
6.18 section 116J.8731. Of this amount, the  
6.19 commissioner of employment and economic  
6.20 development may use up to three percent for  
6.21 administration and monitoring of the program.  
6.22 This appropriation is available until expended.  
6.23 Notwithstanding Minnesota Statutes, section  
6.24 116J.8731, money appropriated to the  
6.25 commissioner for the Minnesota investment  
6.26 fund may be used for the redevelopment  
6.27 program under Minnesota Statutes, sections  
6.28 116J.575 and 116J.5761, at the discretion of  
6.29 the commissioner. Grants under this paragraph  
6.30 are not subject to the grant amount limitation  
6.31 under Minnesota Statutes, section 116J.8731.

6.32 (l) \$2,246,000 each year is for the  
6.33 redevelopment program under Minnesota  
6.34 Statutes, sections 116J.575 and 116J.5761.

- 7.1 (m) \$1,000,000 each year is for the Minnesota  
7.2 emerging entrepreneur loan program under  
7.3 Minnesota Statutes, section 116M.18. Funds  
7.4 available under this paragraph are for transfer  
7.5 into the emerging entrepreneur program  
7.6 special revenue fund account created under  
7.7 Minnesota Statutes, chapter 116M, and are  
7.8 available until expended. Of this amount, up  
7.9 to four percent is for administration and  
7.10 monitoring of the program.
- 7.11 (n) \$325,000 each year is for the Minnesota  
7.12 Film and TV Board. The appropriation each  
7.13 year is available only upon receipt by the  
7.14 board of \$1 in matching contributions of  
7.15 money or in-kind contributions from nonstate  
7.16 sources for every \$3 provided by this  
7.17 appropriation, except that each year up to  
7.18 \$50,000 is available on July 1 even if the  
7.19 required matching contribution has not been  
7.20 received by that date.
- 7.21 (o) \$12,000 each year is for a grant to the  
7.22 Upper Minnesota Film Office.
- 7.23 (p) \$500,000 each year is for a grant to the  
7.24 Minnesota Film and TV Board for the film  
7.25 production jobs program under Minnesota  
7.26 Statutes, section 116U.26. This appropriation  
7.27 is available until June 30, 2027.
- 7.28 (q) \$4,195,000 each year is for the Minnesota  
7.29 job skills partnership program under  
7.30 Minnesota Statutes, sections 116L.01 to  
7.31 116L.17. If the appropriation for either year  
7.32 is insufficient, the appropriation for the other  
7.33 year is available. This appropriation is  
7.34 available until expended.

- 8.1 (r) \$1,350,000 each year from the workforce  
8.2 development fund is for jobs training grants  
8.3 under Minnesota Statutes, section 116L.41.
- 8.4 (s) \$2,500,000 each year is for Launch  
8.5 Minnesota. This appropriation is available  
8.6 until June 30, 2027. The base in fiscal year  
8.7 2026 is \$0. Of this amount:
- 8.8 (1) \$1,500,000 each year is for innovation  
8.9 grants to eligible Minnesota entrepreneurs or  
8.10 start-up businesses to assist with their  
8.11 operating needs;
- 8.12 (2) \$500,000 each year is for administration  
8.13 of Launch Minnesota; and
- 8.14 (3) \$500,000 each year is for grantee activities  
8.15 at Launch Minnesota.
- 8.16 (t) \$250,000 each year is for the publication,  
8.17 dissemination, and use of labor market  
8.18 information under Minnesota Statutes, section  
8.19 116J.401.
- 8.20 (u) \$500,000 each year is for the airport  
8.21 infrastructure renewal (AIR) grant program  
8.22 under Minnesota Statutes, section 116J.439.  
8.23 In awarding grants with this appropriation, the  
8.24 commissioner must prioritize eligible  
8.25 applicants that did not receive a grant pursuant  
8.26 to the appropriation in Laws 2019, First  
8.27 Special Session chapter 7, article 1, section 2,  
8.28 subdivision 2, paragraph (q).
- 8.29 (v) \$350,000 each year is for administration  
8.30 of the community energy transition office.
- 8.31 (w) \$5,000,000 each year is for the community  
8.32 energy transition grant program under  
8.33 Minnesota Statutes, section 116J.55. This is

9.1 a onetime appropriation and is available until  
9.2 expended.

9.3 (x) \$400,000,000 in the first year is for  
9.4 providing businesses with matching funds  
9.5 required by federal programs. This  
9.6 appropriation is available until spent. Of this  
9.7 amount:

9.8 (1) \$100,000,000 is to match no less than  
9.9 \$100,000,000 in federal funds provided by  
9.10 Public Law 117-328 to establish a campus for  
9.11 biomanufacturing pilot-scale testing and  
9.12 commercialization, including site acquisition  
9.13 and development; and

9.14 (2) \$300,000,000 is to match no less than  
9.15 \$300,000,000 in federal funds provided by  
9.16 Public Law 117-167 for microelectronic  
9.17 manufacturing facilities and workforce  
9.18 development.

9.19 (y) \$1,250,000 each year is to hire, train, and  
9.20 deploy small business navigators in  
9.21 communities and locations throughout the state  
9.22 to assist small businesses and entrepreneurs,  
9.23 especially historically underserved small  
9.24 businesses and entrepreneurs, in accessing  
9.25 state, federal, local, and private small business  
9.26 assistance programs. Of this amount, \$500,000  
9.27 must be used to improve the agency's digital  
9.28 navigation and information services for small  
9.29 businesses and entrepreneurs. In fiscal year  
9.30 2026 and beyond, the base amount is  
9.31 \$1,000,000.

9.32 (z) \$500,000 each year is for the Office of  
9.33 Child Care Community Partnerships. Of this  
9.34 amount:

- 10.1 (1) \$450,000 each year is for administration  
10.2 of the Office of Child Care Community  
10.3 Partnerships; and
- 10.4 (2) \$50,000 each year is for the Labor Market  
10.5 Information Office to conduct research and  
10.6 analysis related to the child care industry.
- 10.7 (aa) \$5,000,000 in the first year is for a grant  
10.8 to the Bloomington Port Authority to provide  
10.9 funding for the Expo 2027 host organization.  
10.10 The Bloomington Port Authority must enter  
10.11 into an agreement with the host organization  
10.12 over the use of funds, which may be used for  
10.13 activities, including but not limited to  
10.14 finalizing the community dossier and staffing  
10.15 the host organization as well as infrastructure  
10.16 design and planning, financial modeling,  
10.17 development planning and coordination of  
10.18 both real estate and public private partnerships,  
10.19 and reimbursement of the Bloomington Port  
10.20 Authority for costs incurred. In selecting  
10.21 vendors and exhibitors for Expo 2027, the host  
10.22 organization shall prioritize outreach to,  
10.23 collaboration with, and inclusion of businesses  
10.24 that are majority owned by people of color,  
10.25 women, and people with disabilities. The host  
10.26 organization and the Bloomington Port  
10.27 Authority may be reimbursed for expenses 90  
10.28 days prior to encumbrance. This appropriation  
10.29 is contingent on approval of the project by the  
10.30 Bureau International des Expositions.
- 10.31 (bb) \$500,000 each year is for grants to small  
10.32 business development centers under Minnesota  
10.33 Statutes, section 116J.68. Money made  
10.34 available under this paragraph may be used to  
10.35 match funds under the federal Small Business

11.1 Development Center (SBDC) program under  
11.2 United States Code, title 15, section 648, to  
11.3 provide consulting and technical services or  
11.4 to build additional SBDC network capacity to  
11.5 serve entrepreneurs and small businesses.

11.6 (cc) \$1,500,000 each year is for deposit in the  
11.7 community wealth-building account in the  
11.8 special revenue fund. Of this amount, up to  
11.9 five percent is for administration and  
11.10 monitoring of the community wealth-building  
11.11 grant program under Minnesota Statutes,  
11.12 section 116J.9925.

11.13 (dd) \$4,000,000 in the first year and  
11.14 \$1,000,000 in the second year are for grants  
11.15 to the Neighborhood Development Center.

11.16 This is a onetime appropriation. Of these  
11.17 amounts:

11.18 (1) \$750,000 each year is for small business  
11.19 programs, including training, lending, business  
11.20 services, and real estate programming;

11.21 (2) \$250,000 each year is for technical  
11.22 assistance activities for partners located  
11.23 outside the seven-county metropolitan area,  
11.24 as defined in Minnesota Statutes, section  
11.25 473.121, subdivision 2;

11.26 (3) \$1,000,000 in the first year is for  
11.27 development of permanently affordable,  
11.28 concentrated commercial space and  
11.29 wraparound business services outside the  
11.30 seven-county metropolitan area, as defined in  
11.31 Minnesota Statutes, section 473.121,  
11.32 subdivision 2; and

11.33 (4) \$2,000,000 in the first year is for high-risk,  
11.34 character-based loan capital for nonrecourse

- 12.1 loans to be used to leverage at least  
12.2 \$10,000,000 in recourse lending capital.
- 12.3 (ee)(1) \$5,500,000 in the first year is for a  
12.4 grant to the Center for Economic Inclusion for  
12.5 strategic, data-informed investments in job  
12.6 creation strategies that respond to the needs  
12.7 of underserved populations statewide. This  
12.8 may include pay-for-performance contracts  
12.9 with nonprofit organizations to provide  
12.10 outreach, training, and support services for  
12.11 dislocated and chronically underemployed  
12.12 people, as well as forgivable loans,  
12.13 revenue-based financing, and equity  
12.14 investments for entrepreneurs with barriers to  
12.15 growth. Of this amount, up to ten percent may  
12.16 be used for the center's technical assistance  
12.17 and administrative costs. This appropriation  
12.18 is available until June 30, 2025.
- 12.19 (2) By January 15, 2026, the Center for  
12.20 Economic Inclusion shall submit a report on  
12.21 the use of grant funds, including any loans  
12.22 made, to the legislative committees with  
12.23 jurisdiction over economic development.
- 12.24 (ff) \$4,000,000 in the first year is for the  
12.25 Canadian border counties economic relief  
12.26 program. Of this amount, \$1,000,000 is for  
12.27 Tribal economic development. This  
12.28 appropriation is available until June 30, 2025.
- 12.29 (gg) \$10,000,000 in the first year is for the  
12.30 targeted community capital project grant  
12.31 program under Minnesota Statutes, section  
12.32 116J.9924.
- 12.33 (hh) \$13,550,000 in the first year is for deposit  
12.34 in the emerging developer fund account in the

- 13.1 special revenue fund. Of this amount, up to  
13.2 five percent is for the administration and  
13.3 monitoring of the emerging developer fund  
13.4 program under Minnesota Statutes, section  
13.5 116J.9926.
- 13.6 (ii) \$2,000,000 in the first year is for a grant  
13.7 to African Economic Development Solutions  
13.8 for a loan fund that must address pervasive  
13.9 economic inequities by supporting business  
13.10 ventures of entrepreneurs in the African  
13.11 immigrant community. This appropriation is  
13.12 available until June 30, 2026.
- 13.13 (jj) \$500,000 each year is for grants to  
13.14 Enterprise Minnesota, Inc., to directly invest  
13.15 in Minnesota manufacturers for the small  
13.16 business growth acceleration program under  
13.17 Minnesota Statutes, section 116O.115. This  
13.18 is a onetime appropriation.
- 13.19 (kk)(1) \$1,500,000 each year is for grants to  
13.20 MNSBIR, Inc., to support moving scientific  
13.21 excellence and technological innovation from  
13.22 the lab to the market for start-ups and small  
13.23 businesses by securing federal research and  
13.24 development funding. The purpose of the grant  
13.25 is to build a strong Minnesota economy and  
13.26 stimulate the creation of novel products,  
13.27 services, and solutions in the private sector;  
13.28 strengthen the role of small business in  
13.29 meeting federal research and development  
13.30 needs; increase the commercial application of  
13.31 federally supported research results; and  
13.32 develop and increase the Minnesota  
13.33 workforce, especially by fostering and  
13.34 encouraging participation by small businesses  
13.35 owned by women and people who are Black,

- 14.1 Indigenous, or people of color. This is a  
14.2 onetime appropriation.
- 14.3 (2) MNSBIR, Inc., shall use the grant money  
14.4 to be the dedicated resource for federal  
14.5 research and development for small businesses  
14.6 of up to 500 employees statewide to support  
14.7 research and commercialization of novel ideas,  
14.8 concepts, and projects into cutting-edge  
14.9 products and services for worldwide economic  
14.10 impact. MNSBIR, Inc., shall use grant money  
14.11 to:
- 14.12 (i) assist small businesses in securing federal  
14.13 research and development funding, including  
14.14 the Small Business Innovation Research and  
14.15 Small Business Technology Transfer programs  
14.16 and other federal research and development  
14.17 funding opportunities;
- 14.18 (ii) support technology transfer and  
14.19 commercialization from the University of  
14.20 Minnesota, Mayo Clinic, and federal  
14.21 laboratories;
- 14.22 (iii) partner with large businesses;
- 14.23 (iv) conduct statewide outreach, education,  
14.24 and training on federal rules, regulations, and  
14.25 requirements;
- 14.26 (v) assist with scientific and technical writing;
- 14.27 (vi) help manage federal grants and contracts;  
14.28 and
- 14.29 (vii) support cost accounting and sole-source  
14.30 procurement opportunities.
- 14.31 (ll) \$2,000,000 in the first year is for a grant  
14.32 to African Career, Education, and Resource,  
14.33 Inc., for operational infrastructure and

15.1 technical assistance to small businesses. This  
15.2 appropriation is available until June 30, 2025.  
15.3 (mm) \$4,000,000 in the first year is for a grant  
15.4 to the African Development Center to provide  
15.5 loans to purchase commercial real estate and  
15.6 to expand organizational infrastructure. This  
15.7 appropriation is available until June 30, 2025.  
15.8 Of this amount:  
15.9 (1) \$2,800,000 is for loans to purchase  
15.10 commercial real estate targeted at African  
15.11 immigrant small business owners;  
15.12 (2) \$364,000 is for loan loss reserves to  
15.13 support loan volume growth and attract  
15.14 additional capital; and  
15.15 (3) \$836,000 is for increasing organizational  
15.16 capacity.  
15.17 (nn)(1) \$375,000 each year is for grants to  
15.18 PFund Foundation to provide grants to  
15.19 LGBTQ+-owned small businesses and  
15.20 entrepreneurs. Of this amount, up to ten  
15.21 percent may be used for PFund Foundation's  
15.22 technical assistance and administrative costs.  
15.23 This appropriation is onetime and is available  
15.24 until June 30, 2026. To the extent practicable,  
15.25 money must be distributed by PFund  
15.26 Foundation as follows:  
15.27 (i) at least 33.3 percent to racial  
15.28 minority-owned businesses; and  
15.29 (ii) at least 33.3 percent to businesses outside  
15.30 of the seven-county metropolitan area as  
15.31 defined in Minnesota Statutes, section  
15.32 473.121, subdivision 2.

- 16.1 (oo) \$125,000 each year is for grants to  
16.2 Quorum to provide business support, training,  
16.3 development, technical assistance, and related  
16.4 activities for LGBTQ+-owned small  
16.5 businesses that are recipients of a PFund  
16.6 Foundation grant. Of this amount, up to ten  
16.7 percent may be used for Quorum's technical  
16.8 assistance and administrative costs. This  
16.9 appropriation is onetime and is available until  
16.10 June 30, 2026.
- 16.11 (pp) \$6,000,000 in the first year is for grants  
16.12 to the Minnesota initiative foundations to  
16.13 capitalize their revolving loan funds, which  
16.14 address unmet financing needs of for-profit  
16.15 business start-ups, expansions, and ownership  
16.16 transitions; nonprofit organizations; and  
16.17 developers of housing to support the  
16.18 construction, rehabilitation, and conversion  
16.19 of housing units. Of this amount:
- 16.20 (1) \$1,000,000 is for a grant to the Southwest  
16.21 Initiative Foundation;
- 16.22 (2) \$1,000,000 is for a grant to the West  
16.23 Central Initiative Foundation;
- 16.24 (3) \$1,000,000 is for a grant to the Southern  
16.25 Minnesota Initiative Foundation;
- 16.26 (4) \$1,000,000 is for a grant to the Northwest  
16.27 Minnesota Foundation;
- 16.28 (5) \$1,000,000 is for a grant to the Initiative  
16.29 Foundation; and
- 16.30 (6) \$1,000,000 is for a grant to the Northland  
16.31 Foundation.
- 16.32 (qq) \$627,000 in the first year is for a grant to  
16.33 Community and Economic Development

17.1 Associates (CEDA) to provide funding for  
17.2 economic development technical assistance  
17.3 and economic development project grants to  
17.4 small communities across rural Minnesota and  
17.5 for CEDA to design, implement, market, and  
17.6 administer specific types of basic community  
17.7 and economic development programs tailored  
17.8 to individual community needs. Technical  
17.9 assistance grants shall be based on need and  
17.10 given to communities that are otherwise  
17.11 unable to afford these services. Of this amount,  
17.12 up to \$270,000 may be used for economic  
17.13 development project implementation in  
17.14 conjunction with the technical assistance  
17.15 received.

17.16 (rr) \$3,000,000 in the first year is for a grant  
17.17 to the Latino Economic Development Center.  
17.18 This appropriation is available until June 30,  
17.19 2025. Of this amount:

17.20 (1) \$1,500,000 is to assist, support, finance,  
17.21 and launch microentrepreneurs by delivering  
17.22 training, workshops, and one-on-one  
17.23 consultations to businesses; and

17.24 (2) \$1,500,000 is to guide prospective  
17.25 entrepreneurs in their start-up process by  
17.26 introducing them to key business concepts,  
17.27 including business start-up readiness. Grant  
17.28 proceeds must be used to offer workshops on  
17.29 a variety of topics throughout the year,  
17.30 including finance, customer service,  
17.31 food-handler training, and food-safety  
17.32 certification. Grant proceeds may also be used  
17.33 to provide lending to business startups.

17.34 (ss)(1) \$125,000 each year is for grants to the  
17.35 Latino Chamber of Commerce Minnesota to

18.1 support the growth and expansion of small  
18.2 businesses statewide. Funds may be used for  
18.3 the cost of programming, outreach, staffing,  
18.4 and supplies. This is a onetime appropriation.

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

18.11 (tt)(1) \$7,500,000 in the first year is for a grant  
18.12 to the Metropolitan Economic Development  
18.13 Association (MEDA) for statewide business  
18.14 development and assistance services to  
18.15 minority-owned businesses. Of this amount:

18.16 (i) \$5,000,000 is for a revolving loan fund to  
18.17 provide additional minority-owned businesses  
18.18 with access to capital; and

18.19 (ii) \$2,500,000 is for operating support  
18.20 activities related to business development and  
18.21 assistance services for minority business  
18.22 enterprises.

18.23 (2) By February 1, 2025, MEDA shall report  
18.24 to the commissioner and the legislative  
18.25 committees with jurisdiction over economic  
18.26 development on the use of grant funds and  
18.27 grant outcomes.

18.28 (uu) \$175,000 in the first year is for a grant to  
18.29 the city of South St. Paul for repurposing the  
18.30 1927 American Legion Memorial Library after  
18.31 the property is no longer used as a library. This  
18.32 appropriation is available until the project is  
18.33 completed or abandoned, subject to Minnesota  
18.34 Statutes, section 16A.642.

- 19.1 (vv) \$62,934,000 each year is for the  
19.2 empowering enterprise program. This is a  
19.3 onetime appropriation, of which:
- 19.4 (1) at least \$31,000,000 each year is for a grant  
19.5 to the city of Minneapolis;
- 19.6 (2) \$11,000,000 each year is for a grant to the  
19.7 city of St. Paul;
- 19.8 (3) \$5,425,000 each year is for a grant to the  
19.9 Northside Economic Opportunity Network;
- 19.10 (4) \$5,425,000 each year is for a grant to the  
19.11 Lake Street Council;
- 19.12 (5) \$5,425,000 each year is for a grant to the  
19.13 Midway Chamber of Commerce; and
- 19.14 (6) \$250,000 each year is for a grant to the  
19.15 Asian Economic Development Association.
- 19.16 (ww) \$250,000 in the first year is for a grant  
19.17 to LatinoLEAD for organizational  
19.18 capacity-building.
- 19.19 (xx) \$200,000 in the first year is for a grant to  
19.20 the Neighborhood Development Center for  
19.21 small business competitive grants to software  
19.22 companies working to improve employee  
19.23 engagement and workplace culture and to  
19.24 reduce turnover.
- 19.25 (yy) \$2,000,000 in the first year and  
19.26 \$1,000,000 in the second year are for grants  
19.27 to the Local Initiatives Support Corporation.  
19.28 This is a onetime appropriation. Of these  
19.29 amounts:
- 19.30 (1) \$200,000 in the first year and \$100,000 in  
19.31 the second year are for predevelopment grants  
19.32 and technical assistance in support of real

20.1 estate development in areas negatively affected  
20.2 by civil unrest; and  
20.3 (2) \$1,800,000 in the first year and \$900,000  
20.4 in the second year are for capitalizing a loan  
20.5 program for the development and construction  
20.6 of commercial and residential projects in areas  
20.7 negatively affected by civil unrest. A priority  
20.8 for use of these funds shall be participants in  
20.9 programs for emerging developers.  
20.10 (zz) \$1,000,000 in fiscal year 2024 is for a  
20.11 grant to WomenVenture to support child care  
20.12 providers through business training and shared  
20.13 services programs and to create materials that  
20.14 could be used, free of charge, for start-up,  
20.15 expansion, and operation of child care  
20.16 businesses statewide, with the goal of helping  
20.17 new and existing child care businesses in  
20.18 underserved areas of the state become  
20.19 profitable and sustainable. The commissioner  
20.20 shall report data on outcomes and  
20.21 recommendations for replication of this  
20.22 training program throughout Minnesota to the  
20.23 governor and relevant committees of the  
20.24 legislature by December 15, 2025. This is a  
20.25 onetime appropriation and is available until  
20.26 June 20, 2025.  
20.27 (aaa) \$75,000,000 in the first year is for  
20.28 transfer to the state competitiveness fund  
20.29 account for the purposes of Minnesota  
20.30 Statutes, section 216C.391.  
20.31 (bbb) \$25,000,000 in the first year is for  
20.32 transfer to the climate innovation finance  
20.33 authority account for the purposes of  
20.34 Minnesota Statutes, section 216C.441.

21.1	<b><u>Subd. 3. Employment and Training Programs</u></b>	<b><u>102,548,000</u></b>	<b><u>102,448,000</u></b>
21.2	<u>Appropriations by Fund</u>		
21.3	<u>General</u>	<u>86,718,000</u>	<u>87,318,000</u>
21.4	<u>Workforce</u>		
21.5	<u>Development</u>	<u>15,830,000</u>	<u>15,130,000</u>
21.6	<u>(a) \$500,000 each year from the general fund</u>		
21.7	<u>and \$500,000 each year from the workforce</u>		
21.8	<u>development fund are for rural career</u>		
21.9	<u>counseling coordinators in the workforce</u>		
21.10	<u>service areas and for the purposes specified</u>		
21.11	<u>under Minnesota Statutes, section 116L.667.</u>		
21.12	<u>(b) \$750,000 each year is for the women and</u>		
21.13	<u>high-wage, high-demand, nontraditional jobs</u>		
21.14	<u>grant program under Minnesota Statutes,</u>		
21.15	<u>section 116L.99. Of this amount, up to five</u>		
21.16	<u>percent is for administration and monitoring</u>		
21.17	<u>of the program. Beginning in fiscal year 2026,</u>		
21.18	<u>the base amount is \$168,000 from the general</u>		
21.19	<u>fund and \$582,000 from the workforce</u>		
21.20	<u>development fund.</u>		
21.21	<u>(c) \$2,546,000 each year from the general fund</u>		
21.22	<u>and \$4,604,000 each year from the workforce</u>		
21.23	<u>development fund are for the pathways to</u>		
21.24	<u>prosperity competitive grant program. Of this</u>		
21.25	<u>amount, up to five percent is for administration</u>		
21.26	<u>and monitoring of the program. Beginning in</u>		
21.27	<u>fiscal year 2026, the base amount is \$0 from</u>		
21.28	<u>the general fund and \$7,150,000 from the</u>		
21.29	<u>workforce development fund.</u>		
21.30	<u>(d) \$500,000 each year is from the workforce</u>		
21.31	<u>development fund for current Minnesota</u>		
21.32	<u>affiliates of OIC of America, Inc. This</u>		
21.33	<u>appropriation shall be divided equally among</u>		
21.34	<u>the eligible centers.</u>		

- 22.1 (e) \$1,000,000 each year is for competitive  
22.2 grants to organizations providing services to  
22.3 relieve economic disparities in the Southeast  
22.4 Asian community through workforce  
22.5 recruitment, development, job creation,  
22.6 assistance of smaller organizations to increase  
22.7 capacity, and outreach. Of this amount, up to  
22.8 five percent is for administration and  
22.9 monitoring of the program. Beginning in fiscal  
22.10 year 2026, the base amount is \$0 from the  
22.11 general fund and \$1,000,000 from the  
22.12 workforce development fund.
- 22.13 (f) \$1,000,000 each year is for a competitive  
22.14 grant program to provide grants to  
22.15 organizations that provide support services for  
22.16 individuals, such as job training, employment  
22.17 preparation, internships, job assistance to  
22.18 parents, financial literacy, academic and  
22.19 behavioral interventions for low-performing  
22.20 students, and youth intervention. Grants made  
22.21 under this section must focus on low-income  
22.22 communities, young adults from families with  
22.23 a history of intergenerational poverty, and  
22.24 communities of color. Of this amount, up to  
22.25 five percent is for administration and  
22.26 monitoring of the program.
- 22.27 (g) \$1,750,000 each year is for a grant to  
22.28 Propel Nonprofits to provide capacity-building  
22.29 grants and related technical assistance to small,  
22.30 culturally specific organizations that primarily  
22.31 serve historically underserved cultural  
22.32 communities. Propel Nonprofits may only  
22.33 award grants to nonprofit organizations that  
22.34 have an annual organizational budget of less

- 23.1 than \$1,000,000. These grants may be used  
23.2 for:
- 23.3 (1) organizational infrastructure  
23.4 improvements, including developing database  
23.5 management systems and financial systems,  
23.6 or other administrative needs that increase the  
23.7 organization's ability to access new funding  
23.8 sources;
- 23.9 (2) organizational workforce development,  
23.10 including hiring culturally competent staff,  
23.11 training and skills development, and other  
23.12 methods of increasing staff capacity; or
- 23.13 (3) creating or expanding partnerships with  
23.14 existing organizations that have specialized  
23.15 expertise in order to increase capacity of the  
23.16 grantee organization to improve services to  
23.17 the community.
- 23.18 Of this amount, up to ten percent may be used  
23.19 by Propel Nonprofits for administrative costs.  
23.20 This is a onetime appropriation.
- 23.21 (h) \$4,102,000 each year from the general fund  
23.22 and \$4,476,000 each year from the workforce  
23.23 development fund are for the youth-at-work  
23.24 competitive grant program under Minnesota  
23.25 Statutes, section 116L.562. Of this amount,  
23.26 up to five percent is for administration and  
23.27 monitoring of the youth workforce  
23.28 development competitive grant program. All  
23.29 grant awards shall be for two consecutive  
23.30 years. Grants shall be awarded in the first year.  
23.31 In fiscal year 2026 and beyond, the base  
23.32 amount from the general fund is \$750,000.
- 23.33 (i) \$1,093,000 each year from the general fund  
23.34 and \$1,000,000 each year from the workforce

24.1 development fund are for the youthbuild  
24.2 program under Minnesota Statutes, sections  
24.3 116L.361 to 116L.366. In fiscal year 2026 and  
24.4 beyond, the base amount from the general fund  
24.5 is \$0.

24.6 (j) \$4,427,000 each year from the general fund  
24.7 and \$4,050,000 each year from the workforce  
24.8 development fund are for the Minnesota youth  
24.9 program under Minnesota Statutes, sections  
24.10 116L.56 and 116L.561. In fiscal year 2026  
24.11 and beyond, the base amount from the general  
24.12 fund is \$0.

24.13 (k) \$1,000,000 each year is for a grant to the  
24.14 Minnesota Technology Association to support  
24.15 the SciTech Internship Program, a program  
24.16 that supports science, technology, engineering,  
24.17 and math (STEM) internship opportunities for  
24.18 two- and four-year college students and  
24.19 graduate students in their fields of study. The  
24.20 internship opportunities must match students  
24.21 with paid internships within STEM disciplines  
24.22 at small, for-profit companies located in  
24.23 Minnesota having fewer than 250 employees  
24.24 worldwide. At least 250 students must be  
24.25 matched each year. No more than 15 percent  
24.26 of the hires may be graduate students. Selected  
24.27 hiring companies shall receive from the grant  
24.28 50 percent of the wages paid to the intern,  
24.29 capped at \$3,000 per intern. The program must  
24.30 work toward increasing the participation  
24.31 among women or other underserved  
24.32 populations. This is a onetime appropriation.

24.33 (l) \$7,500,000 each year is for the Drive for  
24.34 Five Initiative to conduct outreach and provide  
24.35 job skills training, career counseling, case

25.1 management, and supportive services for  
25.2 careers in (1) technology, (2) labor, (3) the  
25.3 caring professions, (4) manufacturing, and (5)  
25.4 educational and professional services. These  
25.5 are onetime appropriations.

25.6 (m) Of the amounts appropriated in paragraph  
25.7 (l), the commissioner must make \$5,000,000  
25.8 each year available through a competitive  
25.9 request for proposal process. The grant awards  
25.10 must be used to provide education and training  
25.11 in the five industries identified in paragraph  
25.12 (l). Education and training may include:

25.13 (1) student tutoring and testing support  
25.14 services;

25.15 (2) training and employment placement in high  
25.16 wage and high growth employment;

25.17 (3) assistance in obtaining industry-specific  
25.18 certifications;

25.19 (4) remedial training leading to enrollment;

25.20 (5) real-time work experience in information;

25.21 (6) career and educational counseling;

25.22 (7) work experience and internships; and

25.23 (8) supportive services.

25.24 (n) Of the amount appropriated in paragraph  
25.25 (l), \$1,625,000 each year must be awarded  
25.26 through competitive grants made to trade  
25.27 associations or chambers of commerce for job  
25.28 placement services. Grant awards must be used  
25.29 to encourage workforce training efforts to  
25.30 ensure that efforts are aligned with employer  
25.31 demands and that graduates are connected with  
25.32 employers that are hiring. Trade associations  
25.33 or chambers must partner with employers with

26.1 current or anticipated employment  
26.2 opportunities and nonprofit workforce training  
26.3 partners participating in this program. The  
26.4 trade associations or chambers must work  
26.5 closely with the industry sector training  
26.6 providers in the five industries identified in  
26.7 paragraph (l). Grant awards may be used for:  
26.8 (1) employer engagement strategies to align  
26.9 employment opportunities for individuals  
26.10 exiting workforce development training  
26.11 programs. These strategies may include  
26.12 business recruitment, job opening  
26.13 development, employee recruitment, and job  
26.14 matching. Trade associations must utilize the  
26.15 state's labor exchange system;  
26.16 (2) diversity, inclusion, and retention training  
26.17 for members to increase the business  
26.18 understanding of welcoming and retaining a  
26.19 diverse workforce; and  
26.20 (3) industry-specific training.  
26.21 (o) Of the amount appropriated in paragraph  
26.22 (l), \$875,000 each year is to hire, train, and  
26.23 deploy business services representatives in  
26.24 local workforce development areas throughout  
26.25 the state. Business services representatives  
26.26 must work with an assigned local workforce  
26.27 development area to address the hiring needs  
26.28 of Minnesota's businesses by connecting job  
26.29 seekers and program participants in the  
26.30 CareerForce system. Business services  
26.31 representatives serve in the classified service  
26.32 of the state and operate as part of the agency's  
26.33 Employment and Training Office. The  
26.34 commissioner shall develop and implement  
26.35 training materials and reporting and evaluation

- 27.1 procedures for the activities of the business
- 27.2 services representatives. The business services
- 27.3 representatives must:
- 27.4 (1) serve as the primary contact for businesses
- 27.5 in that area;
- 27.6 (2) actively engage employers by assisting
- 27.7 with matching employers to job seekers by
- 27.8 referring candidates, convening job fairs, and
- 27.9 assisting with job announcements; and
- 27.10 (3) work with the local area board and the
- 27.11 board's partners to identify candidates for
- 27.12 openings in small and midsize companies in
- 27.13 the local area.
- 27.14 (p) \$30,000,000 each year is for the targeted
- 27.15 population workforce grants under Minnesota
- 27.16 Statutes, section 116L.43. The department
- 27.17 may use up to ten percent of this appropriation
- 27.18 for administration, monitoring, and oversight
- 27.19 of the program. Of this amount:
- 27.20 (1) \$22,000,000 each year is for job and
- 27.21 entrepreneurial skills training grants under
- 27.22 Minnesota Statutes, section 116L.43,
- 27.23 subdivision 2;
- 27.24 (2) \$2,000,000 each year is for diversity and
- 27.25 inclusion training for small employers under
- 27.26 Minnesota Statutes, section 116L.43,
- 27.27 subdivision 3; and
- 27.28 (3) \$6,000,000 each year is for capacity
- 27.29 building grants under Minnesota Statutes,
- 27.30 section 116L.43, subdivision 4.
- 27.31 Beginning in fiscal year 2026, the base amount
- 27.32 is \$2,500,000.

- 28.1 (q) \$1,500,000 each year is to establish an  
28.2 Office of New Americans. This is a onetime  
28.3 appropriation.
- 28.4 (r) \$400,000 each year is for a grant to the  
28.5 nonprofit 30,000 Feet to fund youth  
28.6 apprenticeship jobs, wraparound services,  
28.7 after-school programming, and summer  
28.8 learning loss prevention targeted at African  
28.9 American youth. This is a onetime  
28.10 appropriation.
- 28.11 (s) \$700,000 each year is for a grant to Avivo  
28.12 to provide low-income individuals with career  
28.13 education and job skills training that is fully  
28.14 integrated with chemical and mental health  
28.15 services. This is a onetime appropriation.
- 28.16 (t)(1) \$450,000 each year is for a grant to  
28.17 Better Futures Minnesota to provide job skills  
28.18 training to individuals who have been released  
28.19 from incarceration for a felony-level offense  
28.20 and are no more than 12 months from the date  
28.21 of release. This is a onetime appropriation.
- 28.22 (2) Better Futures Minnesota shall annually  
28.23 report to the commissioner on how the money  
28.24 was spent and what results were achieved. The  
28.25 report must include, at a minimum,  
28.26 information and data about the number of  
28.27 participants; participant homelessness,  
28.28 employment, recidivism, and child support  
28.29 compliance; and job skills training provided  
28.30 to program participants.
- 28.31 (u) \$600,000 each year is for a grant to East  
28.32 Side Neighborhood Services. This is a onetime  
28.33 appropriation of which:

- 29.1 (1) \$300,000 each year is for the senior  
29.2 community service employment program,  
29.3 which provides work readiness training to  
29.4 low-income adults ages 55 and older to  
29.5 provide ongoing support and mentoring  
29.6 services to the program participants as well as  
29.7 the transition period from subsidized wages  
29.8 to unsubsidized wages; and
- 29.9 (2) \$300,000 each year is for the nursing  
29.10 assistant plus program to serve the increased  
29.11 need for growth of medical talent pipelines  
29.12 through expansion of the existing program and  
29.13 development of in-house training.
- 29.14 The amounts specified in clauses (1) and (2)  
29.15 may also be used to enhance employment  
29.16 programming for youth and young adults, ages  
29.17 14 to 24, to introduce them to work culture,  
29.18 develop essential work readiness skills, and  
29.19 make career plans through paid internship  
29.20 experiences and work readiness training.
- 29.21 (v) \$250,000 each year is for Minnesota  
29.22 Family Resiliency Partnership programs under  
29.23 Minnesota Statutes, section 116L.96. The  
29.24 commissioner, through the adult career  
29.25 pathways program, shall distribute the money  
29.26 to existing nonprofit and state displaced  
29.27 homemaker programs. This is a onetime  
29.28 appropriation.
- 29.29 (w) \$550,000 each year is for a grant to the  
29.30 International Institute of Minnesota for  
29.31 workforce training for new Americans in  
29.32 industries in need of a trained workforce. This  
29.33 is a onetime appropriation.

- 30.1 (x) \$1,500,000 each year is for a grant to  
30.2 Summit Academy OIC to expand employment  
30.3 placement, GED preparation and  
30.4 administration, and STEM programming in  
30.5 the Twin Cities, Saint Cloud, and Bemidji.  
30.6 This is a onetime appropriation.
- 30.7 (y) \$500,000 each year is for a grant to Big  
30.8 Brothers Big Sisters of the Greater Twin Cities  
30.9 to provide disadvantaged youth ages 12 to 21  
30.10 with job-seeking skills, connections to job  
30.11 training and education opportunities, and  
30.12 mentorship while exploring careers. The grant  
30.13 must serve youth in the Big Brothers Big  
30.14 Sisters chapters in the Twin Cities, central  
30.15 Minnesota, and southern Minnesota. This is a  
30.16 onetime appropriation.
- 30.17 (z) \$400,000 each year is for a grant to the  
30.18 White Bear Center for the Arts for establishing  
30.19 a paid internship program for high school  
30.20 students to learn professional development  
30.21 skills through an arts perspective. This is a  
30.22 onetime appropriation.
- 30.23 (aa) \$750,000 each year is for a grant to  
30.24 Bridges to Healthcare to provide career  
30.25 education, wraparound support services, and  
30.26 job skills training in high-demand health care  
30.27 fields to low-income parents, nonnative  
30.28 speakers of English, and other hard-to-train  
30.29 individuals, and to help families build secure  
30.30 pathways out of poverty and address worker  
30.31 shortages in one of Minnesota's most  
30.32 innovative industries. Money may be used for  
30.33 program expenses, including but not limited  
30.34 to hiring instructors and navigators; space  
30.35 rental; and supportive services to help

31.1 participants attend classes, including assistance  
31.2 with course fees, child care, transportation,  
31.3 and safe and stable housing. Up to five percent  
31.4 of grant money may be used for Bridges to  
31.5 Healthcare's administrative costs. This is a  
31.6 onetime appropriation.

31.7 (bb) \$400,000 each year is for a grant to Hired  
31.8 to expand their career pathway job training  
31.9 and placement program that connects  
31.10 lower-skilled job seekers to entry-level and  
31.11 gateway jobs in high-growth sectors. This is  
31.12 a onetime appropriation.

31.13 (cc) \$1,000,000 each year is for a grant to the  
31.14 Minnesota Alliance of Boys and Girls Clubs  
31.15 to administer a statewide project of youth job  
31.16 skills and career development. This project,  
31.17 which may have career guidance components  
31.18 including health and life skills, must be  
31.19 designed to encourage, train, and assist youth  
31.20 in early access to education and job-seeking  
31.21 skills; work-based learning experience,  
31.22 including career pathways in STEM learning,  
31.23 career exploration, and matching; and first job  
31.24 placement through local community  
31.25 partnerships and on-site job opportunities. This  
31.26 grant requires a 25 percent match from  
31.27 nonstate sources. This is a onetime  
31.28 appropriation.

31.29 (dd) \$300,000 each year is for a grant to  
31.30 Southeast Minnesota Workforce Development  
31.31 Area 8 and Workforce Development, Inc., to  
31.32 provide career planning, career pathway  
31.33 training and education, wraparound support  
31.34 services, and job skills advancement in  
31.35 high-demand careers to individuals with

32.1 barriers to employment in Steele County, and  
32.2 to help families build secure pathways out of  
32.3 poverty and address worker shortages in the  
32.4 Owatonna and Steele County area, as well as  
32.5 supporting Employer Outreach Services that  
32.6 provide solutions to workforce challenges and  
32.7 direct connections to workforce programming.  
32.8 Money may be used for program expenses,  
32.9 including but not limited to hiring instructors  
32.10 and navigators; space rental; and supportive  
32.11 services to help participants attend classes,  
32.12 including assistance with course fees, child  
32.13 care, transportation, and safe and stable  
32.14 housing. Up to five percent of grant money  
32.15 may be used for Workforce Development,  
32.16 Inc.'s administrative costs. This is a onetime  
32.17 appropriation and is available until June 30,  
32.18 2025.

32.19 (ee) \$1,250,000 each year is for a grant to  
32.20 Ujamaa Place to assist primarily African  
32.21 American men with job training, employment  
32.22 preparation, internships, education, vocational  
32.23 housing, and organizational capacity building.  
32.24 This is a onetime appropriation.

32.25 (ff) \$500,000 each year is for grants to  
32.26 Minnesota Diversified Industries, Inc., to  
32.27 provide inclusive employment opportunities  
32.28 and services for people with disabilities. This  
32.29 is a onetime appropriation.

32.30 (gg) \$1,000,000 each year is for performance  
32.31 grants under Minnesota Statutes, section  
32.32 116J.8747, to Twin Cities R!SE to provide  
32.33 training to individuals facing barriers to  
32.34 employment. This is a onetime appropriation  
32.35 and is available until June 30, 2026.

33.1 (hh) \$500,000 each year is for the getting to  
33.2 work grant program under Minnesota Statutes,  
33.3 section 116J.545. Of this amount, up to five  
33.4 percent is for administration and monitoring  
33.5 of the program. This is a onetime  
33.6 appropriation.

33.7 (ii) \$400,000 the first year is for a grant to the  
33.8 ProStart and Hospitality Tourism Management  
33.9 Program for a well-established, proven, and  
33.10 successful education program that helps young  
33.11 people advance careers in the hospitality  
33.12 industry and addresses critical long-term  
33.13 workforce shortages in the tourism industry.

33.14 (jj) \$1,500,000 each year is for a grant to  
33.15 Comunidades Latinas Unidas En Servicio -  
33.16 Latino Communities United in Service  
33.17 (CLUES) to address employment, economic,  
33.18 and technology access disparities for  
33.19 low-income, unemployed, or underemployed  
33.20 individuals. Money must be used to support  
33.21 short-term certifications and transferable skills  
33.22 in high-demand fields, workforce readiness,  
33.23 customized financial capability, and  
33.24 employment supports. At least 50 percent of  
33.25 this amount must be used for programming  
33.26 targeted at greater Minnesota. This is a  
33.27 onetime appropriation.

33.28 (kk) \$500,000 each year is for a grant to the  
33.29 American Indian Opportunities and  
33.30 Industrialization Center for workforce  
33.31 development programming, including reducing  
33.32 academic disparities for American Indian  
33.33 students and adults. This is a onetime  
33.34 appropriation.

- 34.1 (ll) \$300,000 each year is for a grant to YMCA  
34.2 of the North to provide career exploration, job  
34.3 training, and workforce development services  
34.4 for underserved youth and young adults. This  
34.5 is a onetime appropriation.
- 34.6 (mm) \$750,000 each year is for grants to the  
34.7 Minneapolis Park and Recreation Board's Teen  
34.8 Teamworks youth employment and training  
34.9 programs. This is a onetime appropriation and  
34.10 is available in either year of the biennium and  
34.11 is available until spent.
- 34.12 (nn) \$700,000 each year is for grants to  
34.13 support competitive robotics teams that  
34.14 prepare youth for careers in STEM fields, by  
34.15 creating internships for high school students  
34.16 to work at private companies in STEM fields,  
34.17 including the payment of student stipends.  
34.18 This is a onetime appropriation.
- 34.19 (oo) \$1,000,000 in the first year and  
34.20 \$2,000,000 in the second year are for a clean  
34.21 economy equitable workforce grant program.  
34.22 Money must be used for grants to support  
34.23 partnership development, planning, and  
34.24 implementation of workforce readiness  
34.25 programs aimed at workers who are Black,  
34.26 Indigenous, and People of Color. Programs  
34.27 may include workforce training, career  
34.28 development, workers' rights training,  
34.29 employment placement, and culturally  
34.30 appropriate job readiness and must prepare  
34.31 workers for careers in the high-demand fields  
34.32 of construction, clean energy, and energy  
34.33 efficiency. Grants must be given to nonprofit  
34.34 organizations that serve historically  
34.35 disenfranchised communities, including new

- 35.1 Americans, with preference for organizations  
35.2 that are new providers of workforce  
35.3 programming or which have partnership  
35.4 agreements with registered apprenticeship  
35.5 programs. This is a onetime appropriation.
- 35.6 (pp) \$500,000 each year is for a grant to  
35.7 Emerge Community Development to support  
35.8 and reinforce critical workforce training at the  
35.9 Emerge Career and Technical Center,  
35.10 Cedar-Riverside Opportunity Center, and  
35.11 Emerge Second Chance programs in  
35.12 Minneapolis. This is a onetime appropriation.
- 35.13 (qq) \$500,000 each year is for a grant to  
35.14 Project for Pride in Living to provide job  
35.15 training and workforce development services  
35.16 for underserved communities. This is a  
35.17 onetime appropriation.
- 35.18 (rr) \$500,000 each year is for a grant to  
35.19 Pillsbury United Communities to provide job  
35.20 training and workforce development services  
35.21 for underserved communities. This is a  
35.22 onetime appropriation.
- 35.23 (ss) \$1,000,000 each year is for a grant to the  
35.24 Redemption Project to provide employment  
35.25 services to adults leaving incarceration,  
35.26 including recruiting, educating, training, and  
35.27 retaining employment mentors and partners.  
35.28 This is a onetime appropriation.
- 35.29 (tt) \$350,000 each year is for a grant to the  
35.30 YWCA of Minneapolis to provide training to  
35.31 eligible individuals, including job skills  
35.32 training, career counseling, and job placement  
35.33 assistance necessary to secure a child  
35.34 development associate credential and to have

- 36.1 a career path in early childhood education.
- 36.2 This is a onetime appropriation.
- 36.3 (uu) \$500,000 each year is for a grant to
- 36.4 Greater Twin Cities United Way to make
- 36.5 grants to partner organizations to provide
- 36.6 workforce training using the career pathways
- 36.7 model that helps students gain work
- 36.8 experience, earn experience in high-demand
- 36.9 fields, and transition into family-sustaining
- 36.10 careers. This is a onetime appropriation.
- 36.11 (vv) \$1,500,000 each year is for a grant to the
- 36.12 nonprofit Sanneh Foundation to fund
- 36.13 out-of-school summer programs focused on
- 36.14 mentoring and behavioral, social, and
- 36.15 emotional learning interventions and
- 36.16 enrichment activities directed toward
- 36.17 low-income students of color. This is a
- 36.18 onetime appropriation and is available until
- 36.19 spent.
- 36.20 (ww) \$3,000,000 each year is for a grant to
- 36.21 Youthprise to provide economic development
- 36.22 services designed to enhance long-term
- 36.23 economic self-sufficiency in communities with
- 36.24 concentrated African populations statewide.
- 36.25 Of these amounts, 50 percent is for subgrants
- 36.26 to Ka Joog and 50 percent is for competitive
- 36.27 subgrants to community organizations. This
- 36.28 is a onetime appropriation.
- 36.29 (xx) \$1,000,000 each year is for performance
- 36.30 grants under Minnesota Statutes, section
- 36.31 116J.8747, to Goodwill-Easter Seals
- 36.32 Minnesota and its partners. The grant shall be
- 36.33 used to continue the FATHER Project in
- 36.34 Rochester, St. Cloud, St. Paul, Minneapolis,
- 36.35 and the surrounding areas to assist fathers in

37.1 overcoming barriers that prevent fathers from  
37.2 supporting their children economically and  
37.3 emotionally, including with community  
37.4 re-entry following confinement. This is a  
37.5 onetime appropriation.

37.6 (yy) \$1,000,000 each year is for a grant to the  
37.7 Hmong American Partnership to expand job  
37.8 training and placement programs primarily  
37.9 serving the Southeast Asian community. This  
37.10 is a onetime appropriation.

37.11 (zz) \$400,000 each year is for a grant to  
37.12 Project Restore Minnesota for the Social  
37.13 Kitchen project, a pathway program for careers  
37.14 in the culinary arts. This is a onetime  
37.15 appropriation.

37.16 (aaa) \$1,000,000 each year is for competitive  
37.17 grants to organizations providing services to  
37.18 relieve economic disparities in the African  
37.19 immigrant community through workforce  
37.20 recruitment, development, job creation,  
37.21 assistance of smaller organizations to increase  
37.22 capacity, and outreach. Of this amount, up to  
37.23 five percent is for administration and  
37.24 monitoring of the program. Beginning in fiscal  
37.25 year 2026, the base amount is \$200,000.

37.26 (bbb) \$500,000 each year is for a grant to the  
37.27 Hmong Chamber of Commerce to train  
37.28 ethnically Southeast Asian business owners  
37.29 and operators in better business practices. Of  
37.30 this amount, up to \$5,000 may be used for  
37.31 administrative costs. This is a onetime  
37.32 appropriation.

37.33 (ccc) \$100,000 each year is for grants to the  
37.34 Minnesota Grocers Association Foundation

- 38.1 for Carts to Careers, a statewide initiative to  
38.2 promote careers, conduct outreach, provide  
38.3 job skills training, and award scholarships for  
38.4 students pursuing careers in the food industry.  
38.5 This is a onetime appropriation.
- 38.6 (ddd) \$500,000 each year is for a grant to  
38.7 Minnesota Independence College and  
38.8 Community to provide employment  
38.9 preparation, job placement, job retention, and  
38.10 service coordination services to adults with  
38.11 autism and learning differences. This is a  
38.12 onetime appropriation.
- 38.13 (eee) \$500,000 each year is for a grant to  
38.14 Ramsey County to provide job training and  
38.15 workforce development for underserved  
38.16 communities. Grant money may be subgranted  
38.17 to Milestone Community Development for the  
38.18 Milestone Tech program. This is a onetime  
38.19 appropriation.
- 38.20 (fff) \$500,000 each year is for a grant to  
38.21 Ramsey County for a technology training  
38.22 pathway program focused on intergenerational  
38.23 community tech work for residents who are  
38.24 at least 18 years old and no more than 24 years  
38.25 old and who live in a census tract that has a  
38.26 poverty rate of at least 20 percent as reported  
38.27 in the most recently completed decennial  
38.28 census published by the United States Bureau  
38.29 of the Census. Grant money may be used for  
38.30 program administration, training, training  
38.31 stipends, wages, and support services. This is  
38.32 a onetime appropriation.
- 38.33 (ggg) \$700,000 in the first year is from the  
38.34 workforce development fund for a grant to the  
38.35 Southwest Initiative Foundation for the

39.1	<u>southwestern Minnesota workforce</u>		
39.2	<u>development scholarship pilot program. This</u>		
39.3	<u>is a onetime appropriation and is available</u>		
39.4	<u>until June 30, 2028.</u>		
39.5	<b><u>Subd. 4. General Support Services</u></b>	<b><u>17,505,000</u></b>	<b><u>7,505,000</u></b>
39.6	<u>Appropriations by Fund</u>		
39.7	<u>General Fund</u>	<u>17,450,000</u>	<u>7,450,000</u>
39.8	<u>Workforce</u>		
39.9	<u>Development</u>	<u>55,000</u>	<u>55,000</u>
39.10	<u>(a) \$1,269,000 each year is for transfer to the</u>		
39.11	<u>Minnesota Housing Finance Agency for</u>		
39.12	<u>operating the Olmstead Compliance Office.</u>		
39.13	<u>(b) \$10,000,000 in the first year is for the</u>		
39.14	<u>workforce digital transformation projects. This</u>		
39.15	<u>appropriation is available until June 30, 2027.</u>		
39.16	<b><u>Subd. 5. Minnesota Trade Office</u></b>	<b><u>\$2,242,000</u></b>	<b><u>\$2,242,000</u></b>
39.17	<u>(a) \$300,000 each year is for the STEP grants</u>		
39.18	<u>in Minnesota Statutes, section 116J.979.</u>		
39.19	<u>(b) \$180,000 each year is for the Invest</u>		
39.20	<u>Minnesota marketing initiative under</u>		
39.21	<u>Minnesota Statutes, section 116J.9781.</u>		
39.22	<u>(c) \$270,000 each year is for the Minnesota</u>		
39.23	<u>Trade Offices under Minnesota Statutes,</u>		
39.24	<u>section 116J.978.</u>		
39.25	<b><u>Subd. 6. Vocational Rehabilitation</u></b>	<b><u>42,341,000</u></b>	<b><u>42,341,000</u></b>
39.26	<u>Appropriations by Fund</u>		
39.27	<u>General</u>	<u>34,511,000</u>	<u>34,511,000</u>
39.28	<u>Workforce</u>		
39.29	<u>Development</u>	<u>7,830,000</u>	<u>7,830,000</u>
39.30	<u>(a) \$14,300,000 each year is for the state's</u>		
39.31	<u>vocational rehabilitation program under</u>		
39.32	<u>Minnesota Statutes, chapter 268A.</u>		

40.1 (b) \$11,495,000 each year from the general  
40.2 fund and \$6,830,000 each year from the  
40.3 workforce development fund are for extended  
40.4 employment services for persons with severe  
40.5 disabilities under Minnesota Statutes, section  
40.6 268A.15. Of the amounts appropriated from  
40.7 the general fund, \$4,500,000 each year is for  
40.8 new rate increases and maintaining prior rate  
40.9 increases to providers of extended employment  
40.10 services.

40.11 (c) \$4,805,000 each year is for grants to  
40.12 programs that provide employment support  
40.13 services to persons with mental illness under  
40.14 Minnesota Statutes, sections 268A.13 and  
40.15 268A.14. Beginning in fiscal year 2026, the  
40.16 base amount is \$2,555,000.

40.17 (d) \$3,911,000 each year is for grants to  
40.18 centers for independent living under  
40.19 Minnesota Statutes, section 268A.11.  
40.20 Beginning in fiscal year 2026, the base amount  
40.21 is \$3,011,000.

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

40.30 **Subd. 7. Services for the Blind** 11,425,000 11,425,000

40.31 (a) \$500,000 each year is for senior citizens  
40.32 who are becoming blind. At least one-half of  
40.33 the money for this purpose must be used to  
40.34 provide training services for seniors who are

41.1 becoming blind. Training services must  
41.2 provide independent living skills to seniors  
41.3 who are becoming blind to allow them to  
41.4 continue to live independently in their homes.

41.5 (b) \$2,500,000 each year is for the employer  
41.6 reasonable accommodation fund. This is a  
41.7 onetime appropriation.

41.8 **Sec. 3. EXPLORE MINNESOTA TOURISM    \$        26,307,000    \$        21,169,000**

41.9 (a) \$500,000 each year must be matched from  
41.10 nonstate sources to develop maximum private  
41.11 sector involvement in tourism. Each \$1 of state  
41.12 incentive must be matched with \$6 of private  
41.13 sector money. "Matched" means revenue to  
41.14 the state or documented in-kind, soft match,  
41.15 or cash expenditures directly expended to  
41.16 support Explore Minnesota Tourism under  
41.17 section 116U.05. The incentive in fiscal year  
41.18 2024 is based on fiscal year 2023 private  
41.19 sector contributions. The incentive in fiscal  
41.20 year 2025 is based on fiscal year 2024 private  
41.21 sector contributions. This incentive is ongoing.

41.22 (b) \$5,900,000 each year is for the  
41.23 development of new initiatives for Explore  
41.24 Minnesota Tourism. This is a onetime  
41.25 appropriation and of this amount:

41.26 (1) \$3,000,000 each year is for competitive  
41.27 grants for large-scale sporting and other major  
41.28 events;

41.29 (2) \$1,100,000 each year is for grants to  
41.30 Minnesota's 11 Tribal Nations to promote and  
41.31 support new tourism opportunities for Tribal  
41.32 Nations;

- 42.1 (3) \$1,000,000 each year is to expand  
42.2 diversity, equity, inclusion, and accessibility  
42.3 through tourism marketing;
- 42.4 (4) \$625,000 each year is for the tourism and  
42.5 hospitality industry and the Governor's Opener  
42.6 events;
- 42.7 (5) \$88,000 each year is to develop new  
42.8 resources and increase engagement for the  
42.9 tourism industry; and
- 42.10 (6) \$87,000 each year is to develop a  
42.11 long-term sustainability plan for tourism.
- 42.12 (c)(1) \$2,000,000 in the first year is for a  
42.13 tourism industry recovery grant program to  
42.14 provide grants to organizations, Tribal  
42.15 governments, underserved community groups,  
42.16 and communities to accelerate the recovery of  
42.17 the state's tourism industry, with preference  
42.18 for applicants who have not previously  
42.19 received grants. Grant money may be used to  
42.20 support meetings, conventions and group  
42.21 business, multicomunity and high-visibility  
42.22 events, and tourism marketing. Explore  
42.23 Minnesota Tourism must accept grant  
42.24 applications for at least five business days  
42.25 beginning at 8:00 a.m. on the first business  
42.26 day and, if total applications exceed  
42.27 \$10,000,000, the grants must be awarded to  
42.28 eligible applicants at random until the funding  
42.29 is exhausted. Of this amount:
- 42.30 (i) at least 25 percent must go to groups in  
42.31 Hennepin and Ramsey counties;
- 42.32 (ii) at least 25 percent must go to groups in  
42.33 Anoka, Carver, Dakota, Scott, and Washington  
42.34 counties;

43.1 (iii) at least 25 percent must go to groups  
43.2 outside of the metropolitan area, as defined  
43.3 under Minnesota Statutes, section 473.121,  
43.4 subdivision 2;  
43.5 (iv) at least 25 percent must be distributed as  
43.6 small grants of no more than \$10,000 each for  
43.7 tourism promotional activities; and  
43.8 (v) up to three percent may be used for  
43.9 program administration, including promotional  
43.10 activities and reporting.  
43.11 (2) Explore Minnesota Tourism must submit  
43.12 a preliminary report by November 1, 2023,  
43.13 and a final report by January 1, 2025, to the  
43.14 legislative committees with jurisdiction over  
43.15 tourism that detail the use of grant funds.  
43.16 (d) Money for marketing grants is available  
43.17 either year of the biennium. Unexpended grant  
43.18 money from the first year is available in the  
43.19 second year.  
43.20 **Sec. 4. DEPARTMENT OF CORRECTIONS**  
43.21 (a) \$2,250,000 each year is for contracts with  
43.22 Minnesota's institutions of higher education  
43.23 to provide instruction to incarcerated  
43.24 individuals in state correctional facilities and  
43.25 to support partnerships with public and private  
43.26 employers, trades programs, and community  
43.27 colleges in providing employment  
43.28 opportunities for individuals after  
43.29 incarceration. Funding must be used for  
43.30 contracts with institutions of higher education  
43.31 and other training providers and associated  
43.32 re-entry and operational support services  
43.33 provided by the agency. Beginning in fiscal  
43.34 year 2026, the base amount is \$200,000.

**\$ 3,500,000 \$ 3,500,000**

44.1 (b) \$1,250,000 each year is to expand the use  
44.2 of the existing work release program at the  
44.3 Department of Corrections to increase the  
44.4 availability of educational programming for  
44.5 incarcerated individuals who are eligible and  
44.6 approved for work release. Beginning in fiscal  
44.7 year 2026, the base amount is \$100,000.

44.8 **ARTICLE 2**

44.9 **GRANTS MANAGEMENT**

44.10 Section 1. **FINANCIAL REVIEW OF NONPROFIT GRANT RECIPIENTS**

44.11 **REQUIRED.**

44.12 Subdivision 1. **Financial review required.** (a) Before awarding a competitive,  
44.13 legislatively named, single-source, or sole-source grant to a nonprofit organization under  
44.14 this act, the grantor must require the applicant to submit financial information sufficient for  
44.15 the grantor to document and assess the applicant's current financial standing and management.  
44.16 Items of significant concern must be addressed with the applicant and resolved to the  
44.17 satisfaction of the grantor before a grant is awarded. The grantor must document the material  
44.18 requested and reviewed; whether the applicant had a significant operating deficit, a deficit  
44.19 in unrestricted net assets, or insufficient internal controls; whether and how the applicant  
44.20 resolved the grantor's concerns; and the grantor's final decision. This documentation must  
44.21 be maintained in the grantor's files.

44.22 (b) At a minimum, the grantor must require each applicant to provide the following  
44.23 information:

44.24 (1) the applicant's most recent Form 990, Form 990-EZ, or Form 990-N filed with the  
44.25 Internal Revenue Service. If the applicant has not been in existence long enough or is not  
44.26 required to file Form 990, Form 990-EZ, or Form 990-N, the applicant must demonstrate  
44.27 to the grantor that the applicant is exempt and must instead submit documentation of internal  
44.28 controls and the applicant's most recent financial statement prepared in accordance with  
44.29 generally accepted accounting principles and approved by the applicant's board of directors  
44.30 or trustees or, if there is no such board, by the applicant's managing group;

44.31 (2) evidence of registration and good standing with the secretary of state under Minnesota  
44.32 Statutes, chapter 317A, or other applicable law;

45.1 (3) unless exempt under Minnesota Statutes, section 309.515, evidence of registration  
45.2 and good standing with the attorney general under Minnesota Statutes, chapter 309; and

45.3 (4) if required under Minnesota Statutes, section 309.53, subdivision 3, the applicant's  
45.4 most recent audited financial statement prepared in accordance with generally accepted  
45.5 accounting principles.

45.6 Subd. 2. **Authority to postpone or forgo; reporting required.** (a) Notwithstanding  
45.7 any contrary provision in this act, a grantor that identifies an area of significant concern  
45.8 regarding the financial standing or management of a legislatively named applicant may  
45.9 postpone or forgo awarding the grant.

45.10 (b) No later than 30 days after a grantor exercises the authority provided under paragraph  
45.11 (a), the grantor must report to the chairs and ranking minority members of the legislative  
45.12 committees with jurisdiction over the grantor's operating budget. The report must identify  
45.13 the legislatively named applicant and the grantor's reason for postponing or forgoing the  
45.14 grant.

45.15 Subd. 3. **Authority to award subject to additional assistance and oversight.** A grantor  
45.16 that identifies an area of significant concern regarding an applicant's financial standing or  
45.17 management may award a grant to the applicant if the grantor provides or the grantee  
45.18 otherwise obtains additional technical assistance, as needed, and the grantor imposes  
45.19 additional requirements in the grant agreement. Additional requirements may include but  
45.20 are not limited to enhanced monitoring, additional reporting, or other reasonable requirements  
45.21 imposed by the grantor to protect the interests of the state.

45.22 Subd. 4. **Relation to other law and policy.** The requirements in this section are in  
45.23 addition to any other requirements imposed by law; the commissioner of administration  
45.24 under Minnesota Statutes, sections 16B.97 and 16B.98; or agency policy.

45.25 **Sec. 2. REPORT REQUIREMENT.**

45.26 All grant recipients under article 1 not already subject to a reporting requirement must,  
45.27 by January 15 following the end of any fiscal year in which the recipient receives funding,  
45.28 submit a report to the legislative committees with jurisdiction over the grant and as required  
45.29 by Minnesota Statutes, section 3.195, that outlines the use of grant funds and outcomes  
45.30 achieved with that funding, including all the following:

45.31 (1) the nature of the grant;

45.32 (2) an accounting of the dollars spent;

- 46.1 (3) the number of jobs created;
- 46.2 (4) the number of businesses established;
- 46.3 (5) an accounting statement using generally accepted accounting principles; and
- 46.4 (6) the grant objectives met with the funding.

46.5 **ARTICLE 3**

46.6 **ECONOMIC DEVELOPMENT POLICY**

46.7 Section 1. **[116J.418] OFFICE OF CHILD CARE COMMUNITY PARTNERSHIPS.**

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

46.10 (b) "Child care" means the care of children while parents or guardians are at work or  
46.11 absent for another reason.

46.12 (c) "Local unit of government" has the meaning given in section 116G.03, subdivision  
46.13 3.

46.14 (d) "Office" means the Office of Child Care Community Partnerships established in  
46.15 subdivision 2, paragraph (a).

46.16 Subd. 2. **Office established; purpose.** (a) An Office of Child Care Community  
46.17 Partnerships is established within the Department of Employment and Economic  
46.18 Development. The department may employ a director and staff necessary to carry out the  
46.19 office's duties under subdivision 4.

46.20 (b) The purpose of the office is to support child care businesses within the state in order  
46.21 to:

46.22 (1) increase the quantity of quality child care available; and

46.23 (2) improve accessibility to child care for underserved communities and populations.

46.24 Subd. 3. **Organization.** The office shall consist of a director of the Office of Child Care  
46.25 Community Partnerships, as well as any staff necessary to carry out the office's duties under  
46.26 subdivision 4.

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

46.28 (1) coordinate with state, regional, local, and private entities to promote investment in  
46.29 increasing the quantity of quality child care in Minnesota;

47.1 (2) coordinate with other agencies including but not limited to Minnesota Management  
47.2 and Budget, the Department of Human Services, and the Department of Education to develop,  
47.3 recommend, and implement solutions to increase the quantity of quality child care openings;

47.4 (3) administer the child care economic development grant program and other  
47.5 appropriations to the department for this purpose;

47.6 (4) monitor the child care business development efforts of other states and countries;

47.7 (5) provide support to the governor's Children's Cabinet;

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

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

47.10 Subd. 5. **Reporting.** (a) Beginning January 15, 2024, and each year thereafter, the Office  
47.11 of Child Care Community Partnerships shall report to the legislative committees with  
47.12 jurisdiction over child care policy and finance on the office's activities during the previous  
47.13 year.

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

47.15 (1) an analysis of the current access to child care within the state;

47.16 (2) an analysis of the current shortage of child care workers within the state;

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

47.18 (4) any proposed legislative and policy initiatives; and

47.19 (5) any other information requested by the legislative committees with jurisdiction over  
47.20 child care, or that the office deems necessary.

47.21 (c) The report may be submitted electronically and is subject to section 3.195, subdivision  
47.22 1.

47.23 **Sec. 2. [116J.681] SMALL BUSINESS NAVIGATORS.**

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

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

47.27 (c) "Small business" has the meaning given in section 645.445.

47.28 (d) "Underserved" means Black, Indigenous, people of color, veterans, people with  
47.29 disabilities, rural Minnesotans, and low-income individuals.

48.1 Subd. 2. **Generally.** Small business navigators must work with small businesses and  
48.2 entrepreneurs to help navigate state programs, as well as programs managed by  
48.3 nongovernmental partners and other public and private organizations. The purpose of small  
48.4 business navigators is to connect small businesses and entrepreneurs with the services needed  
48.5 to be successful.

48.6 Subd. 3. **Staffing.** Staff of small business navigators serve in the classified service of  
48.7 the state and operate as part of the department's Small Business Assistance Office.

48.8 Subd. 4. **Commissioner.** The commissioner shall develop and implement training  
48.9 materials and reporting and evaluation procedures for the activities of small business  
48.10 navigators.

48.11 Subd. 5. **Duties.** Small business navigators shall:

48.12 (1) provide information and direction to small businesses and entrepreneurs in a timely,  
48.13 accurate, and comprehensive manner, connecting them with appropriate assistance services  
48.14 from the state and other governmental and nongovernmental organizations;

48.15 (2) build relationships with and provide targeted outreach to historically underserved  
48.16 populations and communities;

48.17 (3) provide for the delivery of information and assistance, including but not limited to  
48.18 the use of media, in a culturally appropriate manner that accommodates businesses and  
48.19 entrepreneurs with limited English proficiency;

48.20 (4) ensure the availability of small business navigators and materials in all media to  
48.21 persons with physical disabilities; and

48.22 (5) coordinate with and augment the services and outreach of the agency's Small Business  
48.23 Assistance Office, Small Business Development Center, Office of Small Business  
48.24 Partnerships, and Launch Minnesota.

48.25 Sec. 3. Minnesota Statutes 2022, section 116J.871, subdivision 1, is amended to read:

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

48.28 (b) "Economic development" means financial assistance provided to a person directly  
48.29 or to a local unit of government or nonprofit organization on behalf of a person who is  
48.30 engaged in the manufacture or sale of goods and services. Economic development does not  
48.31 include (1) financial assistance for rehabilitation of existing housing ~~or~~, (2) financial  
48.32 assistance for new housing construction in which total financial assistance at a single project

49.1 site is less than \$100,000, or (3) financial assistance for detached single-family affordable  
49.2 homeownership units in which the single project site consists of fewer than five units.

49.3 (c) "Financial assistance" means (1) a grant awarded by a state agency for economic  
49.4 development related purposes if a single business receives \$200,000 or more of the grant  
49.5 proceeds; (2) a loan or the guaranty or purchase of a loan made by a state agency for  
49.6 economic development related purposes if a single business receives \$500,000 or more of  
49.7 the loan proceeds; or (3) a reduction, credit, or abatement of a tax assessed under chapter  
49.8 297A where the tax reduction, credit, or abatement applies to a geographic area smaller  
49.9 than the entire state and was granted for economic development related purposes. Financial  
49.10 assistance does not include payments by the state of aids and credits under chapter 273 or  
49.11 477A to a political subdivision.

49.12 (d) "Project site" means the location where improvements are made that are financed in  
49.13 whole or in part by the financial assistance; or the location of employees that receive financial  
49.14 assistance in the form of employment and training services as defined in section 116L.19,  
49.15 subdivision 4, or customized training from a technical college.

49.16 (e) "State agency" means any agency defined under section 16B.01, subdivision 2,  
49.17 Enterprise Minnesota, Inc., and the Iron Range Resources and Rehabilitation Board.

49.18 Sec. 4. Minnesota Statutes 2022, section 116J.871, subdivision 2, is amended to read:

49.19 Subd. 2. **Prevailing wage required.** (a) A state agency may provide financial assistance  
49.20 to a person only if the person receiving or benefiting from the financial assistance certifies  
49.21 to the commissioner of labor and industry that laborers and mechanics at the project site  
49.22 during construction, installation, remodeling, and repairs for which the financial assistance  
49.23 was provided will be paid the prevailing wage rate as defined in section 177.42, subdivision  
49.24 6, and be subject to the requirements and enforcement provisions of sections 177.27, 177.30,  
49.25 177.32, 177.41 to 177.435, and 177.45.

49.26 (b) For the purposes of a person subject to paragraph (a) who is required to comply with  
49.27 section 177.30, paragraph (a), clauses (6) and (7), the state agency awarding the financial  
49.28 assistance is considered the contracting authority and the project is considered a public  
49.29 works project. The person receiving or benefiting from the financial assistance shall notify  
49.30 all employers on the project of the record keeping and reporting requirements of section  
49.31 177.30, paragraph (a), clauses (6) and (7). Each employer shall submit the required  
49.32 information to the contracting authority.

50.1 **Sec. 5. [116J.8746] SMALL BUSINESS PARTNERSHIP PROGRAM.**

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

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

50.5 **(c) "Eligible business" means an entity that:**

50.6 **(1) is a business, commercial cooperative, employee-owned business, or commercial**  
50.7 **land trust; and**

50.8 **(2) is either:**

50.9 **(i) located in greater Minnesota;**

50.10 **(ii) in the field of high technology; or**

50.11 **(iii) at least 51 percent owned by people who are either:**

50.12 **(A) Black, indigenous, or people of color;**

50.13 **(B) women;**

50.14 **(C) immigrants;**

50.15 **(D) veterans;**

50.16 **(E) people with disabilities;**

50.17 **(F) low-income; or**

50.18 **(G) LGBTQ+.**

50.19 **(d) "Program" means the small business partnership program established in this section.**

50.20 **Subd. 2. Establishment.** The commissioner of employment and economic development  
50.21 **shall establish a small business partnership program to make statewide grants to local and**  
50.22 **regional community-based nonprofit organizations to support the start-up, growth, and**  
50.23 **success of eligible businesses through the delivery of high-quality free or low-cost**  
50.24 **professional business development and technical assistance services.**

50.25 **Subd. 3. Grants to nonprofits.** (a) Nonprofit organizations shall apply for grants using  
50.26 **a competitive process established by the commissioner.**

50.27 **(b) All grants shall be made in the first year of the biennium and shall be for two years.**

50.28 **(c) Up to ten percent of the grant amount may be used by the nonprofit for administrative**  
50.29 **expenses.**

51.1 (d) Preference shall be given to applications from nonprofits that can demonstrate a  
51.2 record of successful outcomes serving historically underserved communities or increasing  
51.3 the upward economic mobility of clients.

51.4 Subd. 4. **Administration.** The commissioner may use up to five percent of program  
51.5 funds for administering and monitoring the program.

51.6 Subd. 5. **Reporting.** (a) Grant recipients shall report to the commissioner each year they  
51.7 receive grant funds. This report shall detail the use of grant funds and shall include data on  
51.8 the number of individuals served and other measures of program impact, along with any  
51.9 other information requested by the commissioner.

51.10 (b) By January 15, 2025, and by January 15 each odd-numbered year thereafter, the  
51.11 commissioner shall submit a report to the chairs and ranking minority members of the  
51.12 committees of the house of representatives and the senate having jurisdiction over business  
51.13 development that details the use of program funds and the program's impact. This report is  
51.14 in addition to the reporting required under section 3.195.

51.15 Sec. 6. Minnesota Statutes 2022, section 116J.8748, subdivision 3, is amended to read:

51.16 **Subd. 3. Minnesota job creation fund business designation; requirements.** (a) To  
51.17 receive designation as a Minnesota job creation fund business, a business must satisfy all  
51.18 of the following conditions:

51.19 (1) the business is or will be engaged in, within Minnesota, one of the following as its  
51.20 primary business activity:

51.21 (i) manufacturing;

51.22 (ii) warehousing;

51.23 (iii) distribution;

51.24 (iv) information technology;

51.25 (v) finance;

51.26 (vi) insurance; or

51.27 (vii) professional or technical services;

51.28 (2) the business must not be primarily engaged in lobbying; gambling; entertainment;  
51.29 professional sports; political consulting; leisure; hospitality; or professional services provided  
51.30 by attorneys, accountants, business consultants, physicians, or health care consultants, or

52.1 primarily engaged in making retail sales to purchasers who are physically present at the  
52.2 business's location;

52.3 (3) the business must enter into a binding construction and job creation business subsidy  
52.4 agreement with the commissioner to expend directly, or ensure expenditure by or in  
52.5 partnership with a third party constructing or managing the project, at least \$500,000 in  
52.6 capital investment in a capital investment project that includes a new, expanded, or remodeled  
52.7 facility within one year following designation as a Minnesota job creation fund business or  
52.8 \$250,000 if the project is located outside the metropolitan area as defined in section 200.02,  
52.9 subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans,  
52.10 women, or persons with a disability; and:

52.11 (i) create at least ten new full-time employee positions within two years of the benefit  
52.12 date following the designation as a Minnesota job creation fund business or five new full-time  
52.13 employee positions within two years of the benefit date if the project is located outside the  
52.14 metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business  
52.15 is cumulatively owned by minorities, veterans, women, or persons with a disability; or

52.16 (ii) expend at least \$25,000,000, which may include the installation and purchase of  
52.17 machinery and equipment, in capital investment and retain at least ~~200~~ 100 employees for  
52.18 projects located in the metropolitan area as defined in section 200.02, subdivision 24, ~~and~~  
52.19 75 or expend at least \$10,000,000, which may include the installation and purchase of  
52.20 machinery and equipment, in capital investment and retain at least 50 employees for projects  
52.21 located outside the metropolitan area;

52.22 (4) positions or employees moved or relocated from another Minnesota location of the  
52.23 Minnesota job creation fund business must not be included in any calculation or determination  
52.24 of job creation or new positions under this paragraph; and

52.25 (5) a Minnesota job creation fund business must not terminate, lay off, or reduce the  
52.26 working hours of an employee for the purpose of hiring an individual to satisfy job creation  
52.27 goals under this subdivision.

52.28 (b) Prior to approving the proposed designation of a business under this subdivision, the  
52.29 commissioner shall consider the following:

52.30 (1) the economic outlook of the industry in which the business engages;

52.31 (2) the projected sales of the business that will be generated from outside the state of  
52.32 Minnesota;

53.1 (3) how the business will build on existing regional, national, and international strengths  
53.2 to diversify the state's economy;

53.3 (4) whether the business activity would occur without financial assistance;

53.4 (5) whether the business is unable to expand at an existing Minnesota operation due to  
53.5 facility or land limitations;

53.6 (6) whether the business has viable location options outside Minnesota;

53.7 (7) the effect of financial assistance on industry competitors in Minnesota;

53.8 (8) financial contributions to the project made by local governments; and

53.9 (9) any other criteria the commissioner deems necessary.

53.10 (c) Upon receiving notification of local approval under subdivision 2, the commissioner  
53.11 shall review the determination by the local government and consider the conditions listed  
53.12 in paragraphs (a) and (b) to determine whether it is in the best interests of the state and local  
53.13 area to designate a business as a Minnesota job creation fund business.

53.14 (d) If the commissioner designates a business as a Minnesota job creation fund business,  
53.15 the business subsidy agreement shall include the performance outcome commitments and  
53.16 the expected financial value of any Minnesota job creation fund benefits.

53.17 (e) The commissioner may amend an agreement once, upon request of a local government  
53.18 on behalf of a business, only if the performance is expected to exceed thresholds stated in  
53.19 the original agreement.

53.20 (f) A business may apply to be designated as a Minnesota job creation fund business at  
53.21 the same location more than once only if all goals under a previous Minnesota job creation  
53.22 fund agreement have been met and the agreement is completed.

53.23 Sec. 7. Minnesota Statutes 2022, section 116J.8748, subdivision 4, is amended to read:

53.24 Subd. 4. **Certification; benefits.** (a) The commissioner may certify a Minnesota job  
53.25 creation fund business as eligible to receive a specific value of benefit under paragraphs (b)  
53.26 and (c) when the business has achieved its job creation and capital investment goals noted  
53.27 in its agreement under subdivision 3.

53.28 (b) A qualified Minnesota job creation fund business may be certified eligible for the  
53.29 benefits in this paragraph for up to five years for projects located in the metropolitan area  
53.30 as defined in section 200.02, subdivision 24, and seven years for projects located outside  
53.31 the metropolitan area, as determined by the commissioner when considering the best interests

54.1 of the state and local area. Notwithstanding section 16B.98, subdivision 5, paragraph (a),  
54.2 clause (3), or 16B.98, subdivision 5, paragraph (b), grant agreements for projects located  
54.3 outside the metropolitan area may be for up to seven years in length. The eligibility for the  
54.4 following benefits begins the date the commissioner certifies the business as a qualified  
54.5 Minnesota job creation fund business under this subdivision:

54.6 (1) up to five percent rebate for projects located in the metropolitan area as defined in  
54.7 section 200.02, subdivision 24, and 7.5 percent for projects located outside the metropolitan  
54.8 area, on capital investment on qualifying purchases as provided in subdivision 5 with the  
54.9 total rebate for a project not to exceed \$500,000;

54.10 (2) an award of up to \$500,000 based on full-time job creation and wages paid as provided  
54.11 in subdivision 6 with the total award not to exceed \$500,000;

54.12 (3) up to \$1,000,000 in capital investment rebates and \$1,000,000 in job creation awards  
54.13 are allowable for projects that have at least \$25,000,000 in capital investment and ~~200~~ 100  
54.14 new employees in the metropolitan area as defined in section 200.02, subdivision 24, and  
54.15 ~~75~~ 50 new employees for projects located outside the metropolitan area;

54.16 (4) up to \$1,000,000 in capital investment rebates and up to \$1,000,000 in job creation  
54.17 awards are allowable for projects that have at least \$25,000,000 in capital investment, which  
54.18 may include the installation and purchase of machinery and equipment, and ~~200~~ 100 retained  
54.19 employees for projects located in the metropolitan area as defined in section 200.02,  
54.20 subdivision 24, ~~and 75~~ or at least \$10,000,000 in capital investment, which may include the  
54.21 installation and purchase of machinery and equipment, and 50 retained employees for  
54.22 projects located outside the metropolitan area; and

54.23 (5) for clauses (3) and (4) only, the capital investment expenditure requirements may  
54.24 include the installation and purchases of machinery and equipment. These expenditures are  
54.25 not eligible for the capital investment rebate provided under subdivision 5.

54.26 (c) The job creation award may be provided in multiple years as long as the qualified  
54.27 Minnesota job creation fund business continues to meet the job creation goals provided for  
54.28 in its agreement under subdivision 3 and the total award does not exceed \$500,000 except  
54.29 as provided under paragraph (b), clauses (3) and (4). Under paragraph (b) clause (4), a job  
54.30 creation award of \$2,000 per retained job may be provided one time if the qualified Minnesota  
54.31 job creation fund business meets the minimum capital investment and retained employee  
54.32 requirement as provided in paragraph (b), clause (4), for at least two years.

54.33 (d) No rebates or award may be provided until the Minnesota job creation fund business  
54.34 or a third party constructing or managing the project has at least \$500,000 in capital

55.1 investment in the project and at least ten full-time jobs have been created and maintained  
55.2 for at least one year or the retained employees, as provided in paragraph (b), clause (4),  
55.3 remain for at least one year. The agreement may require additional performance outcomes  
55.4 that need to be achieved before rebates and awards are provided. If fewer retained jobs are  
55.5 maintained, but still above the minimum under this subdivision, the capital investment  
55.6 award shall be reduced on a proportionate basis.

55.7 (e) The forms needed to be submitted to document performance by the Minnesota job  
55.8 creation fund business must be in the form and be made under the procedures specified by  
55.9 the commissioner. The forms shall include documentation and certification by the business  
55.10 that it is in compliance with the business subsidy agreement, sections 116J.871 and 116L.66,  
55.11 and other provisions as specified by the commissioner.

55.12 (f) Minnesota job creation fund businesses must pay each new full-time employee added  
55.13 pursuant to the agreement total compensation, including benefits not mandated by law, that  
55.14 on an annualized basis is equal to at least 110 percent of the federal poverty level for a  
55.15 family of four.

55.16 (g) A Minnesota job creation fund business must demonstrate reasonable progress on  
55.17 capital investment expenditures within six months following designation as a Minnesota  
55.18 job creation fund business to ensure that the capital investment goal in the agreement under  
55.19 subdivision 1 will be met. Businesses not making reasonable progress will not be eligible  
55.20 for benefits under the submitted application and will need to work with the local government  
55.21 unit to resubmit a new application and request to be a Minnesota job creation fund business.  
55.22 Notwithstanding the goals noted in its agreement under subdivision 1, this action shall not  
55.23 be considered a default of the business subsidy agreement.

55.24 Sec. 8. Minnesota Statutes 2022, section 116J.8748, subdivision 6, is amended to read:

55.25 Subd. 6. **Job creation award.** (a) A qualified Minnesota job creation fund business is  
55.26 eligible for an annual award for each new job created and maintained under subdivision 4,  
55.27 paragraph (b), clauses (2) and (3), by the business using the following schedule: \$1,000 for  
55.28 each job position paying annual wages at least \$26,000 but less than \$35,000; \$2,000 for  
55.29 each job position paying at least \$35,000 but less than \$45,000; ~~and~~ \$3,000 for each job  
55.30 position paying at least \$45,000 but less than \$55,000; and \$4,000 for each job position  
55.31 paying at least \$55,000; and as noted in the goals under the agreement provided under  
55.32 subdivision 1. These awards are increased by \$1,000 if the business is located outside the  
55.33 metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business  
55.34 is cumulatively owned by minorities, veterans, women, or persons with a disability.

56.1 (b) A qualified Minnesota job creation fund business is eligible for a onetime \$2,000  
56.2 award for each job retained and maintained under subdivision 4, paragraph (b), clause (4),  
56.3 provided that each retained job pays total compensation, including benefits not mandated  
56.4 by law, that on an annualized basis is equal to at least 150 percent of the federal poverty  
56.5 level for a family of four.

56.6 ~~(b)~~ (c) The job creation award schedule must be adjusted annually using the percentage  
56.7 increase in the federal poverty level for a family of four.

56.8 ~~(e)~~ (d) Minnesota job creation fund businesses seeking an award credit provided under  
56.9 subdivision 4 must submit forms and applications to the Department of Employment and  
56.10 Economic Development as prescribed by the commissioner.

56.11 Sec. 9. Minnesota Statutes 2022, section 116J.8748, is amended by adding a subdivision  
56.12 to read:

56.13 Subd. 6a. **Transfer.** The commissioner may transfer up to \$2,000,000 of a fiscal year  
56.14 appropriation between the Minnesota job creation fund program and the redevelopment  
56.15 grant program to meet business demand.

56.16 Sec. 10. **[116J.8751] LAUNCH MINNESOTA.**

56.17 Subdivision 1. **Establishment.** Launch Minnesota is established within the Business  
56.18 and Community Development Division of the Department of Employment and Economic  
56.19 Development to encourage and support the development of new private sector technologies  
56.20 and support the science and technology policies under Minnesota Statutes, section 3.222.  
56.21 Launch Minnesota must provide entrepreneurs and emerging technology-based companies  
56.22 business development assistance and financial assistance to spur growth.

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

56.25 (b) "Advisory board" means the board established under subdivision 10.

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

56.27 (d) "Department" means the Department of Employment and Economic Development.

56.28 (e) "Entrepreneur" means a Minnesota resident who is involved in establishing a business  
56.29 entity and secures resources directed to its growth while bearing the risk of loss.

56.30 (f) "Greater Minnesota" means the area of Minnesota located outside of the metropolitan  
56.31 area as defined in Minnesota Statutes, section 473.121, subdivision 2.

57.1 (g) "Innovative technology and business" means a new novel business model or product;  
57.2 a derivative product incorporating new elements into an existing product; a new use for a  
57.3 product; or a new process or method for the manufacture, use, or assessment of any product  
57.4 or activity, patentability, or scalability. Innovative technology or business model does not  
57.5 include locally based retail, lifestyle, or business services. The business must not be primarily  
57.6 engaged in real estate development, insurance, banking, lending, lobbying, political  
57.7 consulting, information technology consulting, wholesale or retail trade, leisure, hospitality,  
57.8 transportation, construction, ethanol production from corn, or professional services provided  
57.9 by attorneys, accountants, business consultants, physicians, or health care consultants.

57.10 (h) "Institution of higher education" has the meaning given in Minnesota Statutes, section  
57.11 136A.28, subdivision 6.

57.12 (i) "Minority group member" means a United States citizen or lawful permanent resident  
57.13 who is Asian, Pacific Islander, Black, Hispanic, or Native American.

57.14 (j) "Research and development" means any activity that is:

57.15 (1) a systematic, intensive study directed toward greater knowledge or understanding  
57.16 of the subject studies;

57.17 (2) a systematic study directed specifically toward applying new knowledge to meet a  
57.18 recognized need; or

57.19 (3) a systematic application of knowledge toward the production of useful materials,  
57.20 devices, systems and methods, including design, development and improvement of prototypes  
57.21 and new processes to meet specific requirements.

57.22 (k) "Start-up" means a business entity that has been in operation for less than ten years,  
57.23 has operations in Minnesota, and is in the development stage defined as devoting substantially  
57.24 all of its efforts to establishing a new business and either of the following conditions exists:

57.25 (1) planned principal operations have not commenced; or

57.26 (2) planned principal operations have commenced, but have raised at least \$1,000,000  
57.27 in equity financing.

57.28 (l) "Technology-related assistance" means the application and utilization of  
57.29 technological-information and technologies to assist in the development and production of  
57.30 new technology-related products or services or to increase the productivity or otherwise  
57.31 enhance the production or delivery of existing products or services.

58.1 (m) "Trade association" means a nonprofit membership organization organized to promote  
58.2 businesses and business conditions and having an election under Internal Revenue Code  
58.3 section 501(c)(3) or 501(c)(6).

58.4 (n) "Veteran" has the meaning given in Minnesota Statutes, section 197.447.

58.5 Subd. 3. **Duties.** The commissioner, by and through Launch Minnesota, shall:

58.6 (1) support innovation and initiatives designed to accelerate the growth of innovative  
58.7 technology and business start-ups in Minnesota;

58.8 (2) in partnership with other organizations, offer classes and instructional sessions on  
58.9 how to start an innovative technology and business start-up;

58.10 (3) promote activities for entrepreneurs and investors regarding the state's growing  
58.11 innovation economy;

58.12 (4) hold events and meetings that gather key stakeholders in the state's innovation sector;

58.13 (5) conduct outreach and education on innovation activities and related financial programs  
58.14 available from the department and other organizations, particularly for underserved  
58.15 communities;

58.16 (6) interact and collaborate with statewide partners including but not limited to businesses,  
58.17 nonprofits, trade associations, and higher education institutions;

58.18 (7) administer an advisory board to assist with direction, grant application review,  
58.19 program evaluation, report development, and partnerships;

58.20 (8) accept grant applications under subdivisions 5, 6, and 7 and work with the advisory  
58.21 board to review and prioritize the applications and provide recommendations to the  
58.22 commissioner; and

58.23 (9) perform other duties at the commissioner's discretion.

58.24 Subd. 4. **Administration.** (a) The executive director shall:

58.25 (1) assist the commissioner and the advisory board in performing the duties of Launch  
58.26 Minnesota; and

58.27 (2) comply with all state and federal program requirements, and all state and federal  
58.28 securities and tax laws and regulations.

58.29 (b) Launch Minnesota may occupy and lease physical space in a private coworking  
58.30 facility that includes office space for staff and space for community engagement for training

59.1 entrepreneurs. The physical space leased under this paragraph is exempt from the  
59.2 requirements in Minnesota Statutes, section 16B.24, subdivision 6.

59.3 (c) At least three times per month, Launch Minnesota staff shall communicate with  
59.4 organizations in greater Minnesota that have received a grant under subdivision 7. To the  
59.5 extent possible, Launch Minnesota shall form partnerships with organizations located  
59.6 throughout the state.

59.7 (d) Launch Minnesota must accept grant applications under this section and provide  
59.8 funding recommendations to the commissioner and the commissioner shall distribute grants  
59.9 based in part on the recommendations.

59.10 Subd. 5. **Application process.** (a) The commissioner shall establish the application form  
59.11 and procedures for grants.

59.12 (b) Upon receiving recommendations from Launch Minnesota, the commissioner is  
59.13 responsible for evaluating all applications using evaluation criteria which shall be developed  
59.14 by Launch Minnesota in consultation with the advisory board.

59.15 (c) For grants under subdivision 6, priority shall be given if the applicant is:

59.16 (1) a business or entrepreneur located in greater Minnesota; or

59.17 (2) a business owner, individual with a disability, or entrepreneur who is a woman,  
59.18 veteran, or minority group member.

59.19 (d) For grants under subdivision 7, priority shall be given if the applicant is planning to  
59.20 serve:

59.21 (1) businesses or entrepreneurs located in greater Minnesota; or

59.22 (2) business owners, individuals with disabilities, or entrepreneurs who are women,  
59.23 veterans, or minority group members.

59.24 (e) The department staff, and not Launch Minnesota staff, are responsible for awarding  
59.25 funding, disbursing funds, and monitoring grantee performance for all grants awarded under  
59.26 this section.

59.27 (f) Grantees must provide matching funds by equal expenditures and grant payments  
59.28 must be provided on a reimbursement basis after review of submitted receipts by the  
59.29 department.

59.30 (g) Grant applications must be accepted on a regular periodic basis by Launch Minnesota  
59.31 and must be reviewed by Launch Minnesota and the advisory board before being submitted  
59.32 to the commissioner with their recommendations.

60.1 Subd. 6. **Innovation grants.** (a) The commissioner shall distribute innovation grants  
60.2 under this subdivision.

60.3 (b) The commissioner shall provide a grant of up to \$35,000 to an eligible business or  
60.4 entrepreneur for research and development expenses, direct business expenses, and the  
60.5 purchase of technical assistance or services from public higher education institutions and  
60.6 nonprofit entities. Research and development expenditures may include but are not limited  
60.7 to proof of concept activities, intellectual property protection, prototype designs and  
60.8 production, and commercial feasibility. Expenditures funded under this subdivision are not  
60.9 eligible for the research and development tax credit under Minnesota Statutes, section  
60.10 290.068. Direct business expenses may include rent, equipment purchases, and supplier  
60.11 invoices. Taxes imposed by federal, state, or local government entities may not be reimbursed  
60.12 under this paragraph. Technical assistance or services must be purchased to assist in the  
60.13 development or commercialization of a product or service to be eligible. Each business or  
60.14 entrepreneur may receive only one grant per biennium under this paragraph.

60.15 (c) The commissioner shall provide a grant of up to \$35,000 in Phase 1 or \$50,000 in  
60.16 Phase 2 to an eligible business or entrepreneur that, as a registered client of the Small  
60.17 Business Innovation Research (SBIR) program, has been awarded a first time Phase 1 or  
60.18 Phase 2 award pursuant to the SBIR or Small Business Technology Transfer (STTR)  
60.19 programs after July 1, 2019. Each business or entrepreneur may receive only one grant per  
60.20 biennium under this paragraph. Grants under this paragraph are not subject to the  
60.21 requirements of subdivision 2, paragraph (k).

60.22 Subd. 7. **Entrepreneur education grants.** (a) The commissioner shall make entrepreneur  
60.23 education grants to institutions of higher education and other organizations to provide  
60.24 educational programming to entrepreneurs and provide outreach to and collaboration with  
60.25 businesses, federal and state agencies, institutions of higher education, trade associations,  
60.26 and other organizations working to advance innovative technology businesses throughout  
60.27 Minnesota.

60.28 (b) Applications for entrepreneur education grants under this subdivision must be  
60.29 submitted to the commissioner and evaluated by department staff other than Launch  
60.30 Minnesota. The evaluation criteria must be developed by Launch Minnesota, in consultation  
60.31 with the advisory board, and the commissioner, and priority must be given to an applicant  
60.32 who demonstrates activity assisting business owners or entrepreneurs residing in greater  
60.33 Minnesota or who are women, veterans, or minority group members.

61.1 (c) Department staff other than Launch Minnesota staff are responsible for awarding  
61.2 funding, disbursing funds, and monitoring grantee performance under this subdivision.

61.3 (d) Grantees may use the grant funds to deliver the following services:

61.4 (1) development and delivery to innovative technology businesses of industry specific  
61.5 or innovative product or process specific counseling on issues of business formation, market  
61.6 structure, market research and strategies, securing first mover advantage or overcoming  
61.7 barriers to entry, protecting intellectual property, and securing debt or equity capital. This  
61.8 counseling is to be delivered in a classroom setting or using distance media presentations;

61.9 (2) outreach and education to businesses and organizations on the small business  
61.10 investment tax credit program under Minnesota Statutes, section 116J.8737, the MNvest  
61.11 crowd-funding program under Minnesota Statutes, section 80A.461, and other state programs  
61.12 that support innovative technology business creation especially in underserved communities;

61.13 (3) collaboration with institutions of higher education, local organizations, federal and  
61.14 state agencies, the Small Business Development Center, and the Small Business Assistance  
61.15 Office to create and offer educational programming and ongoing counseling in greater  
61.16 Minnesota that is consistent with those services offered in the metropolitan area; and

61.17 (4) events and meetings with other innovation-related organizations to inform  
61.18 entrepreneurs and potential investors about Minnesota's growing innovation economy.

61.19 Subd. 8. **Report.** (a) Launch Minnesota shall annually report by December 31 to the  
61.20 chairs and ranking minority members of the committees of the house of representatives and  
61.21 senate having jurisdiction over economic development policy and finance. Each report shall  
61.22 include information on the work completed, including awards made by the department under  
61.23 this section and progress toward transferring the activities of Launch Minnesota to an entity  
61.24 outside of state government.

61.25 (b) By December 31, 2024, Launch Minnesota shall provide a comprehensive transition  
61.26 plan to the chairs and ranking minority members of the committees of the house of  
61.27 representatives and senate having jurisdiction over economic development policy and  
61.28 finance. The transition plan shall include: (1) a detailed strategy for the transfer of Launch  
61.29 Minnesota activities to an entity outside of state government; (2) the projected date of the  
61.30 transfer; and (3) the role of the state, if any, in ongoing activities of Launch Minnesota or  
61.31 its successor entity.

61.32 Subd. 9. **Advisory board.** (a) The commissioner shall establish an advisory board to  
61.33 advise the executive director regarding the activities of Launch Minnesota, make the

62.1 recommendations described in this section, and develop and initiate a strategic plan for  
62.2 transferring some activities of Launch Minnesota to a new or existing public-private  
62.3 partnership or nonprofit organization outside of state government.

62.4 (b) The advisory board shall consist of ten members and is governed by Minnesota  
62.5 Statutes, section 15.059. A minimum of seven members must be from the private sector  
62.6 representing business and at least two members but no more than three members must be  
62.7 from government and higher education. At least three of the members of the advisory board  
62.8 shall be from greater Minnesota and at least three members shall be minority group members.  
62.9 Appointees shall represent a range of interests, including entrepreneurs, large businesses,  
62.10 industry organizations, investors, and both public and private small business service  
62.11 providers.

62.12 (c) The advisory board shall select a chair from its private sector members. The executive  
62.13 director shall provide administrative support to the committee.

62.14 (d) The commissioner, or a designee, shall serve as an ex-officio, nonvoting member of  
62.15 the advisory board.

62.16 Sec. 11. Minnesota Statutes 2022, section 116J.9924, subdivision 4, is amended to read:

62.17 Subd. 4. **Grant amount; project phasing.** (a) The commissioner shall award grants in  
62.18 an amount not to exceed ~~\$1,500,000~~ \$3,000,000 per grant.

62.19 (b) A grant awarded under this section must be no less than the amount required to  
62.20 complete one or more phases of the project, less any nonstate funds already committed for  
62.21 such activities.

62.22 Sec. 12. **[116J.9925] COMMUNITY WEALTH-BUILDING GRANT PROGRAM.**

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

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

62.26 (c) "Community business" means a cooperative, an employee-owned business, or a  
62.27 commercial land trust that is at least 51 percent owned by individuals from targeted groups.

62.28 (d) "Partner organization" means a community development financial institution or  
62.29 nonprofit corporation.

62.30 (e) "Program" means the community wealth-building grant program created under this  
62.31 section.

63.1 (f) "Targeted groups" means persons who are Black, Indigenous, People of Color,  
63.2 immigrants, low-income, women, veterans, or persons with disabilities.

63.3 Subd. 2. **Establishment.** The commissioner shall establish a community wealth-building  
63.4 grant program to award grants to partner organizations to fund low-interest loans to  
63.5 community businesses. The program must encourage tax-base revitalization, private  
63.6 investment, job creation for targeted groups, creation and strengthening of business  
63.7 enterprises, assistance to displaced businesses, and promotion of economic development in  
63.8 low-income areas.

63.9 Subd. 3. **Grants to partner organizations.** (a) The commissioner shall award grants to  
63.10 partner organizations through a competitive grant process where applicants apply using a  
63.11 form designed by the commissioner. In evaluating applications, the commissioner shall  
63.12 consider whether the applicant:

63.13 (1) has a board of directors that includes members experienced in business and community  
63.14 development, operating community businesses, addressing racial income disparities, and  
63.15 creating jobs for targeted groups;

63.16 (2) has the technical skills to analyze projects;

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

63.19 (4) can initiate and implement economic development projects;

63.20 (5) can establish a program and administer funds;

63.21 (6) can work with job referral networks assisting targeted groups; and

63.22 (7) has established relationships with communities of targeted groups.

63.23 (b) The commissioner shall ensure that loans through the program will fund community  
63.24 businesses statewide and shall make reasonable attempts to balance the amount of funding  
63.25 available to community businesses inside and outside of the metropolitan area as defined  
63.26 under section 473.121, subdivision 2.

63.27 (c) Partner organizations that receive grants under this subdivision shall use up to ten  
63.28 percent of their award to provide specialized technical and legal assistance, either directly  
63.29 or through a partnership with organizations with expertise in shared ownership structures,  
63.30 to community businesses and businesses in the process of transitioning to community  
63.31 ownership.

64.1 (d) Grants under this subdivision are available for five years. The commissioner shall  
64.2 review existing grant agreements every five years and may renew or terminate the agreement  
64.3 based on that review and consideration of the criteria under paragraph (a).

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

64.7 (b) Under the plan:

64.8 (1) the state contribution to each loan shall be no less than \$50,000 and no more than  
64.9 \$2,500,000;

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

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

64.13 (4) the interest rate on a loan shall not be higher than the Wall Street Journal prime rate;

64.14 (5) 50 percent of all repayments of principal on a loan under the program shall be repaid  
64.15 to the community wealth-building account created under subdivision 5. The partner  
64.16 organization may retain the remainder of loan repayments to service loans and provide  
64.17 further technical assistance;

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

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

64.22 Subd. 5. **Community wealth-building account.** A community wealth-building account  
64.23 is created in the special revenue fund in the state treasury. Money in the account is  
64.24 appropriated to the commissioner for grants under this section.

64.25 Subd. 6. **Reports.** (a) Grant recipients shall submit an annual report to the commissioner  
64.26 by January 31 of each year they participate in the program. The report shall include:

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

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

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

65.3 (b) By February 15 of each year beginning in 2024, the commissioner shall submit a  
65.4 report to the chairs and ranking minority members of the legislative committees with  
65.5 jurisdiction over workforce and economic development on program outcomes, including  
65.6 copies of all reports received under paragraph (a).

65.7 **Sec. 13. [116J.9926] EMERGING DEVELOPER FUND PROGRAM.**

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

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

65.11 (c) "Disadvantaged community" means a community where the median household  
65.12 income is less than 80 percent of the area median income.

65.13 (d) "Eligible project" means a project that is based in Minnesota and meets one or more  
65.14 of the following criteria:

65.15 (1) it will stimulate community stabilization or revitalization;

65.16 (2) it will be located within a census tract identified as a disadvantaged community or  
65.17 low-income community;

65.18 (3) it will directly benefit residents of a low-income household;

65.19 (4) it will increase the supply and improve the condition of affordable housing and  
65.20 homeownership;

65.21 (5) it will support the growth needs of new and existing community-based enterprises  
65.22 that promote economic stability or improve the supply or quality of job opportunities; or

65.23 (6) it will promote wealth creation, including by being a project in a neighborhood  
65.24 traditionally not served by real estate developers.

65.25 (e) "Emerging developer" means a developer who:

65.26 (1) has limited access to loans from traditional financial institutions; or

65.27 (2) is a new or smaller developer who has engaged in educational training in real estate  
65.28 development; and

65.29 (3) is either a:

65.30 (i) minority as defined in section 116M.14, subdivision 6;

66.1 (ii) woman;

66.2 (iii) person with a disability, as defined in section 116M.14, subdivision 9; or

66.3 (iv) low-income person.

66.4 (f) "Low-income person" means a person who:

66.5 (1) has a household income at or below 200 percent of the federal poverty level; or

66.6 (2) has a family income that does not exceed 60 percent of the area median income as  
66.7 determined by the United States Department of Housing and Urban Development.

66.8 (g) "Partner organization" means a community development financial institution or a  
66.9 similarly qualified nonprofit corporation, as determined by the commissioner.

66.10 (h) "Program" means the emerging developer fund program created under this section.

66.11 Subd. 2. **Establishment.** The commissioner shall establish an emerging developer fund  
66.12 program to make grants to partner organizations to make grants and loans to emerging  
66.13 developers for eligible projects to transform neighborhoods statewide and promote economic  
66.14 development and the creation and retention of jobs in Minnesota. The program must also  
66.15 reduce racial and socioeconomic disparities by growing the financial capacity of emerging  
66.16 developers.

66.17 Subd. 3. **Grants to partner organizations.** (a) The commissioner shall design a  
66.18 competitive process to award grants to partner organizations to make grants and loans to  
66.19 emerging developers under subdivision 4.

66.20 (b) A partner organization may use up to ten percent of grant funds for the administrative  
66.21 costs of the program.

66.22 Subd. 4. **Grants and loans to emerging developers.** (a) Through the program, partner  
66.23 organizations shall offer emerging developers predevelopment grants and predevelopment,  
66.24 construction, and bridge loans for eligible projects according to a plan submitted to and  
66.25 approved by the commissioner.

66.26 (b) Predevelopment grants must be for no more than \$100,000. All loans must be for no  
66.27 more than \$1,000,000.

66.28 (c) Loans must be for a term set by the partner organization and approved by the  
66.29 commissioner of no less than six months and no more than eight years, depending on the  
66.30 use of loan proceeds.

67.1 (d) Loans must be for zero interest or an interest rate of no more than the Wall Street  
67.2 Journal prime rate, as determined by the partner organization and approved by the  
67.3 commissioner based on the individual project risk and type of loan sought.

67.4 (e) Loans must have flexible collateral requirements compared to traditional loans, but  
67.5 may require a personal guaranty from the emerging developer and may be largely unsecured  
67.6 when the appraised value of the real estate is low.

67.7 (f) Loans must have no prepayment penalties and are expected to be repaid from  
67.8 permanent financing or a conventional loan, once that is secured.

67.9 (g) Loans must have the ability to bridge many types of receivables, such as tax credits,  
67.10 grants, developer fees, and other forms of long-term financing.

67.11 (h) At the partner organization's request and the commissioner's discretion, an emerging  
67.12 developer may be required to work with an experienced developer or professional services  
67.13 consultant who can offer expertise and advice throughout the development of the project.

67.14 (i) All loan repayments must be paid into the emerging developer fund account created  
67.15 in this section to fund additional loans.

67.16 Subd. 5. **Eligible expenses.** (a) The following are eligible expenses for a predevelopment  
67.17 grant or loan under the program:

67.18 (1) earnest money or purchase deposit;

67.19 (2) building inspection fees and environmental reviews;

67.20 (3) appraisal and surveying;

67.21 (4) design and tax credit application fees;

67.22 (5) title and recording fees;

67.23 (6) site preparation, demolition, and stabilization;

67.24 (7) interim maintenance and project overhead;

67.25 (8) property taxes and insurance;

67.26 (9) construction bonds or letters of credit;

67.27 (10) market and feasibility studies; and

67.28 (11) professional fees.

67.29 (b) The following are eligible expenses for a construction or bridge loan under the  
67.30 program:

- 68.1 (1) land or building acquisition;
- 68.2 (2) construction-related expenses;
- 68.3 (3) developer and contractor fees;
- 68.4 (4) site preparation, environmental cleanup, and demolition;
- 68.5 (5) financing fees, including title and recording;
- 68.6 (6) professional fees;
- 68.7 (7) carrying costs;
- 68.8 (8) construction period interest;
- 68.9 (9) project reserves; and
- 68.10 (10) leasehold improvements and equipment purchase.

68.11 Subd. 6. **Emerging developer fund account.** An emerging developer fund account is  
68.12 created in the special revenue fund in the state treasury. Money in the account is appropriated  
68.13 to the commissioner for grants to partner organizations to make loans under this section.

68.14 Subd. 7. **Reports to the legislature.** (a) By January 15 of each year, beginning in 2025,  
68.15 each partner organization shall submit a report to the commissioner on the use of program  
68.16 funds and program outcomes.

68.17 (b) By February 15 of each year, beginning in 2025, the commissioner shall submit a  
68.18 report to the chairs of the house of representatives and senate committees with jurisdiction  
68.19 over economic development on the use of program funds and program outcomes.

68.20 Sec. 14. **EMPOWERING ENTERPRISE PROGRAM.**

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

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

68.24 (c) "Eligible organization" means:

68.25 (1) a federally certified community development financial institution;

68.26 (2) a nonprofit organization; or

68.27 (3) a city.

68.28 (d) "Entity" includes any registered business or nonprofit organization. This includes  
68.29 businesses, cooperatives, utilities, industrial, commercial, retail, and nonprofit organizations.

69.1 Subd. 2. **Establishment.** The commissioner shall establish a program to make grants to  
69.2 eligible organizations to develop and implement local economic relief programs designed  
69.3 with the primary goal of assisting communities adversely affected by civil unrest during  
69.4 the peacetime emergency declared in governor's Executive Order No. 20-64 by preserving  
69.5 incumbent entities and encouraging new entities to locate in those areas. To this end, local  
69.6 programs should include outreach to cultural communities and support for microenterprises.

69.7 Subd. 3. **Available relief.** (a) The local programs established by eligible organizations  
69.8 under this section may include grants or loans as provided in this section, as well as subgrants  
69.9 to local nonprofits to further the goals of the program. Prior to awarding a grant to an eligible  
69.10 organization for a local program under this section:

69.11 (1) the eligible organization must develop criteria, procedures, and requirements for:

69.12 (i) determining eligibility for assistance;

69.13 (ii) the duration, terms, underwriting and security requirements, and repayment  
69.14 requirements for loans;

69.15 (iii) evaluating applications for assistance;

69.16 (iv) awarding assistance; and

69.17 (v) administering the grant and loan programs authorized under this section, including  
69.18 any subgrants to local nonprofits;

69.19 (2) the eligible organization must submit its criteria, procedures, and requirements  
69.20 developed pursuant to clause (1) to the commissioner of employment and economic  
69.21 development for review; and

69.22 (3) the commissioner must approve the criteria, procedures, and requirements as  
69.23 developed pursuant to clause (1) to be used by an eligible organization in determining  
69.24 eligibility for assistance, evaluating, awarding, and administering a grant and loan program.

69.25 (b) Relief under this section includes grants to entities. These grants must not exceed  
69.26 \$500,000 per entity, must specify that an entity receiving a grant must remain in the local  
69.27 community a minimum of three years after the date of the grant, and must require submission  
69.28 of a plan for continued operation. Grants may be awarded to applicants only when an eligible  
69.29 organization determines that a loan is not appropriate to address the needs of the applicant.

69.30 (c) Relief under this section includes loans to entities, with or without interest, and  
69.31 deferred or forgivable loans. The maximum loan amount under this subdivision is \$500,000

70.1 per entity. The lending criteria adopted by an eligible organization for loans under this  
70.2 subdivision must:

70.3 (1) specify that an entity receiving a deferred or forgivable loan must remain in the local  
70.4 community a minimum of three years after the date of the loan. The maximum loan deferral  
70.5 period must not exceed three years from the date the loan is approved; and

70.6 (2) require submission of a plan for continued operation. The plan must document the  
70.7 probable success of the applicant's plan and probable success in repaying the loan according  
70.8 to the terms established for the loan program.

70.9 (d) All loan repayment funds under this subdivision must be paid to the commissioner  
70.10 of employment and economic development for deposit in the general fund.

70.11 Subd. 4. **Monitoring and reporting.** (a) Participating eligible organizations must  
70.12 establish performance measures that include but are not limited to the following components:

70.13 (1) the number of loans approved and the amounts and terms of the loans;

70.14 (2) the number of grants awarded, award amounts, and the reason that a grant award  
70.15 was made in lieu of a loan;

70.16 (3) the loan default rate;

70.17 (4) the number of jobs created or retained as a result of the assistance, including  
70.18 information on the wages and benefit levels, the status of the jobs as full-time or part-time,  
70.19 and the status of the jobs as temporary or permanent; and

70.20 (5) the amount of business activity and changes in gross revenues of the grant or loan  
70.21 recipient as a result of the assistance.

70.22 (b) The commissioner of employment and economic development must monitor the  
70.23 participating eligible organizations' compliance with this section and the performance  
70.24 measures developed under paragraph (a).

70.25 (c) Participating eligible organizations must comply with all requests made by the  
70.26 commissioner under this section and are responsible for the reporting and compliance of  
70.27 any subgrantees.

70.28 (d) By December 15 of each year the program is in existence, participating eligible  
70.29 organizations must report their performance measures to the commissioner. By January 15  
70.30 of each year the program is in existence, after the first, the commissioner must submit a  
70.31 report of these performance measures to the chairs and ranking minority members of the

71.1 committees of the house of representatives and the senate having jurisdiction over economic  
71.2 development that details the use of funds under this section.

71.3 Subd. 5. **Exemptions.** (a) Minnesota Statutes, sections 116J.993 to 116J.995, do not  
71.4 apply to assistance under this section. Entities in receipt of assistance under this section  
71.5 must provide for job creation and retention goals and wage and benefit goals.

71.6 (b) Minnesota Statutes, sections 16A.15, 16B.97, 16B.98, 16B.991, 16C.05, and 16C.053,  
71.7 do not apply to assistance under this section.

71.8 Subd. 6. **Administrative costs.** The commissioner of employment and economic  
71.9 development may use up to seven percent of the appropriation made for this section for  
71.10 administrative expenses of the department or for assisting participating eligible organizations  
71.11 with their administrative expenses.

71.12 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
71.13 expires the day after the last loan is repaid or forgiven as provided under this section.

71.14 Sec. 15. **CANADIAN BORDER COUNTIES ECONOMIC RELIEF PROGRAM.**

71.15 Subdivision 1. **Relief program established.** The Northland Foundation must develop  
71.16 and implement a Canadian border counties economic relief program to assist businesses  
71.17 adversely affected by the 2021 closure of the Boundary Waters Canoe Area Wilderness or  
71.18 the closures of the Canadian border since 2020.

71.19 Subd. 2. **Available relief.** (a) The economic relief program established under this section  
71.20 may include grants provided in this section to the extent that funds are available. Before  
71.21 awarding a grant to the Northland Foundation for the relief program under this section:

71.22 (1) the Northland Foundation must develop criteria, procedures, and requirements for:

71.23 (i) determining eligibility for assistance;

71.24 (ii) evaluating applications for assistance;

71.25 (iii) awarding assistance; and

71.26 (iv) administering the grant program authorized under this section;

71.27 (2) the Northland Foundation must submit its criteria, procedures, and requirements  
71.28 developed under clause (1) to the commissioner of employment and economic development  
71.29 for review; and

71.30 (3) the commissioner must approve the criteria, procedures, and requirements submitted  
71.31 under clause (2).

72.1 (b) The maximum grant to a business under this section is \$50,000 per business.

72.2 Subd. 3. **Qualification requirements.** To qualify for assistance under this section, a  
72.3 business must:

72.4 (1) be located within a county that shares a border with Canada;

72.5 (2) document a reduction of at least ten percent in gross receipts in 2021 compared to  
72.6 2019; and

72.7 (3) provide a written explanation for how the 2021 closure of the Boundary Waters  
72.8 Canoe Area Wilderness or the closures of the Canadian border since 2020 resulted in the  
72.9 reduction in gross receipts documented under clause (2).

72.10 Subd. 4. **Monitoring.** (a) The Northland Foundation must establish performance  
72.11 measures, including but not limited to the following components:

72.12 (1) the number of grants awarded and award amounts for each grant;

72.13 (2) the number of jobs created or retained as a result of the assistance, including  
72.14 information on the wages and benefit levels, the status of the jobs as full time or part time,  
72.15 and the status of the jobs as temporary or permanent;

72.16 (3) the amount of business activity and changes in gross revenues of the grant recipient  
72.17 as a result of the assistance; and

72.18 (4) the new tax revenue generated as a result of the assistance.

72.19 (b) The commissioner of employment and economic development must monitor the  
72.20 Northland Foundation's compliance with this section and the performance measures  
72.21 developed under paragraph (a).

72.22 (c) The Northland Foundation must comply with all requests made by the commissioner  
72.23 under this section.

72.24 Subd. 5. **Business subsidy requirements.** Minnesota Statutes, sections 116J.993 to  
72.25 116J.995, do not apply to assistance under this section. Businesses in receipt of assistance  
72.26 under this section must provide for job creation and retention goals, and wage and benefit  
72.27 goals.

72.28 Subd. 6. **Administrative costs.** The commissioner of employment and economic  
72.29 development may use up to one percent of the appropriation made for this section for  
72.30 administrative expenses of the department.

72.31 **EFFECTIVE DATE.** This section is effective July 1, 2023, and expires June 30, 2024.

73.1 Sec. 16. **REPEALER.**

73.2 Minnesota Statutes 2022, section 116J.9924, subdivision 6, and Laws 2019, First Special  
73.3 Session chapter 7, article 2, section 8, as amended by Laws 2021, First Special Session  
73.4 chapter 10, article 2, section 19, is repealed.

73.5 **ARTICLE 4**

73.6 **WORKFORCE DEVELOPMENT POLICY**

73.7 Section 1. **[116J.545] GETTING TO WORK GRANT PROGRAM.**

73.8 Subdivision 1. **Creation.** The commissioner of employment and economic development  
73.9 shall make grants to nonprofit organizations to establish and operate programs under this  
73.10 section that provide, repair, or maintain motor vehicles to assist eligible individuals to obtain  
73.11 or maintain employment. All grants shall be for two years.

73.12 Subd. 2. **Qualified grantee.** A grantee must:

73.13 (1) qualify under section 501(c)(3) of the Internal Revenue Code; and

73.14 (2) at the time of application, offer or have the demonstrated capacity to offer a motor  
73.15 vehicle program that provides the services required under subdivision 3.

73.16 Subd. 3. **Program requirements.** (a) A program must offer one or more of the following  
73.17 services:

73.18 (1) provision of new or used motor vehicles by gift, sale, or lease;

73.19 (2) motor vehicle repair and maintenance services; or

73.20 (3) motor vehicle loans.

73.21 (b) In addition to the requirements of paragraph (a), a program must offer one or more  
73.22 of the following services:

73.23 (1) financial literacy education;

73.24 (2) education on budgeting for vehicle ownership;

73.25 (3) car maintenance and repair instruction;

73.26 (4) credit counseling; or

73.27 (5) job training related to motor vehicle maintenance and repair.

74.1 Subd. 4. **Application.** Applications for a grant must be on a form provided by the  
74.2 commissioner and on a schedule set by the commissioner. Applications must, in addition  
74.3 to any other information required by the commissioner, include the following:

74.4 (1) a detailed description of all services to be offered;

74.5 (2) the area to be served;

74.6 (3) the estimated number of program participants to be served by the grant; and

74.7 (4) a plan for leveraging resources from partners that may include but are not limited

74.8 to:

74.9 (i) automobile dealers;

74.10 (ii) automobile parts dealers;

74.11 (iii) independent local mechanics and automobile repair facilities;

74.12 (iv) banks and credit unions;

74.13 (v) employers;

74.14 (vi) employment and training agencies;

74.15 (vii) insurance companies and agents;

74.16 (viii) local workforce centers; and

74.17 (ix) educational institutions, including vocational institutions and jobs or skills training  
74.18 programs.

74.19 Subd. 5. **Participant eligibility.** (a) To be eligible to receive program services, a person  
74.20 must:

74.21 (1) have a household income at or below 200 percent of the federal poverty level;

74.22 (2) be at least 18 years of age;

74.23 (3) have a valid driver's license;

74.24 (4) provide the grantee with proof of motor vehicle insurance; and

74.25 (5) demonstrate to the grantee that a motor vehicle is required by the person to obtain  
74.26 or maintain employment.

74.27 (b) This subdivision does not preclude a grantee from imposing additional requirements,  
74.28 not inconsistent with paragraph (a), for the receipt of program services.

75.1 Subd. 6. Report to legislature. By January 15, 2026, and each January 15 in an  
75.2 even-numbered year thereafter, the commissioner shall submit a report to the chairs of the  
75.3 house of representatives and senate committees with jurisdiction over workforce and  
75.4 economic development on program outcomes. At a minimum, the report must include:

75.5 (1) the total number of program participants;

75.6 (2) the number of program participants who received each of the following:

75.7 (i) provision of a motor vehicle;

75.8 (ii) motor vehicle repair services; and

75.9 (iii) motor vehicle loans;

75.10 (3) the number of program participants who report that they or their children were able  
75.11 to increase their participation in community activities such as after school programs, other  
75.12 youth programs, church or civic groups, or library services as a result of participation in the  
75.13 program; and

75.14 (4) an analysis of the impact of the getting to work grant program on the employment  
75.15 rate and wages of program participants.

75.16 Sec. 2. Minnesota Statutes 2022, section 116J.5492, subdivision 8, is amended to read:

75.17 Subd. 8. **Meetings.** The advisory committee must meet ~~monthly until the energy transition~~  
75.18 ~~plan is submitted~~ quarterly and submit an updated energy transition plan annually to the  
75.19 governor and the legislature. Once submitted, the committee shall develop a regular meeting  
75.20 schedule as needed. The chair may call additional meetings as necessary.

75.21 Sec. 3. Minnesota Statutes 2022, section 116J.5492, subdivision 10, is amended to read:

75.22 Subd. 10. **Expiration.** This section expires ~~the day after the Minnesota energy transition~~  
75.23 ~~plan required under section 116J.5493 is submitted to the legislature and the governor on~~  
75.24 June 30, 2027.

75.25 Sec. 4. Minnesota Statutes 2022, section 116J.55, subdivision 1, is amended to read:

75.26 Subdivision 1. **Definitions.** For the purposes of this section, "eligible community" means  
75.27 a county, municipality, or tribal government located in Minnesota in which an electric  
75.28 generating plant owned by a public utility, as defined in section 216B.02, that is powered  
75.29 by coal, nuclear energy, or natural gas:

76.1 (1) is currently operating and (i) is scheduled to cease operations or, (ii) whose cessation  
76.2 of operations has been proposed in an integrated resource plan filed with the commission  
76.3 under section 216B.2422, or (iii) whose current operating license expires within 15 years  
76.4 of the effective date of this section; or

76.5 (2) ceased operations or was removed from the local property tax base no earlier than  
76.6 five years before the date an application is made for a grant under this section.

76.7 Sec. 5. Minnesota Statutes 2022, section 116J.55, subdivision 5, is amended to read:

76.8 Subd. 5. **Grant awards; limitations.** ~~(a) The commissioner must award grants under~~  
76.9 ~~this section to eligible communities through a competitive grant process.~~

76.10 ~~(b)~~ (a) A grant awarded to an eligible community under this section must not exceed  
76.11 ~~\$500,000~~ \$1,000,000 in any calendar year. The commissioner may accept grant applications  
76.12 on an ongoing or rolling basis.

76.13 ~~(c)~~ (b) Grants funded with revenues from the renewable development account established  
76.14 in section 116C.779 must be awarded to an eligible community located within the retail  
76.15 electric service territory of the public utility that is subject to section 116C.779 or to an  
76.16 eligible community in which an electric generating plant owned by that public utility is  
76.17 located.

76.18 Sec. 6. Minnesota Statutes 2022, section 116J.55, subdivision 6, is amended to read:

76.19 Subd. 6. **Eligible expenditures.** (a) Money in the account established in subdivision 3  
76.20 must be used only to:

76.21 (1) award grants to eligible communities under this section; and

76.22 (2) reimburse the department's reasonable costs to administer this section, up to a  
76.23 maximum of five percent of the appropriation made to the commissioner under this section.  
76.24 The commissioner may transfer part of the allowable administrative portion of this  
76.25 appropriation to the Environmental Quality Board to assist communities with regulatory  
76.26 coordination and dedicated technical assistance on conversion for these communities.

76.27 (b) An eligible community awarded a grant under this section may use the grant to plan  
76.28 for or address the economic and social impacts on the eligible community of the electric  
76.29 generating plant's cessation of operations, including but not limited to land use studies,  
76.30 economic planning, researching, planning, and implementing activities, capital costs of  
76.31 public infrastructure necessary for economic development, and impact studies and other  
76.32 planning activities enabling communities to become shovel-ready and support the transition

77.1 from power plants to other economic activities to minimize the negative impacts of power  
77.2 plant closures on tax revenues and jobs designed to:

77.3 (1) assist workers at the plant find new employment, including worker retraining and  
77.4 developing small business start-up skills;

77.5 (2) increase the eligible community's property tax base; and

77.6 (3) develop alternative economic development strategies to attract new employers to the  
77.7 eligible community.

77.8 Sec. 7. [116J.659] OFFICE OF NEW AMERICANS.

77.9 Subdivision 1. Office established; purpose. (a) The Office of New Americans is  
77.10 established within the Department of Employment and Economic Development. The governor  
77.11 must appoint an assistant commissioner who serves in the unclassified service. The assistant  
77.12 commissioner must hire a program manager and an office assistant, as well as any staff  
77.13 necessary to carry out the office's duties under subdivision 2.

77.14 (b) The purpose of the office is to serve immigrants and refugees in Minnesota by:

77.15 (1) addressing challenges that face immigrants and refugees in Minnesota, and creating  
77.16 access in economic development and workforce programs and services; and

77.17 (2) providing interstate agency coordination, policy reviews, and guidance that assist in  
77.18 creating access to immigrants and refugees.

77.19 Subd. 2. Duties. (a) The office has the duty to:

77.20 (1) create and implement a statewide strategy to support immigrant and refugee integration  
77.21 into Minnesota communities;

77.22 (2) address the state's workforce needs by connecting employers and job seekers within  
77.23 the immigrant and refugee community;

77.24 (3) identify strategies to reduce employment barriers, including the creation of alternative  
77.25 pathways for immigrants and refugees;

77.26 (4) support programs and activities designed to ensure equitable access to the workforce  
77.27 for immigrants and refugees, including those who are disabled;

77.28 (5) support equitable opportunities for immigrants and refugees to access state government  
77.29 services and grants;

78.1 (6) work with state agencies and community and foundation partners to undertake studies  
78.2 and research and analyze economic and demographic trends to better understand and serve  
78.3 the state's immigrant and refugee communities;

78.4 (7) coordinate and establish best practices for language access initiatives to all state  
78.5 agencies;

78.6 (8) convene stakeholders and provide assistance and recommendations to the governor  
78.7 on issues impacting immigrants and refugees;

78.8 (9) make policy recommendations to the governor on issues impacting immigrants and  
78.9 refugees;

78.10 (10) develop systems of communication and collaboration with local offices and service  
78.11 providers to ensure that immigrants and refugees can access support available to them to  
78.12 address multisectoral barriers to success, including in the areas of employment, housing,  
78.13 legal services, health care, and education;

78.14 (11) collaborate with existing immigrant and refugee inclusion positions and offices at  
78.15 the city and county level statewide;

78.16 (12) encourage and support the creation of new immigrant and refugee inclusion positions  
78.17 and offices at the city and county level statewide;

78.18 (13) serve as the point of contact for immigrants and refugees accessing resources both  
78.19 within the department and with boards charged with oversight of a profession;

78.20 (14) promulgate rules necessary to implement and effectuate this section;

78.21 (15) provide an annual report, as required by subdivision 3; and

78.22 (16) perform any other activities consistent with the office's purpose.

78.23 Subd. 3. **Reporting.** (a) Beginning January 15, 2024, and each year thereafter, the Office  
78.24 of New Americans shall report to the legislative committees with jurisdiction over the  
78.25 office's activities during the previous year.

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

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

78.28 (2) suggested policies, incentives, and legislation designed to accelerate the achievement  
78.29 of the duties under subdivision 2;

78.30 (3) any proposed legislative and policy initiatives;

78.31 (4) the amount and types of grants awarded under subdivision 6; and

79.1 (5) any other information deemed necessary and requested by the legislative committees  
79.2 with jurisdiction over the office.

79.3 (c) The report may be submitted electronically and is subject to section 3.195, subdivision  
79.4 1.

79.5 **Subd. 4. Interdepartmental Coordinating Council on Immigrant and Refugee**  
79.6 **Affairs.** (a) An interdepartmental Coordinating Council on Immigrant and Refugee Affairs  
79.7 is established to advise the Office of New Americans.

79.8 (b) The purpose of the council is to identify and establish ways in which state departments  
79.9 and agencies can work together to deliver state programs and services effectively and  
79.10 efficiently to Minnesota's immigrant and refugee populations. The council shall implement  
79.11 policies, procedures, and programs requested by the governor through the state departments  
79.12 and offices.

79.13 (c) The council shall be chaired by the assistant commissioner of the Office of New  
79.14 Americans and shall be comprised of the commissioners, department directors, or senior  
79.15 leadership designees, from the following state departments and offices:

79.16 (1) the governor's office;

79.17 (2) the Department of Administration;

79.18 (3) the Department of Employment and Economic Development;

79.19 (4) the Department of Human Services;

79.20 (5) the Department of Human Services Resettlement Program Office;

79.21 (6) the Department of Labor and Industry;

79.22 (7) the Department of Health;

79.23 (8) the Department of Education;

79.24 (9) the Office of Higher Education;

79.25 (10) the Department of Public Safety;

79.26 (11) the Department of Corrections;

79.27 (12) the Council for Minnesotans of African Heritage;

79.28 (13) the Minnesota Council on Latino Affairs; and

79.29 (14) the Council on Asian Pacific Minnesotans.

80.1 (d) Each department or office serving as a member of the council shall designate one  
80.2 staff member as an immigrant and refugee services liaison. The liaisons' responsibilities  
80.3 shall include:

80.4 (1) preparation and dissemination of information and services available to immigrants  
80.5 and refugees; and

80.6 (2) interfacing with the Office of New Americans on issues that impact immigrants and  
80.7 refugees and their communities.

80.8 Subd. 5. **No right of action.** Nothing in this section shall be construed to create any  
80.9 right or benefit, substantive or procedural, enforceable at law or in equity by any party  
80.10 against the state; its departments, agencies, or entities; its officers, employees, or agents;  
80.11 or any other person.

80.12 Subd. 6. **Grants.** The office may apply for grants for interested state agencies, community  
80.13 partners, and stakeholders under this section to carry out the duties under subdivision 2. In  
80.14 awarding grants, the commissioner must allocate grants as evenly as practicable among  
80.15 interested parties.

80.16 Sec. 8. Minnesota Statutes 2022, section 116L.361, subdivision 7, is amended to read:

80.17 Subd. 7. ~~Very Low income.~~ "Very Low income" means incomes that are at or less than  
80.18 ~~50~~ 80 percent of the area median income, adjusted for family size, as estimated by the  
80.19 Department of Housing and Urban Development.

80.20 Sec. 9. Minnesota Statutes 2022, section 116L.362, subdivision 1, is amended to read:

80.21 Subdivision 1. **Generally.** (a) The commissioner shall make grants to eligible  
80.22 organizations for programs to provide education and training services to targeted youth.  
80.23 The purpose of these programs is to provide specialized training and work experience for  
80.24 targeted youth who have not been served effectively by the current educational system. The  
80.25 programs are to include a work experience component with work projects that result in the  
80.26 rehabilitation, improvement, or construction of (1) residential units for the homeless; (2)  
80.27 improvements to the energy efficiency and environmental health of residential units and  
80.28 other green jobs purposes; (3) facilities to support community garden projects; or (4)  
80.29 education, social service, or health facilities which are owned by a public agency or a private  
80.30 nonprofit organization.

80.31 (b) Eligible facilities must principally provide services to homeless or ~~very~~ low income  
80.32 individuals and families, and include the following:

- 81.1 (1) Head Start or day care centers, including playhouses or similar incidental structures;
- 81.2 (2) homeless, battered women, or other shelters;
- 81.3 (3) transitional housing and tiny houses;
- 81.4 (4) youth or senior citizen centers;
- 81.5 (5) community health centers; and
- 81.6 (6) community garden facilities.

81.7 Two or more eligible organizations may jointly apply for a grant. The commissioner  
81.8 shall administer the grant program.

81.9 Sec. 10. Minnesota Statutes 2022, section 116L.364, subdivision 3, is amended to read:

81.10 Subd. 3. **Work experience component.** A work experience component must be included  
81.11 in each program. The work experience component must provide vocational skills training  
81.12 in an industry where there is a viable expectation of job opportunities. A training subsidy,  
81.13 living allowance, or stipend, not to exceed an amount equal to 100 percent of the poverty  
81.14 line for a family of two as defined in ~~United States Code, title 42, section 673, paragraph~~  
81.15 ~~(2)~~ the final rules and regulations of the Workforce Innovation and Opportunity Act, may  
81.16 be provided to program participants. The wage or stipend must be provided to participants  
81.17 who are recipients of public assistance in a manner or amount which will not reduce public  
81.18 assistance benefits. The work experience component must be designed so that work projects  
81.19 result in (1) the expansion or improvement of residential units for homeless persons and  
81.20 ~~very~~ low income families; (2) improvements to the energy efficiency and environmental  
81.21 health of residential units; (3) facilities to support community garden projects; or (4)  
81.22 rehabilitation, improvement, or construction of eligible education, social service, or health  
81.23 facilities that principally serve homeless or ~~very~~ low income individuals and families. Any  
81.24 work project must include direct supervision by individuals skilled in each specific vocation.  
81.25 Program participants may earn credits toward the completion of their secondary education  
81.26 from their participation in the work experience component.

81.27 Sec. 11. Minnesota Statutes 2022, section 116L.365, subdivision 1, is amended to read:

81.28 Subdivision 1. **Priority for housing.** Any residential or transitional housing units that  
81.29 become available through a work project that is part of the program described in section  
81.30 116L.364 must be allocated in the following order:

82.1 (1) homeless targeted youth who have participated in constructing, rehabilitating, or  
82.2 improving the unit;

82.3 (2) homeless families with at least one dependent;

82.4 (3) other homeless individuals;

82.5 (4) other ~~very~~ low income families and individuals; and

82.6 (5) families or individuals that receive public assistance and that do not qualify in any  
82.7 other priority group.

82.8 **Sec. 12. [116L.43] TARGETED POPULATIONS WORKFORCE GRANTS.**

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

82.11 (b) "Community-based organization" means a nonprofit organization that:

82.12 (1) provides workforce development programming or services;

82.13 (2) has an annual organizational budget of no more than \$1,000,000;

82.14 (3) has its primary office located in a historically underserved community of color or  
82.15 low-income community; and

82.16 (4) serves a population that generally reflects the demographics of that local community.

82.17 (c) "Entry level jobs" means part-time or full-time jobs that an individual can perform  
82.18 without any prior education or experience.

82.19 (d) "High wage" means the income needed for a family to cover minimum necessary  
82.20 expenses in a given geographic area, including food, child care, health care, housing, and  
82.21 transportation.

82.22 (e) "Industry specific certification" means a credential an individual can earn to show  
82.23 proficiency in a particular area or skill.

82.24 (f) "Remedial training" means additional training provided to staff following the  
82.25 identification of a need and intended to increase proficiency in performing job tasks.

82.26 (g) "Small business" has the same meaning as section 645.445.

82.27 **Subd. 2. Job and entrepreneurial skills training grants.** (a) The commissioner shall  
82.28 establish a job and entrepreneurial skills training grant program that must provide competitive  
82.29 funding to community-based organizations to provide skills training that leads to employment  
82.30 or business development in high-growth industries.

83.1 (b) Eligible forms of skills training include:

83.2 (1) student tutoring and testing support services;

83.3 (2) training and employment placement in high-wage and high-growth employment;

83.4 (3) assistance in obtaining industry specific certifications;

83.5 (4) remedial training leading to enrollment in further training or education;

83.6 (5) real-time work experience or on-the-job training;

83.7 (6) career and educational counseling;

83.8 (7) work experience and internships;

83.9 (8) supportive services;

83.10 (9) tuition reimbursement for new entrants into public sector careers;

83.11 (10) career mentorship;

83.12 (11) postprogram case management services;

83.13 (12) job placement services; and

83.14 (13) the cost of corporate board of director training for people of color.

83.15 (c) Grant awards must not exceed \$750,000 per year per organization and all funding  
83.16 awards must be made for the duration of a biennium. An organization may partner with  
83.17 another organization to utilize grant awards, provided that the organizations must not be  
83.18 funded to deliver the same services. Grants awarded under this subdivision are not subject  
83.19 to section 116L.98.

83.20 Subd. 3. **Diversity and inclusion training for small employers.** (a) The commissioner  
83.21 shall establish a diversity and inclusion training grant program which shall provide  
83.22 competitive grants to small businesses for diversity and inclusion training, including the  
83.23 creation and implementation of a plan to actively engage, hire, and retain people of color  
83.24 for both entry level and high-wage opportunities, including management and board of  
83.25 director positions.

83.26 (b) Grant awards must not exceed \$300,000 per year per business. A business may only  
83.27 receive one grant for diversity and inclusion training per biennium.

83.28 (c) Applicants are required to submit a plan for use of the funds. Grant recipients are  
83.29 required to submit a diversity and inclusion implementation plan after training is completed.

83.30 (d) Grants awarded under this subdivision are not subject to section 116L.98.

84.1 (e) Sections 116J.993 to 116J.995 do not apply to assistance under this subdivision.

84.2 Subd. 4. **Capacity building.** (a) The commissioner shall establish a capacity building  
84.3 grant program to provide training services and funding for capacity building to  
84.4 community-based organizations.

84.5 (b) Eligible uses of grant awards include covering the cost of workforce program delivery  
84.6 staff, program infrastructure costs, and workforce training related service model development.

84.7 (c) Grant awards must not exceed \$50,000 per organization and are limited to one grant  
84.8 per community-based organization.

84.9 (d) Grants awarded under this subdivision are not subject to section 116L.98.

84.10 (e) Grant recipients must submit a report to the commissioner outlining the use of grant  
84.11 funds and the impact of that funding on the community-based organization's future ability  
84.12 to provide workforce development services.

84.13 Sec. 13. Minnesota Statutes 2022, section 116L.56, subdivision 2, is amended to read:

84.14 Subd. 2. **Eligible applicant.** "Eligible applicant" means an individual who is between  
84.15 the ages of 14 and ~~21~~24 and economically disadvantaged.

84.16 An at-risk youth who is classified as a family of one is deemed economically  
84.17 disadvantaged. For purposes of eligibility determination the following individuals are  
84.18 considered at risk:

84.19 (1) a pregnant or parenting youth;

84.20 (2) a youth with limited English proficiency;

84.21 (3) a potential or actual school dropout;

84.22 (4) a youth in an offender or diversion program;

84.23 (5) a public assistance recipient or a recipient of group home services;

84.24 (6) a youth with disabilities including learning disabilities;

84.25 (7) a child of drug or alcohol abusers or a youth with substance use disorder;

84.26 (8) a homeless or runaway youth;

84.27 (9) a youth with basic skills deficiency;

84.28 (10) a youth with an educational attainment of one or more levels below grade level  
84.29 appropriate to age; or

85.1 (11) a foster child.

85.2 Sec. 14. Minnesota Statutes 2022, section 116L.561, subdivision 5, is amended to read:

85.3 Subd. 5. **Allocation formula.** Seventy percent of Minnesota youth program funds must  
85.4 be allocated based on the county's share of economically disadvantaged youth. The remaining  
85.5 30 percent must be allocated based on the county's share of population ages 14 to ~~21~~ 24.

85.6 Sec. 15. Minnesota Statutes 2022, section 116L.562, subdivision 2, is amended to read:

85.7 Subd. 2. **Definitions.** For purposes of this section:

85.8 (1) "eligible organization" or "eligible applicant" means a local government unit, nonprofit  
85.9 organization, community action agency, or a public school district;

85.10 (2) "at-risk youth" means youth classified as at-risk under section 116L.56, subdivision  
85.11 2; and

85.12 (3) "economically disadvantaged" means youth who are economically disadvantaged as  
85.13 defined in ~~United States Code, title 29, section 1503~~ the rules and regulations of the  
85.14 Workforce Innovation and Opportunity Act.

85.15 Sec. 16. Minnesota Statutes 2022, section 268.035, subdivision 20, is amended to read:

85.16 Subd. 20. **Noncovered employment.** "Noncovered employment" means:

85.17 (1) employment for the United States government or an instrumentality thereof, including  
85.18 military service;

85.19 (2) employment for a state, other than Minnesota, or a political subdivision or  
85.20 instrumentality thereof;

85.21 (3) employment for a foreign government;

85.22 (4) employment covered under the federal Railroad Unemployment Insurance Act;

85.23 (5) employment for a church or convention or association of churches, or a nonprofit  
85.24 organization operated primarily for religious purposes that is operated, supervised, controlled,  
85.25 or principally supported by a church or convention or association of churches;

85.26 (6) employment for an elementary or secondary school with a curriculum that includes  
85.27 religious education that is operated by a church, a convention or association of churches,  
85.28 or a nonprofit organization that is operated, supervised, controlled, or principally supported  
85.29 by a church or convention or association of churches;

86.1 (7) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
86.2 a duly ordained or licensed minister of a church in the exercise of a ministry or by a member  
86.3 of a religious order in the exercise of duties required by the order;

86.4 (8) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
86.5 an individual receiving rehabilitation of "sheltered" work in a facility conducted for the  
86.6 purpose of carrying out a program of rehabilitation for individuals whose earning capacity  
86.7 is impaired by age or physical or mental deficiency or injury or a program providing  
86.8 "sheltered" work for individuals who because of an impaired physical or mental capacity  
86.9 cannot be readily absorbed in the competitive labor market. This clause applies only to  
86.10 services performed in a facility certified by the Rehabilitation Services Branch of the  
86.11 department or in a day training or habilitation program licensed by the Department of Human  
86.12 Services;

86.13 (9) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
86.14 an individual receiving work relief or work training as part of an unemployment work relief  
86.15 or work training program financed in whole or in part by any federal agency or an agency  
86.16 of a state or political subdivision thereof. This clause does not apply to programs that require  
86.17 unemployment benefit coverage for the participants;

86.18 (10) employment for Minnesota or a political subdivision, as an elected official, a member  
86.19 of a legislative body, or a member of the judiciary;

86.20 (11) employment as a member of the Minnesota National Guard or Air National Guard;

86.21 (12) employment for Minnesota or a political subdivision, or instrumentality thereof, of  
86.22 an individual serving on a temporary basis in case of fire, flood, tornado, or similar  
86.23 emergency;

86.24 (13) employment as an election official or election worker for Minnesota or a political  
86.25 subdivision, if the compensation for that employment was less than \$1,000 in a calendar  
86.26 year;

86.27 (14) employment for Minnesota that is a major policy-making or advisory position in  
86.28 the unclassified service;

86.29 (15) employment for Minnesota in an unclassified position established under section  
86.30 43A.08, subdivision 1a;

86.31 (16) employment for a political subdivision of Minnesota that is a nontenured major  
86.32 policy making or advisory position;

87.1 (17) domestic employment in a private household, local college club, or local chapter  
87.2 of a college fraternity or sorority, if the wages paid in any calendar quarter in either the  
87.3 current or prior calendar year to all individuals in domestic employment totaled less than  
87.4 \$1,000.

87.5 "Domestic employment" includes all service in the operation and maintenance of a  
87.6 private household, for a local college club, or local chapter of a college fraternity or sorority  
87.7 as distinguished from service as an employee in the pursuit of an employer's trade or business;

87.8 (18) employment of an individual by a son, daughter, or spouse, and employment of a  
87.9 child under the age of 18 by the child's father or mother;

87.10 (19) employment of an inmate of a custodial or penal institution;

87.11 (20) employment for a school, college, or university, by a student who is enrolled and  
87.12 whose primary relation to the school, college, or university is as a student. This does not  
87.13 include an individual whose primary relation to the school, college, or university is as an  
87.14 employee who also takes courses;

87.15 (21) employment of an individual who is enrolled as a student in a full-time program at  
87.16 a nonprofit or public educational institution that maintains a regular faculty and curriculum  
87.17 and has a regularly organized body of students in attendance at the place where its educational  
87.18 activities are carried on, taken for credit at the institution, that combines academic instruction  
87.19 with work experience, if the employment is an integral part of the program, and the institution  
87.20 has so certified to the employer, except that this clause does not apply to employment in a  
87.21 program established for or on behalf of an employer or group of employers;

87.22 (22) employment of a foreign college or university student who works on a seasonal or  
87.23 temporary basis under the J-1 visa summer work travel program described in Code of Federal  
87.24 Regulations, title 22, section 62.32;

87.25 (23) employment of university, college, or professional school students in an internship  
87.26 or other training program with the city of St. Paul or the city of Minneapolis under Laws  
87.27 1990, chapter 570, article 6, section 3;

87.28 (24) employment for a hospital by a patient of the hospital. "Hospital" means an institution  
87.29 that has been licensed by the Department of Health as a hospital;

87.30 (25) employment as a student nurse for a hospital or a nurses' training school by an  
87.31 individual who is enrolled and is regularly attending classes in an accredited nurses' training  
87.32 school;

88.1 (26) employment as an intern for a hospital by an individual who has completed a  
88.2 four-year course in an accredited medical school;

88.3 (27) employment as an insurance salesperson, by other than a corporate officer, if all  
88.4 the wages from the employment is solely by way of commission. The word "insurance"  
88.5 includes an annuity and an optional annuity;

88.6 (28) employment as an officer of a township mutual insurance company or farmer's  
88.7 mutual insurance company under chapter 67A;

88.8 (29) employment of a corporate officer, if the officer directly or indirectly, including  
88.9 through a subsidiary or holding company, owns 25 percent or more of the employer  
88.10 corporation, and employment of a member of a limited liability company, if the member  
88.11 directly or indirectly, including through a subsidiary or holding company, owns 25 percent  
88.12 or more of the employer limited liability company;

88.13 (30) employment as a real estate salesperson, other than a corporate officer, if all the  
88.14 wages from the employment is solely by way of commission;

88.15 (31) employment as a direct seller as defined in United States Code, title 26, section  
88.16 3508;

88.17 (32) employment of an individual under the age of 18 in the delivery or distribution of  
88.18 newspapers or shopping news, not including delivery or distribution to any point for  
88.19 subsequent delivery or distribution;

88.20 (33) casual employment performed for an individual, other than domestic employment  
88.21 under clause (17), that does not promote or advance that employer's trade or business;

88.22 (34) employment in "agricultural employment" unless it is "covered agricultural  
88.23 employment" under subdivision 11; ~~or~~

88.24 (35) if employment during one-half or more of any pay period was covered employment,  
88.25 all the employment for the pay period is covered employment; but if during more than  
88.26 one-half of any pay period the employment was noncovered employment, then all of the  
88.27 employment for the pay period is noncovered employment. "Pay period" means a period  
88.28 of not more than a calendar month for which a payment or compensation is ordinarily made  
88.29 to the employee by the employer; or

88.30 (36) employment of a foreign agricultural worker who works on a seasonal or temporary  
88.31 basis under the H-2A visa temporary agricultural employment program described in Code  
88.32 of Federal Regulations, title 20, section 655.

89.1 Sec. 17. Minnesota Statutes 2022, section 268A.15, is amended by adding a subdivision  
89.2 to read:

89.3 Subd. 8a. **Provider rate increases.** (a) Effective July 1, 2023, subject to the availability  
89.4 of additional funding, an annual growth factor adjustment of no less than a three percent  
89.5 increase for providers of extended employment services for persons with severe disabilities  
89.6 shall be authorized. If there is sufficient funding appropriated, the commissioner shall  
89.7 increase reimbursement rates by the percentage of this adjustment.

89.8 (b) The commissioner of management and budget must include an annual inflationary  
89.9 adjustment in reimbursement rates for providers of extended employment services for  
89.10 persons with severe disabilities as a budget change request in each biennial detailed  
89.11 expenditure budget submitted to the legislature under section 16A.11.

89.12 Sec. 18. Minnesota Statutes 2022, section 357.021, subdivision 1a, is amended to read:

89.13 Subd. 1a. **Transmittal of fees to commissioner of management and budget.** (a) Every  
89.14 person, including the state of Minnesota and all bodies politic and corporate, who shall  
89.15 transact any business in the district court, shall pay to the court administrator of said court  
89.16 the sundry fees prescribed in subdivision 2. Except as provided in paragraph (d), the court  
89.17 administrator shall transmit the fees monthly to the commissioner of management and budget  
89.18 for deposit in the state treasury and credit to the general fund. ~~\$30~~ \$60 of each fee collected  
89.19 in a dissolution action under subdivision 2, clause (1), must be deposited by the commissioner  
89.20 of management and budget in the special revenue fund and is appropriated to the  
89.21 commissioner of employment and economic development for the Minnesota Family  
89.22 Resiliency Partnership under section 116L.96.

89.23 (b) In a county which has a screener-collector position, fees paid by a county pursuant  
89.24 to this subdivision shall be transmitted monthly to the county treasurer, who shall apply the  
89.25 fees first to reimburse the county for the amount of the salary paid for the screener-collector  
89.26 position. The balance of the fees collected shall then be forwarded to the commissioner of  
89.27 management and budget for deposit in the state treasury and credited to the general fund.

89.28 In a county in a judicial district under section 480.181, subdivision 1, paragraph (b), which  
89.29 has a screener-collector position, the fees paid by a county shall be transmitted monthly to  
89.30 the commissioner of management and budget for deposit in the state treasury and credited  
89.31 to the general fund. A screener-collector position for purposes of this paragraph is an  
89.32 employee whose function is to increase the collection of fines and to review the incomes  
89.33 of potential clients of the public defender, in order to verify eligibility for that service.

90.1 (c) No fee is required under this section from the public authority or the party the public  
90.2 authority represents in an action for:

90.3 (1) child support enforcement or modification, medical assistance enforcement, or  
90.4 establishment of parentage in the district court, or in a proceeding under section 484.702;

90.5 (2) civil commitment under chapter 253B;

90.6 (3) the appointment of a public conservator or public guardian or any other action under  
90.7 chapters 252A and 525;

90.8 (4) wrongfully obtaining public assistance under section 256.98 or 256D.07, or recovery  
90.9 of overpayments of public assistance;

90.10 (5) court relief under chapters 260, 260A, 260B, and 260C;

90.11 (6) forfeiture of property under sections 169A.63 and 609.531 to 609.5317;

90.12 (7) recovery of amounts issued by political subdivisions or public institutions under  
90.13 sections 246.52, 252.27, 256.045, 256.25, 256.87, 256B.042, 256B.14, 256B.15, 256B.37,  
90.14 260B.331, and 260C.331, or other sections referring to other forms of public assistance;

90.15 (8) restitution under section 611A.04; or

90.16 (9) actions seeking monetary relief in favor of the state pursuant to section 16D.14,  
90.17 subdivision 5.

90.18 (d) \$20 from each fee collected for child support modifications under subdivision 2,  
90.19 clause (13), must be transmitted to the county treasurer for deposit in the county general  
90.20 fund and \$35 from each fee shall be credited to the state general fund. The fees must be  
90.21 used by the county to pay for child support enforcement efforts by county attorneys.

90.22 (e) No fee is required under this section from any federally recognized Indian Tribe or  
90.23 its representative in an action for:

90.24 (1) child support enforcement or modification, medical assistance enforcement, or  
90.25 establishment of parentage in the district court or in a proceeding under section 484.702;

90.26 (2) civil commitment under chapter 253B;

90.27 (3) the appointment of a public conservator or public guardian or any other action under  
90.28 chapters 252A and 525; or

90.29 (4) court relief under chapters 260, 260A, 260B, 260C, and 260D.

91.1 Sec. 19. Minnesota Statutes 2022, section 469.40, subdivision 11, is amended to read:

91.2 Subd. 11. **Public infrastructure project.** (a) "Public infrastructure project" means a  
91.3 project financed in part or in whole with public money in order to support the medical  
91.4 business entity's development plans, as identified in the DMCC development plan. A public  
91.5 infrastructure project may:

91.6 (1) acquire real property and other assets associated with the real property;

91.7 (2) demolish, repair, or rehabilitate buildings;

91.8 (3) remediate land and buildings as required to prepare the property for acquisition or  
91.9 development;

91.10 (4) install, construct, or reconstruct elements of public infrastructure required to support  
91.11 the overall development of the destination medical center development district including,  
91.12 but not limited to: streets, roadways, utilities systems and related facilities; utility relocations  
91.13 and replacements; network and communication systems; streetscape improvements;  
91.14 drainage systems; sewer and water systems; subgrade structures and associated  
91.15 improvements; landscaping; facade construction and restoration; design and predesign,  
91.16 including architectural, engineering, and similar services; legal, regulatory, and other  
91.17 compliance services; construction costs, including all materials and supplies; wayfinding  
91.18 and signage; community engagement; transit costs incurred on or after March 16, 2020;  
91.19 and other components of community infrastructure;

91.20 (5) acquire, construct or reconstruct, and equip parking facilities and other facilities to  
91.21 encourage intermodal transportation and public transit;

91.22 (6) install, construct or reconstruct, furnish, and equip parks, cultural, and recreational  
91.23 facilities, facilities to promote tourism and hospitality, conferencing and conventions, and  
91.24 broadcast and related multimedia infrastructure;

91.25 (7) make related site improvements including, without limitation, excavation, earth  
91.26 retention, soil stabilization and correction, and site improvements to support the destination  
91.27 medical center development district;

91.28 (8) prepare land for private development and to sell or lease land;

91.29 (9) provide costs of relocation benefits to occupants of acquired properties; and

91.30 (10) construct and equip all or a portion of one or more suitable structures on land owned  
91.31 by the city for sale or lease to private development; provided, however, that the portion of

92.1 any structure directly financed by the city as a public infrastructure project must not be sold  
92.2 or leased to a medical business entity.

92.3 (b) A public infrastructure project is not a business subsidy under section 116J.993.

92.4 (c) Public infrastructure project includes the planning, preparation, and modification of  
92.5 the development plan under section 469.43. The cost of that planning, preparation, and any  
92.6 modification is a capital cost of the public infrastructure project.

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

92.8 Sec. 20. Minnesota Statutes 2022, section 469.47, subdivision 1, is amended to read:

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

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

92.12 (c) "Construction projects" means:

92.13 (1) for expenditures by a medical business entity, construction of buildings in the city  
92.14 for which the building permit was issued after June 30, 2013; and

92.15 (2) for any other expenditures, construction of privately owned buildings and other  
92.16 improvements that are undertaken pursuant to or as part of the development plan and are  
92.17 located within a medical center development district.

92.18 (d) "Expenditures" means expenditures made by a medical business entity or by an  
92.19 individual or private entity on construction projects for the capital cost of the project  
92.20 including, but not limited to:

92.21 (1) design and predesign, including architectural, engineering, and similar services;

92.22 (2) legal, regulatory, and other compliance costs of the project;

92.23 (3) land acquisition, demolition of existing improvements, and other site preparation  
92.24 costs;

92.25 (4) construction costs, including all materials and supplies of the project; and

92.26 (5) equipment and furnishings that are attached to or become part of the real property.

92.27 Expenditures excludes supplies and other items with a useful life of less than a year that  
92.28 are not used or consumed in constructing improvements to real property or are otherwise  
92.29 chargeable to capital costs.

93.1 (e) "Qualified expenditures for the year" means the total certified expenditures since  
93.2 June 30, 2013, through the end of the preceding year, minus \$200,000,000.

93.3 (f) "Transit costs" means the portions of a public infrastructure project that are for public  
93.4 transit intended primarily to serve the district, ~~such as~~ including but not limited to buses  
93.5 and other means of transit, transit stations, equipment, bus charging stations or bus charging  
93.6 equipment, rights-of-way, and similar costs permitted under section 469.40, subdivision  
93.7 11. This provision includes transit costs incurred on or after March 16, 2020.

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

93.9 Sec. 21. Minnesota Statutes 2022, section 469.47, subdivision 5, is amended to read:

93.10 Subd. 5. **State transit aid.** (a) The city qualifies for state transit aid under this section  
93.11 if the county contributes the required local matching contribution under subdivision 6 or  
93.12 the city or county has agreed to make an equivalent contribution out of other funds for the  
93.13 year.

93.14 (b) If the city qualifies for aid under paragraph (a), the commissioner must pay the city  
93.15 the state transit aid in the amount calculated under this paragraph. The amount of the state  
93.16 transit aid for a year equals the qualified expenditures for the year, as certified by the  
93.17 commissioner, multiplied by 0.75 percent, ~~reduced by~~ subject to the amount of the required  
93.18 local contribution under subdivision 6. City or county contributions that are in excess of  
93.19 this ratio carry forward and are credited toward subsequent years. The maximum amount  
93.20 of state transit aid payable in any year is limited to no more than \$7,500,000. If the  
93.21 commissioner determines that the city or county has not made the full required matching  
93.22 local contribution for the year, the commissioner must pay state transit aid only in proportion  
93.23 to the amount of ~~for~~ the matching contribution made for the year and any unpaid amount  
93.24 is a carryover aid. The carryover aid must be paid in the first year after the required matching  
93.25 contribution ~~for that prior year~~ is made and in which the aid entitlement for the current year  
93.26 is less than the maximum annual limit, but only to the extent the carryover, when added to  
93.27 the current year aid, is less than the maximum annual limit.

93.28 (c) The commissioner, in consultation with the commissioner of management and budget,  
93.29 and representatives of the city and the corporation, must establish a total limit on the amount  
93.30 of state aid payable under this subdivision that will be adequate to finance, in combination  
93.31 with the local contribution, \$116,000,000 of transit costs.

94.1 (d) The city must use state transit aid it receives under this subdivision for transit costs.  
94.2 The city must maintain appropriate records to document the use of the funds under this  
94.3 requirement.

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

94.5 Sec. 22. Minnesota Statutes 2022, section 517.08, subdivision 1c, is amended to read:

94.6 Subd. 1c. **Disposition of license fee.** (a) Of the civil marriage license fee collected  
94.7 pursuant to subdivision 1b, paragraph (a), \$25 must be retained by the county. The local  
94.8 registrar must pay \$90 to the commissioner of management and budget to be deposited as  
94.9 follows:

94.10 (1) ~~\$55~~ \$25 in the general fund;

94.11 (2) \$3 in the state government special revenue fund to be appropriated to the  
94.12 commissioner of public safety for parenting time centers under section 119A.37;

94.13 (3) \$2 in the special revenue fund to be appropriated to the commissioner of health for  
94.14 developing and implementing the MN ENABL program under section 145.9255;

94.15 (4) ~~\$25~~ \$55 in the special revenue fund is appropriated to the commissioner of  
94.16 employment and economic development for the Minnesota Family Resiliency Partnership  
94.17 under section 116L.96; and

94.18 (5) \$5 in the special revenue fund, which is appropriated to the Board of Regents of the  
94.19 University of Minnesota for the Minnesota couples on the brink project under section 137.32.

94.20 (b) Of the \$40 fee under subdivision 1b, paragraph (b), \$25 must be retained by the  
94.21 county. The local registrar must pay \$15 to the commissioner of management and budget  
94.22 to be deposited as follows:

94.23 (1) \$5 as provided in paragraph (a), clauses (2) and (3); and

94.24 (2) \$10 in the special revenue fund is appropriated to the commissioner of employment  
94.25 and economic development for the Minnesota Family Resiliency Partnership under section  
94.26 116L.96.

94.27 Sec. 23. **MINNESOTA EMPLOYER REASONABLE ACCOMMODATION FUND.**

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

95.1 (b) "Applicant" means any person, whether employed or unemployed, seeking or entering  
95.2 into any arrangement for employment or change of employment with an eligible employer.

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

95.4 (d) "Eligible employer" means an employer domiciled within the legal boundaries of  
95.5 Minnesota and having its principal place of business as identified in its certificate of  
95.6 incorporation in the state of Minnesota who:

95.7 (1) employs not more than 500 employees on any business day during the preceding  
95.8 calendar year; and

95.9 (2) generates \$5,000,000 or less in gross annual revenue.

95.10 (e) "Employee" has the meaning given in Minnesota Statutes, section 363A.03,  
95.11 subdivision 15.

95.12 (f) "Individual with a disability" has the meaning given to "qualified disabled person"  
95.13 in Minnesota Statutes, section 363A.03, subdivision 36.

95.14 (g) "Reasonable accommodation" has the meaning given in Minnesota Statutes, section  
95.15 363A.08, subdivision 6.

95.16 Subd. 2. **Reimbursement grant program established.** The commissioner shall establish  
95.17 a reasonable accommodation reimbursement grant program that reimburses eligible  
95.18 employers for the cost of expenses incurred in providing reasonable accommodations for  
95.19 individuals with a disability who are either applicants or employees of the eligible employer.

95.20 Subd. 3. **Application.** (a) The commissioner must develop forms and procedures for  
95.21 soliciting and reviewing applications for reimbursement under this section.

95.22 (b) The program shall award reimbursements to eligible employers to the extent that  
95.23 funds are available in the account established under subdivision 5 for this purpose.

95.24 (c) Applications shall be processed on a first-received, first-processed basis within each  
95.25 fiscal year until funding is exhausted. Applications received after funding has been exhausted  
95.26 in a fiscal year are not eligible for reimbursement.

95.27 (d) Documentation for reimbursement shall be provided by eligible employers in a form  
95.28 approved by the commissioner.

95.29 Subd. 4. **Reimbursement awards.** The maximum total reimbursement per eligible  
95.30 employer in a fiscal year is \$30,000 and:

96.1 (1) submissions for onetime reasonable accommodation expenses must be no less than  
96.2 \$250 and no more than \$15,000 per individual with a disability; and

96.3 (2) submissions for ongoing reasonable accommodation expenses have no minimum or  
96.4 maximum requirements.

96.5 Subd. 5. **Employer reasonable accommodation fund account established.** The  
96.6 employer reasonable accommodation fund account is created as an account in the special  
96.7 revenue fund. Money in the account is appropriated to the commissioner for the purposes  
96.8 of reimbursing eligible employers under this section.

96.9 Subd. 6. **Technical assistance and consultation.** The commissioner may provide  
96.10 technical assistance regarding requests for reasonable accommodations.

96.11 Subd. 7. **Administration and marketing costs.** The commissioner may use up to 20  
96.12 percent of the biennial appropriation for administration and marketing of this section.

96.13 Subd. 8. **Notification.** By September 1, 2023, or within 60 days following final enactment,  
96.14 whichever is later, and each year thereafter by June 30, the commissioner shall make publicly  
96.15 available information regarding the availability of funds for reasonable accommodation  
96.16 reimbursement and the procedure for requesting reimbursement under this section.

96.17 Subd. 9. **Reports to the legislature.** By January 15, 2024, and each January 15 thereafter  
96.18 until expiration, the commissioner must submit a report to the chairs and ranking minority  
96.19 members of the house of representatives and the senate committees with jurisdiction over  
96.20 workforce development that details the use of grant funds. This report must include data on  
96.21 the number of employer reimbursements the program made in the preceding calendar year.  
96.22 The report must include:

96.23 (1) the number and type of accommodations requested;

96.24 (2) the cost of accommodations requested;

96.25 (3) the employers from which the requests were made;

96.26 (4) the number and type of accommodations that were denied and why;

96.27 (5) any remaining balance left in the account; and

96.28 (6) if the account was depleted, the date on which funds were exhausted and the number,  
96.29 type, and cost of accommodations that were not reimbursed to employers.

96.30 Subd. 10. **Expiration.** This section expires June 30, 2025, or when money appropriated  
96.31 for its purpose expires, whichever is later.

97.1 **Sec. 24. ENGAGEMENT TO ADDRESS BARRIERS TO EMPLOYMENT.**

97.2 The commissioner of employment and economic development shall engage stakeholders  
97.3 to identify barriers that adults with mental illness face in obtaining and retaining employment  
97.4 and recommend strategies to address those barriers. The commissioner shall solicit feedback  
97.5 from advocacy organizations for people with mental illness, mental health providers, people  
97.6 with mental illness, organizations that support people with mental illness in obtaining  
97.7 employment, and employers. The commissioner shall submit a plan to the legislative  
97.8 committees with jurisdiction over employment and human services before February 1, 2024,  
97.9 identifying the barriers to employment and making recommendations on how to best improve  
97.10 the employment rate among people with mental illness.

97.11 **Sec. 25. SOUTHWESTERN MINNESOTA WORKFORCE DEVELOPMENT**  
97.12 **SCHOLARSHIP PILOT PROGRAM.**

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

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

97.16 (c) "Southwest Initiative Foundation" or "foundation" means a nonprofit organization  
97.17 that provides services to the following counties in southwest Minnesota: Big Stone,  
97.18 Chippewa, Cottonwood, Jackson, Kandiyohi, Lac qui Parle, Lincoln, Lyon, McLeod, Meeker,  
97.19 Murray, Nobles, Pipestone, Redwood, Renville, Rock, Swift, and Yellow Medicine, and  
97.20 the Lower Sioux Indian Community and Upper Sioux Community.

97.21 (d) "Employer-sponsored applicant" means a student applicant with a local employer  
97.22 scholarship equal to or greater than 25 percent of the workforce development scholarship.

97.23 (e) "Eligible student" means a student applicant who:

97.24 (1) is eligible for resident or nonresident tuition;

97.25 (2) is enrolling in an eligible program as determined by the regional workforce  
97.26 development board; and

97.27 (3) is enrolling at least half-time at a Minnesota West college listed in subdivision 4.

97.28 (f) "Local employer" means an employer with a physical location in a county within the  
97.29 service area of the foundation listed in paragraph (c).

97.30 Subd. 2. Program established. The commissioner shall establish a southwestern  
97.31 Minnesota workforce development scholarship pilot program administered by the foundation  
97.32 to assist in meeting the workforce challenges in southwest Minnesota and enhance long-term

98.1 economic self-sufficiency by connecting students, higher education facilities, employers,  
98.2 and communities.

98.3 Subd. 3. **Grant to the Southwest Initiative Foundation.** The commissioner shall award  
98.4 all grant funds to the foundation, which shall administer the southwestern Minnesota  
98.5 workforce development scholarship pilot program. The foundation may use up to seven  
98.6 percent of grant funds for administrative costs.

98.7 Subd. 4. **Scholarship awards.** (a) The foundation shall coordinate available funds and  
98.8 award scholarships to the following Minnesota West colleges:

98.9 (1) Canby;

98.10 (2) Granite Falls;

98.11 (3) Pipestone;

98.12 (4) Worthington;

98.13 (5) Jackson;

98.14 (6) Luverne; and

98.15 (7) Marshall.

98.16 (b) Scholarships shall be coordinated by the individual colleges listed in paragraph (a)  
98.17 and applied only after all other available grant funding through a last-dollar-in model.

98.18 (c) In awarding grants, priority shall first be given to applicants that are  
98.19 program-continuing applicants. Priority shall then be given to employer-sponsored applicants.

98.20 (d) Scholarships are intended to supplement all other grant opportunities and to cover  
98.21 the full cost of attendance to the eligible students.

98.22 Subd. 5. **Program eligibility.** Scholarships shall be awarded to eligible students who  
98.23 are enrolled in or enrolling in a high-demand occupation associate degree, diploma, or  
98.24 certificate or industry-recognized credential program as defined annually by the applicable  
98.25 regional workforce development board. Students must complete the Free Application for  
98.26 Federal Student Aid if applicable to the program to which they are applying.

98.27 Subd. 6. **Renewal; cap.** A student who has been awarded a scholarship may apply in  
98.28 subsequent academic years, but total lifetime awards are not to exceed two full scholarships  
98.29 per student. Students may only be awarded a second scholarship upon successful completion  
98.30 of the program and subsequent work period requirement.

99.1 Subd. 7. **Administration.** (a) The foundation and Minnesota West colleges shall establish  
99.2 an application process and other guidelines for implementing the pilot program.

99.3 (b) Each college shall receive from their respective workforce development board by  
99.4 December 1 of each year, commencing in 2023, a list of eligible programs administered by  
99.5 the college that are eligible for subsequent year scholarships. The applicable workforce  
99.6 development board must consider data based on a workforce shortage for full-time  
99.7 employment requiring postsecondary education that is unique to the specific region, as  
99.8 reported in the most recent Department of Employment and Economic Development job  
99.9 vacancy survey data for the economic development region in which the college is located.  
99.10 A workforce shortage area is one in which the job vacancy rate for full-time employment  
99.11 in a specific occupation in a region is higher than the state average vacancy rate for that  
99.12 same occupation.

99.13 Subd. 8. **Scholarship recipient requirements.** (a) A recipient of a scholarship awarded  
99.14 under the program established in this section shall:

99.15 (1) be enrolled in a high-demand occupation associate degree, diploma, or certificate or  
99.16 industry-recognized credential program as defined by the regional workforce development  
99.17 board and offered by a Minnesota West college;

99.18 (2) adhere to any applicable participating local employer program requirements;

99.19 (3) commit to three years of full-time employment with:

99.20 (i) a sponsoring local employer; or

99.21 (ii) any qualified local employer within the high-demand occupations as defined by the  
99.22 regional workforce development board; and

99.23 (4) fulfill the three-year full-time employment commitment in a county within the service  
99.24 area of the foundation as listed in subdivision 1, paragraph (c).

99.25 (b) If a recipient of a scholarship fails to fulfill the requirements of paragraph (a), the  
99.26 foundation may convert the scholarship to a loan. Amounts repaid from a loan shall be used  
99.27 to fund scholarship awards under this section.

99.28 Subd. 9. **Employer partnerships.** The foundation and Minnesota West colleges shall  
99.29 establish partnerships with qualified local employers and work to ensure that a percentage  
99.30 of the state funds appropriated to each college for the southwestern Minnesota workforce  
99.31 development scholarship program are equally matched with employer funds.

100.1 Subd. 10. **Report required.** The foundation must submit an annual report by December  
100.2 31 of each year regarding the scholarship program to the chairs and ranking minority  
100.3 members of the legislative committees with jurisdiction over employment and economic  
100.4 development policy. The first report is due no later than December 31, 2023. The annual  
100.5 report shall include:

100.6 (1) the number of students receiving a scholarship at each participating college during  
100.7 the previous calendar year;

100.8 (2) the number of scholarships awarded for each program and type of program during  
100.9 the previous calendar year;

100.10 (3) the number of scholarship recipients who completed a program of study or  
100.11 certification;

100.12 (4) the number of scholarship recipients who secured employment by their graduation  
100.13 date and those who secured employment within three months of their graduation date;

100.14 (5) a list of the colleges that received funding, the amount of funding each institution  
100.15 received, and whether all withheld funds were distributed;

100.16 (6) a list of occupations scholarship recipients are entering;

100.17 (7) the number of students who were denied a scholarship;

100.18 (8) a list of participating local employers and amounts of any applicable employer  
100.19 contributions; and

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

100.21 Sec. 26. **UNEMPLOYMENT INSURANCE FINE REDUCTION AND INTEREST**  
100.22 **ELIMINATION.**

100.23 By January 1, 2024, the commissioner of employment and economic development must  
100.24 make recommendations to the legislative committees with jurisdiction over workforce  
100.25 development for how the unemployment insurance system will reduce the fines and interest  
100.26 applied to misrepresentation overpayments. The commissioner must provide a timeline for  
100.27 implementing a reduction of the 40 percent fine to 15 percent and an elimination of the 12  
100.28 percent interest rate.

101.1 **ARTICLE 5**

101.2 **CAPITOL AREA**

101.3 Section 1. **CAPITOL AREA COMMUNITY VITALITY TASK FORCE;**  
101.4 **APPROPRIATION.**

101.5 **Subdivision 1. Task force established; membership.** (a) A Capitol Area Community  
101.6 Vitality Task Force is established. The task force consists of the following members:

101.7 (1) the executive secretary of the Capitol Area Architectural and Planning Board;

101.8 (2) one member of the Capitol Area Architectural and Planning Board, appointed by the  
101.9 board;

101.10 (3) two members of the house of representatives appointed by the speaker of the house,  
101.11 of whom one must be a member of the majority caucus of the house, and one must be a  
101.12 member of the minority caucus of the house;

101.13 (4) two members of the senate appointed by the majority leader of the senate, of whom  
101.14 one must be a member of the majority caucus of the senate, and one must be a member of  
101.15 the minority caucus of the senate;

101.16 (5) four members who are residents, businesspeople, or members of local organizations  
101.17 in the Capitol Area, appointed by the mayor of St. Paul; and

101.18 (6) one member of the public appointed by the governor.

101.19 (b) The task force must elect a chair and other officers from among its members.

101.20 Appointments to the task force must be made no later than July 15, 2023. The executive  
101.21 secretary of the Capitol Area Architectural and Planning Board must convene the first  
101.22 meeting of the task force no later than August 15, 2023.

101.23 (c) As used in this section, "Capitol Area" includes that part of the city of St. Paul within  
101.24 the boundaries described in Minnesota Statutes, section 15B.02.

101.25 **Subd. 2. Terms; compensation.** The terms and compensation of members of the task  
101.26 force are governed by Minnesota Statutes, section 15.059, subdivision 6.

101.27 **Subd. 3. Administrative support.** The Capitol Area Architectural and Planning Board  
101.28 must provide administrative support to assist the task force in its work.

101.29 **Subd. 4. Duties; report.** The task force must consider and develop recommendations  
101.30 for the administration, program plan, and oversight of the Capitol Area community vitality  
101.31 account established by this act. The task force must submit its recommendations to the  
101.32 Capitol Area Architectural and Planning Board for approval. A report including the approved

102.1 recommendations must be submitted by the Capitol Area Architectural and Planning Board  
102.2 to the chairs and ranking minority members of the committees of the legislature with  
102.3 jurisdiction over the board no later than February 1, 2024. The task force shall seek and  
102.4 receive the approval of the St. Paul planning council district that includes the Capitol Area  
102.5 before approving any construction work on the State Office Building.

102.6 Subd. 5. **Expiration.** Notwithstanding Minnesota Statutes, section 15.059, subdivision  
102.7 6, the task force expires upon submission of the report required by subdivision 4.

102.8 Subd. 6. **Appropriation.** \$150,000 in fiscal year 2024 is appropriated from the general  
102.9 fund to the Capitol Area Architectural and Planning Board to support the work of the task  
102.10 force, including but not limited to payment of fees and other expenses necessary to retain  
102.11 appropriate professional consultants, conduct public meetings, and facilitate other activities  
102.12 as requested by the task force.

102.13 **Sec. 2. CAPITOL AREA COMMUNITY VITALITY ACCOUNT.**

102.14 Subdivision 1. **Account established; appropriation.** (a) A Capitol Area community  
102.15 vitality account is established in the special revenue fund. Money in the account is  
102.16 appropriated to the commissioner of administration to improve the livability, economic  
102.17 health, and safety of communities within the Capitol Area, provided that no funds may be  
102.18 expended until a detailed program and oversight plan to govern their use, in accordance  
102.19 with the spending recommendations of the Capitol Area Community Vitality Task Force  
102.20 as approved by the Capitol Area Architectural and Planning Board, has been further approved  
102.21 by law.

102.22 (b) As used in this section, "Capitol Area" includes that part of the city of St. Paul within  
102.23 the boundaries described in Minnesota Statutes, section 15B.02.

102.24 Subd. 2. **Appropriation.** \$5,000,000 in fiscal year 2024 is transferred from the general  
102.25 fund to the Capitol Area community vitality account.

102.26 **Sec. 3. APPROPRIATION; CAPITOL AREA TRANSPORTATION CORRIDORS.**

102.27 (a) \$5,000,000 in fiscal year 2024 is appropriated from the general fund to the  
102.28 commissioner of administration for one or more grants to the city of St. Paul, Ramsey  
102.29 County, or both, for road projects that improve the livability, economic health, and safety  
102.30 of communities within the Capitol Area. Funded projects must be consistent with the  
102.31 recommendations of the Capitol Area Community Vitality Task Force, as approved by the



104.1	<u>Workers'</u>			
104.2	<u>Compensation</u>	<u>30,599,000</u>	<u>32,390,000</u>	
104.3	<u>Workforce</u>			
104.4	<u>Development</u>	<u>10,314,000</u>	<u>7,168,000</u>	
104.5	<u>The amounts that may be spent for each</u>			
104.6	<u>purpose are specified in the following</u>			
104.7	<u>subdivisions.</u>			
104.8	<u>Subd. 2. General Support</u>		<u>8,765,000</u>	<u>9,106,000</u>
104.9	<u>This appropriation is from the workers'</u>			
104.10	<u>compensation fund.</u>			
104.11	<u>Subd. 3. Labor Standards</u>		<u>6,564,000</u>	<u>6,235,000</u>
104.12	<u>Appropriations by Fund</u>			
104.13	<u>General</u>	<u>5,001,000</u>	<u>4,600,000</u>	
104.14	<u>Workforce</u>			
104.15	<u>Development</u>	<u>1,563,000</u>	<u>1,635,000</u>	
104.16	<u>(a) \$2,046,000 each year is for wage theft</u>			
104.17	<u>prevention.</u>			
104.18	<u>(b) \$1,563,000 the first year and \$1,635,000</u>			
104.19	<u>the second year are from the workforce</u>			
104.20	<u>development fund for prevailing wage</u>			
104.21	<u>enforcement.</u>			
104.22	<u>(c) \$268,000 the first year and \$276,000 the</u>			
104.23	<u>second year are for outreach and enforcement</u>			
104.24	<u>efforts related to changes to the nursing</u>			
104.25	<u>mothers, lactating employees, and pregnancy</u>			
104.26	<u>accommodations law.</u>			
104.27	<u>(d) \$184,000 the first year and \$142,000 the</u>			
104.28	<u>second year are to strengthen workplace</u>			
104.29	<u>protections for agricultural and food</u>			
104.30	<u>processing workers.</u>			
104.31	<u>(e) \$50,000 the first year is for outreach and</u>			
104.32	<u>education for the safe and skilled worker act,</u>			
104.33	<u>which establishes minimum training standards</u>			

105.1 for contractors performing work at petroleum  
 105.2 refineries in Minnesota.

105.3 (f) \$641,000 the first year and \$322,000 the  
 105.4 second year are to perform work for the  
 105.5 Nursing Home Workforce Standards Board.

105.6 (g) \$225,000 the first year and \$169,000 the  
 105.7 second year are for the purposes of the Safe  
 105.8 Workplaces for Meat and Poultry Processing  
 105.9 Workers Act.

105.10 (h) \$27,000 the first year is for the creation  
 105.11 and distribution of a veterans' benefits and  
 105.12 services poster under Minnesota Statutes,  
 105.13 section 181.536.

105.14 **Subd. 4. Workers' Compensation** 15,190,000 15,725,000

105.15 This appropriation is from the workers'  
 105.16 compensation fund.

105.17 **Subd. 5. Workplace Safety** 8,644,000 7,559,000

105.18 Appropriations by Fund

105.19 General 2,000,000 -0-

105.20 Workers'  
 105.21 Compensation 6,644,000 7,559,000

105.22 (a) \$477,000 the first year and \$1,128,000 the  
 105.23 second year are from the workers'  
 105.24 compensation fund for education and outreach,  
 105.25 staffing, and technology development of the  
 105.26 ergonomics program under Minnesota  
 105.27 Statutes, section 182.677. The base  
 105.28 appropriation is \$1,487,000 in fiscal year 2026  
 105.29 and \$1,196,000 in fiscal year 2027.

105.30 (b) \$2,000,000 the first year is for the  
 105.31 ergonomics safety grant program. This  
 105.32 appropriation is available until June 30, 2026.  
 105.33 This is a onetime appropriation.

106.1	<u>(c) \$115,000 the first year and \$91,000 the</u>		
106.2	<u>second year are from the workers'</u>		
106.3	<u>compensation fund for enforcement and other</u>		
106.4	<u>duties related to warehouse distribution</u>		
106.5	<u>workers safety under Minnesota Statutes,</u>		
106.6	<u>section 182.6526.</u>		
106.7	<b><u>Subd. 6. Workforce Development Initiatives</u></b>	<u>2,359,000</u>	<u>2,371,000</u>
106.8	<u>(a) This appropriation is from the workforce</u>		
106.9	<u>development fund.</u>		
106.10	<u>(b) \$300,000 each year is from the workforce</u>		
106.11	<u>development fund for the pipeline program.</u>		
106.12	<u>(c) \$200,000 each year is from the workforce</u>		
106.13	<u>development fund for identification of</u>		
106.14	<u>competency standards under Minnesota</u>		
106.15	<u>Statutes, section 175.45.</u>		
106.16	<u>(d) \$1,500,000 each year is from the</u>		
106.17	<u>workforce development fund for youth skills</u>		
106.18	<u>training grants under Minnesota Statutes,</u>		
106.19	<u>section 175.46.</u>		
106.20	<u>(e) \$359,000 the first year and \$371,000 the</u>		
106.21	<u>second year are from the workforce</u>		
106.22	<u>development fund for administration of the</u>		
106.23	<u>youth skills training grants under Minnesota</u>		
106.24	<u>Statutes, section 175.46.</u>		
106.25	<b><u>Subd. 7. Combative Sports</u></b>	<u>243,000</u>	<u>254,000</u>
106.26	<b><u>Subd. 8. Apprenticeship</u></b>	<u>6,392,000</u>	<u>3,162,000</u>
106.27	<u>(a) This appropriation is from the workforce</u>		
106.28	<u>development fund.</u>		
106.29	<u>(b) \$1,464,000 the first year and \$1,534,000</u>		
106.30	<u>the second year are from the workforce</u>		
106.31	<u>development fund for the apprenticeship</u>		
106.32	<u>program under Minnesota Statutes, chapter</u>		
106.33	<u>178.</u>		

- 107.1 (c) \$1,000,000 the first year and \$1,000,000  
107.2 the second year are from the workforce  
107.3 development fund for labor education and  
107.4 advancement program grants under Minnesota  
107.5 Statutes, section 178.11.
- 107.6 (d) \$3,000,000 the first year is from the  
107.7 workforce development fund for grants to  
107.8 registered apprenticeship programs for clean  
107.9 economy occupations. Of this amount, up to  
107.10 five percent is for administration and  
107.11 monitoring of the program. This appropriation  
107.12 is onetime and available until June 30, 2026.
- 107.13 Grant money may be used to:
- 107.14 (1) purchase equipment or training materials  
107.15 in clean technologies;
- 107.16 (2) fund instructor professional development  
107.17 in clean technologies;
- 107.18 (3) design and refine curriculum in clean  
107.19 technologies; and
- 107.20 (4) train apprentices and upskill incumbent  
107.21 workers in clean technologies.
- 107.22 (e) \$400,000 the first year and \$400,000 the  
107.23 second year are from the workforce  
107.24 development fund for a grant to Building  
107.25 Strong Communities, Inc., for a statewide  
107.26 apprenticeship readiness program to prepare  
107.27 women, BIPOC community members, and  
107.28 veterans to enter the building and construction  
107.29 trades. These are onetime appropriations and  
107.30 are not added to the base for this purpose.
- 107.31 (f) \$228,000 the first year and \$228,000 the  
107.32 second year are from the workforce  
107.33 development fund for grants to Building  
107.34 Strong Communities, Inc., for the Helmets to

108.1 Hardhats Minnesota initiative. The following  
108.2 requirements apply:

108.3 (1) grant money must be used to recruit, retain,  
108.4 assist, and support National Guard, reserve,  
108.5 and active duty military members' and  
108.6 veterans' participation in apprenticeship  
108.7 programs registered with the Department of  
108.8 Labor and Industry and connect service  
108.9 members and veterans with career training and  
108.10 employment in the building and construction  
108.11 industry. The recruitment, selection,  
108.12 employment, and training must be without  
108.13 discrimination due to race, color, creed,  
108.14 religion, national origin, sex, sexual  
108.15 orientation, marital status, physical or mental  
108.16 disability, receipt of public assistance, or age;  
108.17 and

108.18 (2) Building Strong Communities, Inc., must  
108.19 report to the commissioner of labor and  
108.20 industry and the chairs and ranking members  
108.21 of the house of representatives and senate  
108.22 committees overseeing labor and industry  
108.23 policy and finance and veterans affairs policy  
108.24 and finance by January 15 of each year on the  
108.25 Helmets to Hardhats program. The report must  
108.26 include an overview of the program's budget,  
108.27 a detailed explanation of program  
108.28 expenditures, the number of veterans and  
108.29 service members that participated in  
108.30 apprenticeship programs, the number of  
108.31 veterans and service members that received  
108.32 career training, the number of veterans and  
108.33 service members that gained employment in  
108.34 the building and construction industry, and an  
108.35 audit completed by an independent auditor.

109.1 (g) \$300,000 the first year is from the  
109.2 workforce development fund for a grant to  
109.3 Independent School District No. 294, Houston,  
109.4 for the Minnesota Virtual Academy's career  
109.5 pathways program with Operating Engineers  
109.6 Local 49. This appropriation does not cancel  
109.7 and is available until June 30, 2025. The  
109.8 following requirements apply:

109.9 (1) the career pathways program must  
109.10 encourage, support, and provide continuity for  
109.11 student participation in structured career  
109.12 pathways. The program may include up to five  
109.13 semesters of coursework and must lead to  
109.14 eligibility for the Operating Engineers Local  
109.15 49 apprenticeship program. The career  
109.16 pathways program must provide outreach to  
109.17 and encourage participation in the program by  
109.18 students of color, Indigenous students,  
109.19 students from low-income families, students  
109.20 located throughout Minnesota, and  
109.21 underserved students;

109.22 (2) the grant may be used to encourage and  
109.23 support student participation in the career  
109.24 pathways program through additional  
109.25 academic, counseling, and other support  
109.26 services provided by the student's enrolling  
109.27 school district. The Minnesota Virtual  
109.28 Academy may contract with a student's  
109.29 enrolling school district to provide these  
109.30 services; and

109.31 (3) on January 15 of each year following the  
109.32 receipt of a grant, Independent School District  
109.33 No. 294, Houston, must submit a written  
109.34 report to the legislative committees having  
109.35 jurisdiction over education and workforce

110.1 development. A grant award and report must  
 110.2 be in accordance with the provisions of  
 110.3 Minnesota Statutes, sections 3.195 and  
 110.4 127A.20. The report must describe students'  
 110.5 experiences with the program; document the  
 110.6 program's spending and the number of students  
 110.7 participating in the program and entering into  
 110.8 the apprenticeship program; include  
 110.9 geographic and demographic information on  
 110.10 the program participants; make  
 110.11 recommendations to improve the support of  
 110.12 career pathways programs statewide; and make  
 110.13 recommendations to improve student  
 110.14 participation in career pathways programs.

110.15 **Sec. 3. WORKERS' COMPENSATION COURT**  
 110.16 **OF APPEALS** \$ 2,583,000 \$ 2,563,000

110.17 This appropriation is from the workers'  
 110.18 compensation fund.

110.19 **Sec. 4. BUREAU OF MEDIATION SERVICES** \$ 3,707,000 \$ 3,789,000

110.20 (a) \$750,000 each year is for purposes of the  
 110.21 Public Employment Relations Board under  
 110.22 Minnesota Statutes, section 179A.041.

110.23 (b) \$68,000 each year is for grants to area  
 110.24 labor management committees. Grants may  
 110.25 be awarded for a 12-month period beginning  
 110.26 July 1 each year. Any unencumbered balance  
 110.27 remaining at the end of the first year does not  
 110.28 cancel but is available for the second year.

110.29 (c) \$47,000 each year is for rulemaking,  
 110.30 staffing, and other costs associated with peace  
 110.31 officer grievance procedures.

111.1

**ARTICLE 7**

111.2

**AGRICULTURE AND FOOD PROCESSING WORKERS**

111.3

Section 1. Minnesota Statutes 2022, section 177.27, subdivision 4, is amended to read:

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Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an employer to comply with sections 177.21 to 177.435, 179.86, 181.02, 181.03, 181.031, 181.032, 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d), 181.275, subdivision 2a, 181.635, 181.722, 181.79, 181.85 to 181.89, and 181.939 to 181.943, or with any rule promulgated under section 177.28. The commissioner shall issue an order requiring an employer to comply with sections 177.41 to 177.435 if the violation is repeated. For purposes of this subdivision only, a violation is repeated if at any time during the two years that preceded the date of violation, the commissioner issued an order to the employer for violation of sections 177.41 to 177.435 and the order is final or the commissioner and the employer have entered into a settlement agreement that required the employer to pay back wages that were required by sections 177.41 to 177.435. The department shall serve the order upon the employer or the employer's authorized representative in person or by certified mail at the employer's place of business. An employer who wishes to contest the order must file written notice of objection to the order with the commissioner within 15 calendar days after being served with the order. A contested case proceeding must then be held in accordance with sections 14.57 to 14.69. If, within 15 calendar days after being served with the order, the employer fails to file a written notice of objection with the commissioner, the order becomes a final order of the commissioner.

111.22

Sec. 2. Minnesota Statutes 2022, section 179.86, subdivision 1, is amended to read:

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111.24

Subdivision 1. **Definition.** For the purpose of this section, "employer" means an employer in the meatpacking or poultry processing industry.

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Sec. 3. Minnesota Statutes 2022, section 179.86, subdivision 3, is amended to read:

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Subd. 3. **Information provided to employee by employer.** (a) At the start of employment, an employer must provide an explanation in an employee's native language of the employee's rights and duties as an employee ~~either both~~ person to person or and through written materials that, at a minimum, include:

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- (1) a complete description of the salary and benefits plans as they relate to the employee;
- (2) a job description for the employee's position;
- (3) a description of leave policies;

112.1 (4) a description of the work hours and work hours policy; ~~and~~

112.2 (5) a description of the occupational hazards known to exist for the position; and

112.3 (6) when workers' compensation insurance coverage is required by chapter 176, the  
112.4 name of the employer's workers' compensation insurance carrier, the carrier's telephone  
112.5 number, and the insurance policy number.

112.6 (b) The explanation must also include information on the following employee rights as  
112.7 protected by state or federal law and a description of where additional information about  
112.8 those rights may be obtained:

112.9 (1) the right to organize and bargain collectively and refrain from organizing and  
112.10 bargaining collectively;

112.11 (2) the right to a safe workplace; ~~and~~

112.12 (3) the right to be free from discrimination; and

112.13 (4) the right to workers' compensation insurance coverage.

112.14 (c) The Department of Labor and Industry shall provide a standard explanation form for  
112.15 use at the employer's option for providing the information required in this subdivision. The  
112.16 form shall be available in English and Spanish and additional languages upon request.

112.17 (d) The requirements under this subdivision are in addition to the requirements under  
112.18 section 181.032.

112.19 Sec. 4. Minnesota Statutes 2022, section 179.86, is amended by adding a subdivision to  
112.20 read:

112.21 Subd. 5. **Civil action.** An employee injured by a violation of this section has a cause of  
112.22 action for damages for the greater of \$1,000 per violation or twice the employee's actual  
112.23 damages, plus costs and reasonable attorney fees. A damage award shall be the greater of  
112.24 \$1,400 or three times actual damages for an employee injured by an intentional violation  
112.25 of this section.

112.26 Sec. 5. Minnesota Statutes 2022, section 179.86, is amended by adding a subdivision to  
112.27 read:

112.28 Subd. 6. **Fine.** The commissioner of labor and industry shall fine an employer not less  
112.29 than \$400 or more than \$1,000 for each violation of subdivision 3. The fine shall be payable  
112.30 to the employee aggrieved.

113.1 Sec. 6. Minnesota Statutes 2022, section 181.14, subdivision 1, is amended to read:

113.2 Subdivision 1. **Prompt payment required.** (a) When any such employee quits or resigns  
113.3 employment, the wages or commissions earned and unpaid at the time the employee quits  
113.4 or resigns shall be paid in full not later than the first regularly scheduled payday following  
113.5 the employee's final day of employment, unless an employee is subject to a collective  
113.6 bargaining agreement with a different provision. Wages are earned and unpaid if the  
113.7 employee was not paid for all time worked at the employee's regular rate of pay or at the  
113.8 rate required by law, including any applicable statute, regulation, rule, ordinance, government  
113.9 resolution or policy, contract, or other legal authority, whichever rate of pay is greater. If  
113.10 the first regularly scheduled payday is less than five calendar days following the employee's  
113.11 final day of employment, full payment may be delayed until the second regularly scheduled  
113.12 payday but shall not exceed a total of 20 calendar days following the employee's final day  
113.13 of employment.

113.14 (b) Notwithstanding the provisions of paragraph (a), in the case of migrant workers, as  
113.15 defined in section 181.85, the wages or commissions earned and unpaid at the time the  
113.16 employee quits or resigns shall become due and payable within ~~five~~ three days thereafter.

113.17 Sec. 7. Minnesota Statutes 2022, section 181.635, subdivision 1, is amended to read:

113.18 Subdivision 1. **Definitions.** The definitions in this subdivision apply to this section.

113.19 (a) "Employer" means a person who employs another to perform a service for hire.  
113.20 Employer includes any agent or attorney of an employer who, for money or other valuable  
113.21 consideration paid or promised to be paid, performs any recruiting.

113.22 (b) "Person" means a corporation, partnership, limited liability company, limited liability  
113.23 partnership, association, individual, or group of persons.

113.24 (c) "Recruits" means to induce an individual, directly or through an agent, to relocate  
113.25 to Minnesota or within Minnesota to work in food processing by an offer of employment  
113.26 or of the possibility of employment.

113.27 (d) "Food processing" means canning, packing, or otherwise processing poultry or meat  
113.28 for consumption.

113.29 (e) "Terms and conditions of employment" means the following:

113.30 (1) nature of the work to be performed;

113.31 (2) wage rate, nature and amount of deductions for tools, clothing, supplies, or other  
113.32 items;

- 114.1 (3) anticipated hours of work per week, including overtime;
- 114.2 (4) anticipated slowdown or shutdown or if hours of work per week vary more than 25  
114.3 percent from clause (3);
- 114.4 (5) duration of the work;
- 114.5 (6) workers' compensation coverage and name, address, and telephone number of insurer  
114.6 and Department of Labor and Industry;
- 114.7 (7) employee benefits available, including any health plans, sick leave, or paid vacation;
- 114.8 (8) transportation and relocation arrangements with allocation of costs between employer  
114.9 and employee;
- 114.10 (9) availability and description of housing and any costs to employee associated with  
114.11 housing; and
- 114.12 (10) any other item of value offered, and allocation of costs of item between employer  
114.13 and employee.

114.14 Sec. 8. Minnesota Statutes 2022, section 181.635, subdivision 2, is amended to read:

114.15 Subd. 2. **Recruiting; required disclosure.** (a) An employer shall provide written  
114.16 disclosure of the terms and conditions of employment to a person at the time it recruits the  
114.17 person to relocate to work in the food processing industry. The disclosure requirement does  
114.18 not apply to an exempt employee as defined in United States Code, title 29, section 213(a)(1).  
114.19 The disclosure must be written in English and Spanish, or another language if the person's  
114.20 preferred language is not Spanish, dated and signed by the employer and the person recruited,  
114.21 and maintained by the employer for ~~two~~ three years. A copy of the signed and completed  
114.22 disclosure must be delivered immediately to the recruited person. The disclosure may not  
114.23 be construed as an employment contract.

114.24 (b) The requirements under this subdivision are in addition to the requirements under  
114.25 section 181.032.

114.26 Sec. 9. Minnesota Statutes 2022, section 181.635, subdivision 3, is amended to read:

114.27 Subd. 3. **Civil action.** A person injured by a violation of this section has a cause of action  
114.28 for damages for the greater of ~~\$500~~ \$1,000 per violation or twice their actual damages, plus  
114.29 costs and reasonable attorney's fees. A damage award shall be the greater of ~~\$750~~ \$1,400  
114.30 or three times actual damages for a person injured by an intentional violation of this section.

115.1 Sec. 10. Minnesota Statutes 2022, section 181.635, subdivision 4, is amended to read:

115.2 Subd. 4. **Fine.** The Department of Labor and Industry shall fine an employer not less  
115.3 than ~~\$200~~ \$400 or more than ~~\$500~~ \$1,000 for each violation of this section. The fine shall  
115.4 be payable to the employee aggrieved.

115.5 Sec. 11. Minnesota Statutes 2022, section 181.635, subdivision 6, is amended to read:

115.6 Subd. 6. **Standard disclosure form.** The Department of Labor and Industry shall provide  
115.7 a standard form for use at the employer's option in making the disclosure required in  
115.8 subdivision 2. The form shall be available in English and Spanish and additional languages  
115.9 upon request.

115.10 Sec. 12. Minnesota Statutes 2022, section 181.85, subdivision 2, is amended to read:

115.11 Subd. 2. **Agricultural labor.** "Agricultural labor" means field labor associated with the  
115.12 cultivation and harvest of fruits and vegetables and work performed in processing fruits and  
115.13 vegetables for market, as well as labor performed in agriculture as defined in Minnesota  
115.14 Rules, part 5200.0260.

115.15 Sec. 13. Minnesota Statutes 2022, section 181.85, subdivision 4, is amended to read:

115.16 Subd. 4. **Employer.** "Employer" means ~~a processor of fruits or vegetables~~ an individual,  
115.17 partnership, association, corporation, business trust, or any person or group of persons that  
115.18 employs, either directly or indirectly through a recruiter, ~~more than 30~~ one or more migrant  
115.19 workers ~~per day for more than seven days~~ in any calendar year.

115.20 Sec. 14. Minnesota Statutes 2022, section 181.86, subdivision 1, is amended to read:

115.21 Subdivision 1. **Terms.** (a) An employer that recruits a migrant worker shall provide the  
115.22 migrant worker, at the time the worker is recruited, with a written employment statement  
115.23 which shall state clearly and plainly, in English and Spanish, or another language if the  
115.24 worker's preferred language is not Spanish:

115.25 (1) the date on which and the place at which the statement was completed and provided  
115.26 to the migrant worker;

115.27 (2) the name and permanent address of the migrant worker, of the employer, and of the  
115.28 recruiter who recruited the migrant worker;

116.1 (3) the date on which the migrant worker is to arrive at the place of employment, the  
116.2 date on which employment is to begin, the approximate hours of employment, and the  
116.3 minimum period of employment;

116.4 (4) the crops and the operations on which the migrant worker will be employed;

116.5 (5) the wage rates to be paid;

116.6 (6) the payment terms, as provided in section 181.87;

116.7 (7) any deduction to be made from wages; ~~and~~

116.8 (8) whether housing will be provided; and

116.9 (9) when workers' compensation insurance coverage is required by chapter 176, the  
116.10 name of the employer's workers' compensation insurance carrier, the carrier's telephone  
116.11 number, and the insurance policy number.

116.12 (b) The Department of Labor and Industry shall provide a standard employment statement  
116.13 form for use at the employer's option for providing the information required in subdivision  
116.14 1. The form shall be available in English and Spanish and additional languages upon request.

116.15 (c) The requirements under this subdivision are in addition to the requirements under  
116.16 section 181.032.

116.17 Sec. 15. Minnesota Statutes 2022, section 181.87, subdivision 2, is amended to read:

116.18 Subd. 2. **Biweekly pay.** The employer shall pay wages due to the migrant worker at  
116.19 least every two weeks, except on termination, when the employer shall pay within three  
116.20 days unless payment is required sooner pursuant to section 181.13.

116.21 Sec. 16. Minnesota Statutes 2022, section 181.87, subdivision 3, is amended to read:

116.22 Subd. 3. **Guaranteed hours.** The employer shall guarantee to each recruited migrant  
116.23 worker a minimum of 70 hours pay for work in any two successive weeks and, should the  
116.24 pay for hours actually offered by the employer and worked by the migrant worker provide  
116.25 a sum of pay less than the minimum guarantee, the employer shall pay the migrant worker  
116.26 the difference within three days after the scheduled payday for the pay period involved.  
116.27 Payment for the guaranteed hours shall be at the hourly wage rate, if any, specified in the  
116.28 employment statement, or the federal, state, or local minimum wage, whichever is ~~higher~~  
116.29 highest. Any pay in addition to the hourly wage rate specified in the employment statement  
116.30 shall be applied against the guarantee. This guarantee applies for the minimum period of  
116.31 employment specified in the employment statement beginning with the date on which

117.1 employment is to begin as specified in the employment statement. The date on which  
117.2 employment is to begin may be changed by the employer by written, telephonic, or  
117.3 telegraphic notice to the migrant worker, at the worker's last known physical address or  
117.4 email address, no later than ten days prior to the previously stated beginning date. The  
117.5 migrant worker shall contact the recruiter to obtain the latest information regarding the date  
117.6 upon which employment is to begin no later than five days prior to the previously stated  
117.7 beginning date. This guarantee shall be reduced, when there is no work available for a period  
117.8 of seven or more consecutive days during any two-week period subsequent to the  
117.9 commencement of work, by five hours pay for each such day, when the unavailability of  
117.10 work is caused by climatic conditions or an act of God, provided that the employer pays  
117.11 the migrant worker, on the normal payday, the sum of ~~\$5~~ \$50 for each such day.

117.12 Sec. 17. Minnesota Statutes 2022, section 181.87, subdivision 7, is amended to read:

117.13 Subd. 7. **Statement itemizing deductions from wages.** The employer shall provide a  
117.14 written statement at the time wages are paid clearly itemizing each deduction from wages.  
117.15 The written statement shall also comply with all other requirements for an earnings statement  
117.16 in section 181.032.

117.17 Sec. 18. Minnesota Statutes 2022, section 181.88, is amended to read:

117.18 **181.88 RECORD KEEPING.**

117.19 Every employer subject to the provisions of sections 181.85 to 181.90 shall maintain  
117.20 complete and accurate records ~~of the names of, the daily hours worked by, the rate of pay~~  
117.21 ~~for and the wages paid each pay period to~~ for every individual migrant worker recruited by  
117.22 that employer, as required by section 177.30 and shall ~~preserve the records~~ also maintain  
117.23 the employment statements required under section 181.86 for a period of at least three years.

117.24 Sec. 19. Minnesota Statutes 2022, section 181.89, subdivision 2, is amended to read:

117.25 Subd. 2. **Judgment; damages.** If the court finds that any defendant has violated the  
117.26 provisions of sections 181.86 to 181.88, the court shall enter judgment for the actual damages  
117.27 incurred by the plaintiff or the appropriate penalty as provided by this subdivision, whichever  
117.28 is greater. The court may also award court costs and a reasonable attorney's fee. The penalties  
117.29 shall be as follows:

117.30 (1) whenever the court finds that an employer has violated the record-keeping  
117.31 requirements of section 181.88, ~~\$50~~ \$200;

118.1 (2) whenever the court finds that an employer has recruited a migrant worker without  
118.2 providing a written employment statement as provided in section 181.86, subdivision 1,  
118.3 ~~\$250~~ \$800;

118.4 (3) whenever the court finds that an employer has recruited a migrant worker after having  
118.5 provided a written employment statement, but finds that the employment statement fails to  
118.6 comply with the requirement of section 181.86, subdivision 1 or section 181.87, ~~\$250~~ \$800;

118.7 (4) whenever the court finds that an employer has failed to comply with the terms of an  
118.8 employment statement which the employer has provided to a migrant worker or has failed  
118.9 to comply with any payment term required by section 181.87, ~~\$500~~ \$1,600;

118.10 (5) whenever the court finds that an employer has failed to pay wages to a migrant worker  
118.11 within a time period set forth in section 181.87, subdivision 2 or 3, ~~\$500~~ \$1,600; and

118.12 (6) whenever penalties are awarded, they shall be awarded severally in favor of each  
118.13 migrant worker plaintiff and against each defendant found liable.

118.14 Sec. 20. Minnesota Statutes 2022, section 181.89, is amended by adding a subdivision to  
118.15 read:

118.16 Subd. 3. **Enforcement.** In addition to any other remedies available, the commissioner  
118.17 may assess the penalties in subdivision 2 and provide the penalty to the migrant worker  
118.18 aggrieved by the employer's noncompliance.

## 118.19 ARTICLE 8

### 118.20 NURSING HOME WORKFORCE STANDARDS

118.21 Section 1. TITLE.

118.22 Minnesota Statutes, sections 181.211 to 181.217, shall be known as the "Minnesota  
118.23 Nursing Home Workforce Standards Board Act."

118.24 Sec. 2. Minnesota Statutes 2022, section 177.27, subdivision 4, is amended to read:

118.25 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an  
118.26 employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,  
118.27 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d), 181.214  
118.28 to 181.217, 181.275, subdivision 2a, 181.722, 181.79, and 181.939 to 181.943, or with any  
118.29 rule promulgated under section 177.28, 181.213, or 181.215. The commissioner shall issue  
118.30 an order requiring an employer to comply with sections 177.41 to 177.435 if the violation  
118.31 is repeated. For purposes of this subdivision only, a violation is repeated if at any time

119.1 during the two years that preceded the date of violation, the commissioner issued an order  
119.2 to the employer for violation of sections 177.41 to 177.435 and the order is final or the  
119.3 commissioner and the employer have entered into a settlement agreement that required the  
119.4 employer to pay back wages that were required by sections 177.41 to 177.435. The  
119.5 department shall serve the order upon the employer or the employer's authorized  
119.6 representative in person or by certified mail at the employer's place of business. An employer  
119.7 who wishes to contest the order must file written notice of objection to the order with the  
119.8 commissioner within 15 calendar days after being served with the order. A contested case  
119.9 proceeding must then be held in accordance with sections 14.57 to 14.69. If, within 15  
119.10 calendar days after being served with the order, the employer fails to file a written notice  
119.11 of objection with the commissioner, the order becomes a final order of the commissioner.

119.12 Sec. 3. Minnesota Statutes 2022, section 177.27, subdivision 7, is amended to read:

119.13 Subd. 7. **Employer liability.** If an employer is found by the commissioner to have  
119.14 violated a section identified in subdivision 4, or any rule adopted under section 177.28,  
119.15 181.213, or 181.215, and the commissioner issues an order to comply, the commissioner  
119.16 shall order the employer to cease and desist from engaging in the violative practice and to  
119.17 take such affirmative steps that in the judgment of the commissioner will effectuate the  
119.18 purposes of the section or rule violated. The commissioner shall order the employer to pay  
119.19 to the aggrieved parties back pay, gratuities, and compensatory damages, less any amount  
119.20 actually paid to the employee by the employer, and for an additional equal amount as  
119.21 liquidated damages. Any employer who is found by the commissioner to have repeatedly  
119.22 or willfully violated a section or sections identified in subdivision 4 shall be subject to a  
119.23 civil penalty of up to \$1,000 for each violation for each employee. In determining the amount  
119.24 of a civil penalty under this subdivision, the appropriateness of such penalty to the size of  
119.25 the employer's business and the gravity of the violation shall be considered. In addition, the  
119.26 commissioner may order the employer to reimburse the department and the attorney general  
119.27 for all appropriate litigation and hearing costs expended in preparation for and in conducting  
119.28 the contested case proceeding, unless payment of costs would impose extreme financial  
119.29 hardship on the employer. If the employer is able to establish extreme financial hardship,  
119.30 then the commissioner may order the employer to pay a percentage of the total costs that  
119.31 will not cause extreme financial hardship. Costs include but are not limited to the costs of  
119.32 services rendered by the attorney general, private attorneys if engaged by the department,  
119.33 administrative law judges, court reporters, and expert witnesses as well as the cost of  
119.34 transcripts. Interest shall accrue on, and be added to, the unpaid balance of a commissioner's  
119.35 order from the date the order is signed by the commissioner until it is paid, at an annual rate

120.1 provided in section 549.09, subdivision 1, paragraph (c). The commissioner may establish  
120.2 escrow accounts for purposes of distributing damages.

120.3 Sec. 4. [181.211] DEFINITIONS.

120.4 Subdivision 1. **Application.** The terms defined in this section apply to sections 181.211  
120.5 to 181.217.

120.6 Subd. 2. **Board.** "Board" means the Minnesota Nursing Home Workforce Standards  
120.7 Board established under section 181.212.

120.8 Subd. 3. **Certified worker organization.** "Certified worker organization" means a  
120.9 worker organization that is certified by the board to conduct nursing home worker trainings  
120.10 under section 181.214.

120.11 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of labor and industry.

120.12 Subd. 5. **Compensation.** "Compensation" means all income and benefits paid by a  
120.13 nursing home employer to a nursing home worker or on behalf of a nursing home worker,  
120.14 including but not limited to wages, bonuses, differentials, paid leave, pay for scheduling  
120.15 changes, and pay for training or occupational certification.

120.16 Subd. 6. **Employer organization.** "Employer organization" means:

120.17 (1) an organization that is exempt from federal income taxation under section 501(c)(6)  
120.18 of the Internal Revenue Code and that represents nursing home employers; or

120.19 (2) an entity that employers, who together employ a majority of nursing home workers  
120.20 in Minnesota, have selected as a representative.

120.21 Subd. 7. **Nursing home.** "Nursing home" means a nursing home licensed under chapter  
120.22 144A, or a boarding care home licensed under sections 144.50 to 144.56.

120.23 Subd. 8. **Nursing home employer.** "Nursing home employer" means an employer of  
120.24 nursing home workers in a licensed, Medicaid-certified facility that is reimbursed under  
120.25 chapter 256R.

120.26 Subd. 9. **Nursing home worker.** "Nursing home worker" means any worker who provides  
120.27 services in a nursing home in Minnesota, including direct care staff, non-direct care staff,  
120.28 and contractors, but excluding administrative staff, medical directors, nursing directors,  
120.29 physicians, and individuals employed by a supplemental nursing services agency.

120.30 Subd. 10. **Worker organization.** "Worker organization" means an organization that is  
120.31 exempt from federal income taxation under section 501(c)(3), 501(c)(4), or 501(c)(5) of

121.1 the Internal Revenue Code, that is not interfered with or dominated by any nursing home  
121.2 employer within the meaning of United States Code, title 29, section 158a(2), and that has  
121.3 at least five years of demonstrated experience engaging with and advocating for nursing  
121.4 home workers.

121.5 Sec. 5. [181.212] MINNESOTA NURSING HOME WORKFORCE STANDARDS  
121.6 BOARD; ESTABLISHMENT.

121.7 Subdivision 1. **Board established; membership.** (a) The Minnesota Nursing Home  
121.8 Workforce Standards Board is created with the powers and duties established by law. The  
121.9 board is composed of the following voting members:

121.10 (1) the commissioner of human services or a designee;

121.11 (2) the commissioner of health or a designee;

121.12 (3) the commissioner of labor and industry or a designee;

121.13 (4) three members who represent nursing home employers or employer organizations,  
121.14 appointed by the governor in accordance with section 15.066; and

121.15 (5) three members who represent nursing home workers or worker organizations,  
121.16 appointed by the governor in accordance with section 15.066.

121.17 (b) In making appointments under clause (4), the governor shall consider the geographic  
121.18 distribution of nursing homes within the state.

121.19 Subd. 2. **Terms; vacancies.** (a) Board members appointed under subdivision 1, clause  
121.20 (4) or (5), shall serve four-year terms following the initial staggered-lot determination.

121.21 (b) For members appointed under subdivision 1, clause (4) or (5), the governor shall fill  
121.22 vacancies occurring prior to the expiration of a member's term by appointment for the  
121.23 unexpired term. A member appointed under subdivision 1, clause (4) or (5), must not be  
121.24 appointed to more than two consecutive terms.

121.25 (c) A member serves until a successor is appointed.

121.26 Subd. 3. **Chairperson.** The board shall elect a member by majority vote to serve as its  
121.27 chairperson and shall determine the term to be served by the chairperson.

121.28 Subd. 4. **Staffing.** The commissioner may employ an executive director for the board  
121.29 and other personnel to carry out duties of the board under sections 181.211 to 181.217.

121.30 Subd. 5. **Board compensation.** Compensation of board members is governed by section  
121.31 15.0575.

122.1 Subd. 6. **Application of other laws.** Meetings of the board are subject to chapter 13D.

122.2 The board is subject to chapter 13. The board shall comply with section 15.0597.

122.3 Subd. 7. **Voting.** The affirmative vote of five board members is required for the board

122.4 to take any action, including actions necessary to establish minimum nursing home

122.5 employment standards under section 181.213.

122.6 Subd. 8. **Hearings and investigations.** To carry out its duties, the board shall hold public

122.7 hearings on, and conduct investigations into, working conditions in the nursing home industry

122.8 in accordance with section 181.213.

122.9 Subd. 9. **Department support.** The commissioner shall provide staff support to the

122.10 board. The support includes professional, legal, technical, and clerical staff necessary to

122.11 perform rulemaking and other duties assigned to the board. The commissioner shall supply

122.12 necessary office space and supplies to assist the board in its duties.

122.13 Subd. 10. **Antitrust compliance.** The board shall establish operating procedures that

122.14 meet all state and federal antitrust requirements and may prohibit board member access to

122.15 data to meet the requirements of this subdivision.

122.16 Sec. 6. **[181.213] DUTIES OF THE BOARD; MINIMUM NURSING HOME**

122.17 **EMPLOYMENT STANDARDS.**

122.18 Subdivision 1. **Authority to establish minimum nursing home employment**

122.19 **standards.** (a) The board must adopt rules establishing minimum nursing home employment

122.20 standards that are reasonably necessary and appropriate to protect the health and welfare

122.21 of nursing home workers, to ensure that nursing home workers are properly trained about

122.22 and fully informed of their rights under sections 181.211 to 181.217, and to otherwise satisfy

122.23 the purposes of sections 181.211 to 181.217. Standards established by the board must include

122.24 standards on compensation for nursing home workers, and may include recommendations

122.25 under paragraph (c). The board may not adopt standards that are less protective of or

122.26 beneficial to nursing home workers as any other applicable statute or rule or any standard

122.27 previously established by the board unless there is a determination by the board under

122.28 subdivision 2 that existing standards exceed the operating payment rate and external fixed

122.29 costs payment rates included in the most recent budget and economic forecast completed

122.30 under section 16A.103. In establishing standards under this section, the board must establish

122.31 statewide standards, and may adopt standards that apply to specific nursing home occupations.

122.32 (b) The board must adopt rules establishing initial standards for wages for nursing home

122.33 workers no later than August 1, 2024. The board may use the authority in section 14.389

123.1 to adopt rules under this paragraph. The board shall consult with the department in the  
123.2 development of these standards prior to beginning the rule adoption process.

123.3 (c) To the extent that any minimum standards that the board finds are reasonably  
123.4 necessary and appropriate to protect the health and welfare of nursing home workers fall  
123.5 within the jurisdiction of chapter 182, the board shall not adopt rules establishing the  
123.6 standards but shall instead recommend the occupational health and safety standards to the  
123.7 commissioner. The commissioner shall adopt nursing home health and safety standards  
123.8 under section 182.655 as recommended by the board, unless the commissioner determines  
123.9 that the recommended standard is outside the statutory authority of the commissioner,  
123.10 presents enforceability challenges, is infeasible to implement, or is otherwise unlawful and  
123.11 issues a written explanation of this determination.

123.12 Subd. 2. **Investigation of market conditions.** (a) The board must investigate market  
123.13 conditions and the existing wages, benefits, and working conditions of nursing home workers  
123.14 for specific geographic areas of the state and specific nursing home occupations. Based on  
123.15 this information, the board must seek to adopt minimum nursing home employment standards  
123.16 that meet or exceed existing industry conditions for a majority of nursing home workers in  
123.17 the relevant geographic area and nursing home occupation. Except for standards exceeding  
123.18 the threshold determined in paragraph (d), initial employment standards established by the  
123.19 board are effective beginning January 1, 2025, and shall remain in effect until any subsequent  
123.20 standards are adopted by rules.

123.21 (b) The board must consider the following types of information in making determinations  
123.22 that employment standards are reasonably necessary to protect the health and welfare of  
123.23 nursing home workers:

123.24 (1) wage rate and benefit data collected by or submitted to the board for nursing home  
123.25 workers in the relevant geographic area and nursing home occupations;

123.26 (2) statements showing wage rates and benefits paid to nursing home workers in the  
123.27 relevant geographic area and nursing home occupations;

123.28 (3) signed collective bargaining agreements applicable to nursing home workers in the  
123.29 relevant geographic area and nursing home occupations;

123.30 (4) testimony and information from current and former nursing home workers, worker  
123.31 organizations, nursing home employers, and employer organizations;

123.32 (5) local minimum nursing home employment standards;

123.33 (6) information submitted by or obtained from state and local government entities; and

124.1 (7) any other information pertinent to establishing minimum nursing home employment  
124.2 standards.

124.3 (c) In considering wage and benefit increases, the board must determine the impact of  
124.4 nursing home operating payment rates determined pursuant to section 256R.21, subdivision  
124.5 3, and the employee benefits portion of the external fixed costs payment rate determined  
124.6 pursuant to section 256R.25. If the board, in consultation with the commissioner of human  
124.7 services, determines the operating payment rate and employee benefits portion of the external  
124.8 fixed costs payment rate will increase to comply with the new employment standards, the  
124.9 board shall report to the legislature the increase in funding needed to increase payment rates  
124.10 to comply with the new employment standards and must make implementation of any new  
124.11 nursing home employment standards contingent upon an appropriation, as determined by  
124.12 sections 256R.21 and 256R.25, to fund the rate increase necessary to comply with the new  
124.13 employment standards.

124.14 (d) In evaluating the impact of the employment standards on payment rates determined  
124.15 by sections 256R.21 and 256R.25, the board, in consultation with the commissioner of  
124.16 human services, must consider the following:

124.17 (1) the statewide average wage rates for employees pursuant to section 256R.10,  
124.18 subdivision 5, and benefit rates pursuant to section 256R.02, subdivisions 18 and 22, as  
124.19 determined by the annual Medicaid cost report used to determine the operating payment  
124.20 rate and the employee benefits portion of the external fixed costs payment rate for the first  
124.21 day of the calendar year immediately following the date the board has established minimum  
124.22 wage and benefit levels;

124.23 (2) compare the results of clause (1) to the operating payment rate and employee benefits  
124.24 portion of the external fixed costs payment rate increase for the first day of the second  
124.25 calendar year after the adoption of any nursing home employment standards included in the  
124.26 most recent budget and economic forecast completed under section 16A.103; and

124.27 (3) if the established nursing home employment standards result in an increase in costs  
124.28 that exceed the operating payment rate and external fixed costs payment rate increase  
124.29 included in the most recent budget and economic forecast completed under section 16A.103,  
124.30 effective on the proposed implementation date of the new nursing home employment  
124.31 standards, the board must determine the rates will need to be increased to meet the new  
124.32 employment standards and the standards must not be effective until an appropriation sufficient  
124.33 to cover the rate increase and federal approval of the rate increase is obtained.

125.1 (e) The budget and economic forecasts completed under section 16A.103 shall not  
125.2 assume an increase in payment rates determined under chapter 256R resulting from the new  
125.3 employment standards until the board certifies the rates will need to be increased and the  
125.4 legislature appropriates funding for the increase in payment rates.

125.5 Subd. 3. **Review of standards.** At least once every two years, the board shall:

125.6 (1) conduct a full review of the adequacy of the minimum nursing home employment  
125.7 standards previously established by the board; and

125.8 (2) following that review, adopt new rules, amend or repeal existing rules, or make  
125.9 recommendations to adopt new rules or amend or repeal existing rules for minimum nursing  
125.10 home employment standards using the expedited rulemaking process in section 14.389, as  
125.11 appropriate to meet the purposes of sections 181.211 to 181.217.

125.12 Subd. 4. **Variance and waiver.** The board shall adopt procedures for considering  
125.13 temporary variances and waivers of the established standards for individual nursing homes  
125.14 based on the board's evaluation of the risk of closure due to compliance with all or part of  
125.15 an applicable standard.

125.16 Subd. 5. **Conflict.** (a) In the event of a conflict between a standard established by the  
125.17 board in rule and a rule adopted by another state agency, the rule adopted by the board shall  
125.18 apply to nursing home workers and nursing home employers.

125.19 (b) Notwithstanding paragraph (a), in the event of a conflict between a standard  
125.20 established by the board in rule and a rule adopted by another state agency, the rule adopted  
125.21 by the other state agency shall apply to nursing home workers and nursing home employers  
125.22 if the rule adopted by the other state agency is adopted after the board's standard and the  
125.23 rule adopted by the other state agency is more protective or beneficial than the board's  
125.24 standard.

125.25 (c) Notwithstanding paragraph (a), if the commissioner of health determines that a  
125.26 standard established by the board in rule or recommended by the board conflicts with  
125.27 requirements in federal regulations for nursing home certification or with state statutes or  
125.28 rules governing licensure of nursing homes, the federal regulations or state nursing home  
125.29 licensure statutes or rules shall take precedence, and the conflicting board standard or rule  
125.30 shall not apply to nursing home workers or nursing home employers.

125.31 Subd. 6. **Effect on other agreements.** Nothing in sections 181.211 to 181.217 shall be  
125.32 construed to:

126.1 (1) limit the rights of parties to a collective bargaining agreement to bargain and agree  
126.2 with respect to nursing home employment standards; or

126.3 (2) diminish the obligation of a nursing home employer to comply with any contract,  
126.4 collective bargaining agreement, or employment benefit program or plan that meets or  
126.5 exceeds, and does not conflict with, the minimum standards and requirements in sections  
126.6 181.211 to 181.217 or established by the board.

126.7 **Sec. 7. [181.214] DUTIES OF THE BOARD; TRAINING FOR NURSING HOME**  
126.8 **WORKERS.**

126.9 Subdivision 1. **Certification of worker organizations.** The board shall certify worker  
126.10 organizations that it finds are qualified to provide training to nursing home workers according  
126.11 to this section. The board shall by rule establish certification criteria that a worker  
126.12 organization must meet in order to be certified and provide a process for renewal of  
126.13 certification upon the board's review of the worker organization's compliance with this  
126.14 section. In adopting rules to establish certification criteria under this subdivision, the board  
126.15 may use the authority in section 14.389. The criteria must ensure that a worker organization,  
126.16 if certified, is able to provide:

126.17 (1) effective, interactive training on the information required by this section; and

126.18 (2) follow-up written materials and responses to inquiries from nursing home workers  
126.19 in the languages in which nursing home workers are proficient.

126.20 Subd. 2. **Curriculum.** (a) The board shall establish requirements for the curriculum for  
126.21 the nursing home worker training required by this section. A curriculum must at least provide  
126.22 the following information to nursing home workers:

126.23 (1) the applicable compensation and working conditions in the minimum standards or  
126.24 local minimum standards established by the board;

126.25 (2) the antiretaliation protections established in section 181.216;

126.26 (3) information on how to enforce sections 181.211 to 181.217 and on how to report  
126.27 violations of sections 181.211 to 181.217 or of standards established by the board, including  
126.28 contact information for the Department of Labor and Industry, the board, and any local  
126.29 enforcement agencies, and information on the remedies available for violations;

126.30 (4) the purposes and functions of the board and information on upcoming hearings,  
126.31 investigations, or other opportunities for nursing home workers to become involved in board  
126.32 proceedings;

- 127.1 (5) other rights, duties, and obligations under sections 181.211 to 181.217;
- 127.2 (6) any updates or changes to the information provided according to clauses (1) to (5)
- 127.3 since the most recent training session;
- 127.4 (7) any other information the board deems appropriate to facilitate compliance with
- 127.5 sections 181.211 to 181.217; and
- 127.6 (8) information on labor standards in other applicable local, state, and federal laws, rules,
- 127.7 and ordinances regarding nursing home working conditions or nursing home worker health
- 127.8 and safety.
- 127.9 (b) Before establishing initial curriculum requirements, the board must hold at least one
- 127.10 public hearing to solicit input on the requirements.
- 127.11 **Subd. 3. Topics covered in training session.** A certified worker organization is not
- 127.12 required to cover all of the topics listed in subdivision 2 in a single training session. A
- 127.13 curriculum used by a certified worker organization may provide instruction on each topic
- 127.14 listed in subdivision 2 over the course of up to three training sessions.
- 127.15 **Subd. 4. Annual review of curriculum requirements.** The board must review the
- 127.16 adequacy of its curriculum requirements at least annually and must revise the requirements
- 127.17 as appropriate to meet the purposes of sections 181.211 to 181.217. As part of each annual
- 127.18 review of the curriculum requirements, the board must hold at least one public hearing to
- 127.19 solicit input on the requirements.
- 127.20 **Subd. 5. Duties of certified worker organizations.** A certified worker organization:
- 127.21 (1) must use a curriculum for its training sessions that meets requirements established
- 127.22 by the board;
- 127.23 (2) must provide trainings that are interactive and conducted in the languages in which
- 127.24 the attending nursing home workers are proficient;
- 127.25 (3) must, at the end of each training session, provide attending nursing home workers
- 127.26 with follow-up written or electronic materials on the topics covered in the training session,
- 127.27 in order to fully inform nursing home workers of their rights and opportunities under sections
- 127.28 181.211 to 181.217;
- 127.29 (4) must make itself reasonably available to respond to inquiries from nursing home
- 127.30 workers during and after training sessions; and
- 127.31 (5) may conduct surveys of nursing home workers who attend a training session to assess
- 127.32 the effectiveness of the training session and industry compliance with sections 181.211 to

128.1 181.217 and other applicable laws, rules, and ordinances governing nursing home working  
128.2 conditions or worker health and safety.

128.3 Subd. 6. **Nursing home employer duties regarding training.** (a) A nursing home  
128.4 employer must submit written documentation to the board to certify that every two years  
128.5 each of its nursing home workers completes one hour of training that meets the requirements  
128.6 of this section and is provided by a certified worker organization. A nursing home employer  
128.7 may but is not required to host training sessions on the premises of the nursing home.

128.8 (b) If requested by a certified worker organization, a nursing home employer must, after  
128.9 a training session provided by the certified worker organization, provide the certified worker  
128.10 organization with the names and contact information of the nursing home workers who  
128.11 attended the training session, unless a nursing home worker opts out according to paragraph  
128.12 (c).

128.13 (c) A nursing home worker may opt out of having the worker's nursing home employer  
128.14 provide the worker's name and contact information to a certified worker organization that  
128.15 provided a training session attended by the worker by submitting a written statement to that  
128.16 effect to the nursing home employer.

128.17 Subd. 7. **Training compensation.** A nursing home employer must compensate its nursing  
128.18 home workers at their regular hourly rate of wages and benefits for each hour of training  
128.19 completed as required by this section and reimburse any reasonable travel expenses associated  
128.20 with attending training sessions not held on the premises of the nursing home.

128.21 **Sec. 8. [181.215] REQUIRED NOTICES.**

128.22 Subdivision 1. **Provision of notice.** (a) Nursing home employers must provide notices  
128.23 informing nursing home workers of the rights and obligations provided under sections  
128.24 181.211 to 181.217 of applicable minimum nursing home employment standards and local  
128.25 minimum standards and that for assistance and information, nursing home workers should  
128.26 contact the Department of Labor and Industry. A nursing home employer must provide  
128.27 notice using the same means that the nursing home employer uses to provide other  
128.28 work-related notices to nursing home workers. Provision of notice must be at least as  
128.29 conspicuous as:

128.30 (1) posting a copy of the notice at each work site where nursing home workers work  
128.31 and where the notice may be readily seen and reviewed by all nursing home workers working  
128.32 at the site; or

129.1 (2) providing a paper or electronic copy of the notice to all nursing home workers and  
129.2 applicants for employment as a nursing home worker.

129.3 (b) The notice required by this subdivision must include text provided by the board that  
129.4 informs nursing home workers that they may request the notice to be provided in a particular  
129.5 language. The nursing home employer must provide the notice in the language requested  
129.6 by the nursing home worker. The board must assist nursing home employers in translating  
129.7 the notice in the languages requested by their nursing home workers.

129.8 Subd. 2. **Minimum content and posting requirements.** The board must adopt rules  
129.9 under section 14.389 specifying the minimum content and posting requirements for the  
129.10 notices required in subdivision 1. The board must make available to nursing home employers  
129.11 a template or sample notice that satisfies the requirements of this section and rules adopted  
129.12 under this section.

129.13 Sec. 9. **[181.216] RETALIATION PROHIBITED.**

129.14 (a) A nursing home employer shall not discharge, discipline, penalize, interfere with,  
129.15 threaten, restrain, coerce, or otherwise retaliate or discriminate against a nursing home  
129.16 worker because the person has exercised or attempted to exercise rights protected under  
129.17 this act, including but not limited to:

129.18 (1) exercising any right afforded to the nursing home worker under sections 181.211 to  
129.19 181.217;

129.20 (2) participating in any process or proceeding under sections 181.211 to 181.217,  
129.21 including but not limited to board hearings, board or department investigations, or other  
129.22 related proceedings;

129.23 (3) attending or participating in the training required by section 181.214;

129.24 (4) informing another employer that a nursing home worker has engaged in activities  
129.25 protected under sections 181.211 to 181.217; or

129.26 (5) reporting or threatening to report the actual or suspected citizenship or immigration  
129.27 status of a nursing home worker, former nursing home worker, or family member of a  
129.28 nursing home worker to a federal, state, or local agency for exercising or attempting to  
129.29 exercise any right protected under this act.

129.30 (b) A nursing home worker found to have experienced retaliation in violation of this  
129.31 section shall be entitled to reinstatement to the worker's previous position, wages, benefits,  
129.32 hours, and other conditions of employment.

130.1 Sec. 10. [181.217] ENFORCEMENT.

130.2 Subdivision 1. Minimum nursing home employment standards. Except as provided  
130.3 in section 181.213, subdivision 4, paragraph (b) or (c), the minimum wages and other  
130.4 compensation established by the board in rule as minimum nursing home employment  
130.5 standards shall be the minimum wages and other compensation for nursing home workers  
130.6 or a subgroup of nursing home workers as a matter of state law. Except as provided in  
130.7 section 181.213, subdivision 4, paragraph (b) or (c), it shall be unlawful for a nursing home  
130.8 employer to employ a nursing home worker for lower wages or other compensation than  
130.9 that established as the minimum nursing home employment standards.

130.10 Subd. 2. Investigations. The commissioner may investigate possible violations of sections  
130.11 181.214 to 181.217 or of the minimum nursing home employment standards established by  
130.12 the board whenever it has cause to believe that a violation has occurred, either on the basis  
130.13 of a report of a suspected violation or on the basis of any other credible information, including  
130.14 violations found during the course of an investigation.

130.15 Subd. 3. Civil action by nursing home worker. (a) One or more nursing home workers  
130.16 may bring a civil action in district court seeking redress for violations of sections 181.211  
130.17 to 181.217 or of any applicable minimum nursing home employment standards or local  
130.18 minimum nursing home employment standards. Such an action may be filed in the district  
130.19 court of the county where a violation or violations are alleged to have been committed or  
130.20 where the nursing home employer resides, or in any other court of competent jurisdiction,  
130.21 and may represent a class of similarly situated nursing home workers.

130.22 (b) Upon a finding of one or more violations, a nursing home employer shall be liable  
130.23 to each nursing home worker for the full amount of the wages, benefits, and overtime  
130.24 compensation, less any amount the nursing home employer is able to establish was actually  
130.25 paid to each nursing home worker, and for an additional equal amount as liquidated damages.  
130.26 In an action under this subdivision, nursing home workers may seek damages and other  
130.27 appropriate relief provided by section 177.27, subdivision 7, or otherwise provided by law,  
130.28 including reasonable costs, disbursements, witness fees, and attorney fees. A court may also  
130.29 issue an order requiring compliance with sections 181.211 to 181.217 or with the applicable  
130.30 minimum nursing home employment standards or local minimum nursing home employment  
130.31 standards. A nursing home worker found to have experienced retaliation in violation of  
130.32 section 181.216 shall be entitled to reinstatement to the worker's previous position, wages,  
130.33 benefits, hours, and other conditions of employment.

131.1 (c) An agreement between a nursing home employer and nursing home worker or labor  
131.2 union that fails to meet the minimum standards and requirements in sections 181.211 to  
131.3 181.217 or established by the board is not a defense to an action brought under this  
131.4 subdivision.

131.5 Sec. 11. INITIAL APPOINTMENTS.

131.6 (a) The governor shall make initial appointments to the Minnesota Nursing Home  
131.7 Workforce Standards Board under Minnesota Statutes, section 181.212, no later than August  
131.8 1, 2023.

131.9 (b) Notwithstanding Minnesota Statutes, section 181.212, subdivision 2, the initial terms  
131.10 of members appointed under Minnesota Statutes, section 181.212, subdivision 1, paragraph  
131.11 (a), clauses (4) and (5), shall be determined by lot by the secretary of state and shall be as  
131.12 follows:

131.13 (1) one member appointed under each of Minnesota Statutes, section 181.212, subdivision  
131.14 1, paragraph (a), clauses (4) and (5), shall serve a two-year term;

131.15 (2) one member appointed under each of Minnesota Statutes, section 181.212, subdivision  
131.16 1, paragraph (a), clauses (4) and (5), shall serve a three-year term; and

131.17 (3) one member appointed under each of Minnesota Statutes, section 181.212, subdivision  
131.18 1, paragraph (a), clauses (4) and (5), shall serve a four-year term.

131.19 The commissioner of labor and industry must convene the first meeting within 30 days after  
131.20 the governor completes appointments to the board. The board must elect a chair at its first  
131.21 meeting.

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

## 131.23 **ARTICLE 9**

### 131.24 **PETROLEUM REFINERY SKILLED WORKERS**

131.25 Section 1. Minnesota Statutes 2022, section 177.27, subdivision 4, is amended to read:

131.26 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an  
131.27 employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,  
131.28 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d), 181.275,  
131.29 subdivision 2a, 181.722, 181.79, ~~and~~ 181.939 to 181.943, and 181.987, or with any rule  
131.30 promulgated under section 177.28. The commissioner shall issue an order requiring an  
131.31 employer to comply with sections 177.41 to 177.435 or 181.987 if the violation is repeated.

132.1 For purposes of this subdivision only, a violation is repeated if at any time during the two  
132.2 years that preceded the date of violation, the commissioner issued an order to the employer  
132.3 for violation of sections 177.41 to 177.435 or 181.987 and the order is final or the  
132.4 commissioner and the employer have entered into a settlement agreement that required the  
132.5 employer to pay back wages that were required by sections 177.41 to 177.435. The  
132.6 department shall serve the order upon the employer or the employer's authorized  
132.7 representative in person or by certified mail at the employer's place of business. An employer  
132.8 who wishes to contest the order must file written notice of objection to the order with the  
132.9 commissioner within 15 calendar days after being served with the order. A contested case  
132.10 proceeding must then be held in accordance with sections 14.57 to 14.69. If, within 15  
132.11 calendar days after being served with the order, the employer fails to file a written notice  
132.12 of objection with the commissioner, the order becomes a final order of the commissioner.

132.13 **EFFECTIVE DATE.** This section is effective January 1, 2024.

132.14 **Sec. 2. [181.987] USE OF SKILLED AND TRAINED CONTRACTOR**  
132.15 **WORKFORCES AT PETROLEUM REFINERIES.**

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

132.18 (b) "Contractor" means a vendor that enters into or seeks to enter into a contract with  
132.19 an owner or operator of a petroleum refinery to perform construction, alteration, demolition,  
132.20 installation, repair, maintenance, or hazardous material handling work at the site of the  
132.21 petroleum refinery. Contractor includes all contractors or subcontractors of any tier  
132.22 performing work as described in this paragraph at the site of the petroleum refinery.  
132.23 Contractor does not include employees of the owner or operator of a petroleum refinery.

132.24 (c) "Registered apprenticeship program" means an apprenticeship program registered  
132.25 with the Department of Labor and Industry under chapter 178 or with the United States  
132.26 Department of Labor Office of Apprenticeship or a recognized state apprenticeship agency  
132.27 under Code of Federal Regulations, title 29, parts 29 and 30.

132.28 (d) "Skilled and trained workforce" means a workforce in which each employee of the  
132.29 contractor or subcontractor of any tier working at the site of the petroleum refinery in an  
132.30 apprenticeable occupation in the building and construction trades meets one of the following  
132.31 criteria:

132.32 (1) is currently registered as an apprentice in a registered apprenticeship program in the  
132.33 applicable trade;

133.1 (2) has graduated from a registered apprenticeship program in the applicable trade;

133.2 (3) has completed all of the related instruction and on-the-job learning requirements

133.3 needed to graduate from the registered apprenticeship program their employer participates

133.4 in; or

133.5 (4) has at least five years of experience working in the applicable trade and is currently

133.6 participating in journeyworker upgrade training in a registered apprenticeship program in

133.7 the applicable trade or has completed any training identified as necessary by the registered

133.8 apprenticeship training program for the employee to become a qualified journeyworker in

133.9 the applicable trade.

133.10 (e) "Petroleum refinery" means a facility engaged in producing gasoline, kerosene,

133.11 distillate fuel oils, residual fuel oil, lubricants, or other products through distillation of

133.12 petroleum or through redistillation, cracking, or reforming of unfinished petroleum

133.13 derivatives. Petroleum refinery includes fluid catalytic cracking unit catalyst regenerators,

133.14 fluid catalytic cracking unit incinerator-waste heat boilers, fuel gas combustion devices,

133.15 and indirect heating equipment associated with the refinery.

133.16 (f) "Apprenticeable occupation" means any trade, form of employment, or occupation

133.17 approved for apprenticeship by the commissioner of labor and industry or the United States

133.18 Secretary of Labor.

133.19 (g) "OEM" means original equipment manufacturer and refers to organizations that

133.20 manufacture or fabricate equipment for sale directly to purchasers or other resellers.

133.21 Subd. 2. Use of contractors by owner, operator; requirement. (a) An owner or operator

133.22 of a petroleum refinery shall, when contracting with contractors for the performance of

133.23 construction, alteration, demolition, installation, repair, maintenance, or hazardous material

133.24 handling work at the site of the petroleum refinery, require that the contractors performing

133.25 that work, and any subcontractors of any tier, use a skilled and trained workforce when

133.26 performing that work at the site of the petroleum refinery. The requirement to use a safe

133.27 and skilled workforce under this section shall apply to each contractor and subcontractor

133.28 of any tier when performing construction, alteration, demolition, installation, repair,

133.29 maintenance, or hazardous material handling work at the site of the petroleum refinery.

133.30 (b) The requirement under this subdivision applies only when each contractor and

133.31 subcontractor of any tier is performing work at the site of the petroleum refinery.

134.1 (c) The requirement under this subdivision does not apply when an owner or operator  
134.2 contracts with contractors or subcontractors hired to install OEM equipment and to perform  
134.3 OEM work to comply with equipment warranty requirements.

134.4 (d) A contractor's workforce must meet the requirements of subdivision 1, paragraph  
134.5 (d), according to the following schedule:

134.6 (1) 30 percent by January 1, 2024;

134.7 (2) 45 percent by January 1, 2025; and

134.8 (3) 60 percent by January 1, 2026.

134.9 (e) If a contractor is required under a collective bargaining agreement to hire workers  
134.10 referred by a labor organization for the petroleum refinery worksite, and the labor  
134.11 organization is unable to refer sufficient workers for the contractor to comply with the  
134.12 applicable percentage provided in subdivision 2, paragraph (d), within 48 hours of the  
134.13 contractor's request excluding Saturdays, Sundays, and holidays, the contractor shall be  
134.14 relieved of the obligation to comply with the applicable percentage and shall use the  
134.15 maximum percentage of a skilled and trained workforce that is available to the contractor  
134.16 from the labor organization's referral procedure. The contractor shall comply with the  
134.17 applicable percentage provided in subdivision 2, paragraph (d), once the labor organization  
134.18 is able to refer sufficient workers for the contractor to comply with the applicable percentage.

134.19 (f) This section shall not apply to a contractor to the extent that an emergency makes  
134.20 compliance with this section impracticable for the contractor because the emergency requires  
134.21 immediate action by the contractor to prevent harm to public health or safety or to the  
134.22 environment. The requirements of this section shall apply to the contractor once the  
134.23 emergency ends or it becomes practicable for the contractor to obtain a skilled and trained  
134.24 workforce for the refinery worksite, whichever occurs sooner.

134.25 (g) An owner or operator is exempt from this section if:

134.26 (1) the owner or operator has entered into a project labor agreement with a council of  
134.27 building trades labor organizations requiring participation in registered apprenticeship  
134.28 programs, or all contractors and subcontractors of any tier have entered into bona fide  
134.29 collective bargaining agreements with labor organizations requiring participation in registered  
134.30 apprenticeship programs; and

134.31 (2) all contracted work at the petroleum refinery that is subject to this section is also  
134.32 subject to the project labor agreement or collective bargaining agreements requiring  
134.33 participation in such registered apprenticeship programs.

135.1 Subd. 3. Penalties. (a) The Division of Labor Standards shall receive complaints of  
135.2 violations of this section. The commissioner of labor and industry shall fine an owner or  
135.3 operator, contractor, or subcontractor of any tier not less than \$5,000 nor more than \$10,000  
135.4 for each violation of the requirements in this section. An owner or operator, contractor, or  
135.5 subcontractor of any tier shall be considered an employer for purposes of section 177.27.

135.6 (b) An owner or operator shall be found in violation of this section, and subject to fines  
135.7 and other penalties, for failing to:

135.8 (1) require a skilled and trained workforce in its contracts and subcontracts as required  
135.9 by subdivision 2, paragraph (a); or

135.10 (2) enforce the requirement of use of a skilled and trained workforce as required by  
135.11 subdivision 2, paragraph (a).

135.12 (c) A contractor or subcontractor shall be found in violation of this section, and subject  
135.13 to fines and other penalties, if the contractor or subcontractor fails to use a skilled and trained  
135.14 workforce as required by subdivision 2, paragraph (a).

135.15 (d) Each shift on which a violation of this section occurs shall be considered a separate  
135.16 violation. This fine is in addition to any penalties provided under section 177.27, subdivision  
135.17 7. In determining the amount of a fine under this subdivision, the appropriateness of the  
135.18 fine to the size of the violator's business and the gravity of the violation shall be considered.

135.19 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to contracts  
135.20 entered into, extended, or renewed on or after that date. Existing contracts entered into  
135.21 before January 1, 2024, must be renegotiated to comply with Minnesota Statutes, section  
135.22 181.987, by January 1, 2025.

135.23 **ARTICLE 10**

135.24 **COMBATIVE SPORTS**

135.25 Section 1. Minnesota Statutes 2022, section 341.21, subdivision 2a, is amended to read:

135.26 Subd. 2a. **Combatant.** "Combatant" means an individual who employs the act of attack  
135.27 and defense as a professional boxer, professional or amateur tough person, ~~martial artist~~  
135.28 professional or amateur kickboxer, or professional or amateur mixed martial artist while  
135.29 engaged in a combative sport.

136.1 Sec. 2. Minnesota Statutes 2022, section 341.21, subdivision 2b, is amended to read:

136.2 Subd. 2b. **Combative sport.** "Combative sport" means a sport that employs the act of  
136.3 attack and defense with the fists, with or without using padded gloves, or feet that is practiced  
136.4 as a sport under the rules of the Association of Boxing Commissions, unified rules for mixed  
136.5 martial arts, or their equivalent. Combative sports include professional boxing ~~and,~~  
136.6 professional and amateur tough person, professional or amateur kickboxing, and professional  
136.7 and amateur mixed martial arts contests.

136.8 Sec. 3. Minnesota Statutes 2022, section 341.21, subdivision 2c, is amended to read:

136.9 Subd. 2c. **Combative sports contest.** "Combative sports contest" means a professional  
136.10 boxing, a professional or amateur tough person, a professional or amateur kickboxing, or  
136.11 a professional or amateur ~~martial art contest~~ or mixed martial arts contest, bout, competition,  
136.12 match, or exhibition.

136.13 Sec. 4. Minnesota Statutes 2022, section 341.21, subdivision 4f, is amended to read:

136.14 Subd. 4f. **Martial art.** "Martial art" means a variety of weaponless disciplines of combat  
136.15 or self-defense that utilize physical skill and coordination, and are practiced as combat  
136.16 sports. The disciplines include, but are not limited to, Wing Chun, ~~kickboxing~~, Tae kwon  
136.17 do, savate, karate, ~~Muay Thai~~, sanshou, Jiu Jitsu, judo, ninjitsu, kung fu, Brazilian Jiu Jitsu,  
136.18 wrestling, grappling, tai chi, and other weaponless martial arts disciplines.

136.19 Sec. 5. Minnesota Statutes 2022, section 341.21, is amended by adding a subdivision to  
136.20 read:

136.21 Subd. 4i. **Kickboxing.** "Kickboxing" means the act of attack and defense with the fists  
136.22 using padded gloves and bare feet.

136.23 Sec. 6. Minnesota Statutes 2022, section 341.21, subdivision 7, is amended to read:

136.24 Subd. 7. **Tough person contest.** "Tough person contest," including contests marketed  
136.25 as tough man or tough woman contests, means a ~~contest of two-minute rounds consisting~~  
136.26 ~~of not more than four rounds between two or more individuals who use their hands, or their~~  
136.27 ~~feet, or both in any manner. Tough person contest includes kickboxing and other recognized~~  
136.28 ~~martial art contest~~ boxing match or similar contest where each combatant wears headgear  
136.29 and gloves that weigh at least 12 ounces.

137.1 Sec. 7. Minnesota Statutes 2022, section 341.221, is amended to read:

137.2 **341.221 ADVISORY COUNCIL.**

137.3 (a) The commissioner must appoint a Combative Sports Advisory Council to advise the  
137.4 commissioner on the administration of duties under this chapter.

137.5 (b) The council shall have ~~nine~~ five members appointed by the commissioner. ~~One~~  
137.6 ~~member must be a retired judge of the Minnesota District Court, Minnesota Court of Appeals,~~  
137.7 ~~Minnesota Supreme Court, the United States District Court for the District of Minnesota,~~  
137.8 ~~or the Eighth Circuit Court of Appeals. At least four~~ All five members must have knowledge  
137.9 of the ~~boxing industry.~~ At least four members must have knowledge of the mixed martial  
137.10 ~~arts industry~~ combative sports. The commissioner shall make serious efforts to appoint  
137.11 qualified women to serve on the council.

137.12 ~~(c) Council members shall serve terms of four years with the terms ending on the first~~  
137.13 ~~Monday in January.~~

137.14 ~~(d)~~ (c) The council shall annually elect from its membership a chair.

137.15 ~~(e)~~ (d) Meetings shall be convened by the commissioner, or by the chair with the approval  
137.16 of the commissioner.

137.17 ~~(f) The commissioner shall designate two of the members to serve until the first Monday~~  
137.18 ~~in January 2013; two members to serve until the first Monday in January 2014; two members~~  
137.19 ~~to serve until the first Monday in January 2015; and three members to serve until the first~~  
137.20 ~~Monday in January 2016.~~

137.21 (e) Appointments to the council and the terms of council members are governed by  
137.22 sections 15.059 and 15.0597.

137.23 ~~(g)~~ (f) Removal of members, filling of vacancies, and compensation of members shall  
137.24 be as provided in section 15.059.

137.25 (g) Meetings convened for the purpose of advising the commissioner on issues related  
137.26 to a challenge filed under section 341.345 are exempt from the open meeting requirements  
137.27 of chapter 13D.

137.28 Sec. 8. Minnesota Statutes 2022, section 341.25, is amended to read:

137.29 **341.25 RULES.**

137.30 (a) The commissioner may adopt rules that include standards for the physical examination  
137.31 and condition of combatants and referees.

138.1 (b) The commissioner may adopt other rules necessary to carry out the purposes of this  
138.2 chapter, including, but not limited to, the conduct of all combative sport contests and their  
138.3 manner, supervision, time, and place.

138.4 ~~(c) The commissioner must adopt unified rules for mixed martial arts contests.~~

138.5 ~~(d) The commissioner may adopt the rules of the Association of Boxing Commissions,~~  
138.6 ~~with amendments.~~

138.7 ~~(e)~~ (c) The most recent version of the Unified Rules of Mixed Martial Arts, as  
138.8 promulgated by the Association of Boxing Commissions ~~and amended August 2, 2016, are,~~  
138.9 is incorporated by reference and made a part of this chapter except as qualified by this  
138.10 chapter and Minnesota Rules, chapter 2202. In the event of a conflict between this chapter  
138.11 and the Unified Rules, this chapter must govern.

138.12 (d) The most recent version of the Unified Rules of Boxing, as promulgated by the  
138.13 Association of Boxing Commissions, is incorporated by reference and made a part of this  
138.14 chapter except as qualified by this chapter and Minnesota Rules, chapter 2201. In the event  
138.15 of a conflict between this chapter and the Unified Rules, this chapter must govern.

138.16 (e) The most recent version of the Unified Rules of Kickboxing, as promulgated by the  
138.17 Association of Boxing Commissions, is incorporated by reference and made a part of this  
138.18 chapter except as qualified by this chapter and any applicable Minnesota Rules. In the event  
138.19 of a conflict between this chapter and the Unified Rules, this chapter must govern.

138.20 Sec. 9. Minnesota Statutes 2022, section 341.27, is amended to read:

138.21 **341.27 COMMISSIONER DUTIES.**

138.22 The commissioner shall:

138.23 (1) issue, deny, renew, suspend, or revoke licenses;

138.24 (2) make and maintain records of its acts and proceedings including the issuance, denial,  
138.25 renewal, suspension, or revocation of licenses;

138.26 (3) keep public records of the council open to inspection at all reasonable times;

138.27 (4) develop rules to be implemented under this chapter;

138.28 (5) conform to the rules adopted under this chapter;

138.29 (6) develop policies and procedures for regulating boxing, kickboxing, and mixed martial  
138.30 arts;

139.1 (7) approve regulatory bodies to oversee martial arts and amateur boxing contests under  
139.2 section 341.28, subdivision 5;

139.3 ~~(7)~~ (8) immediately suspend an individual license for a medical condition, including but  
139.4 not limited to a medical condition resulting from an injury sustained during a match, bout,  
139.5 or contest that has been confirmed by the ringside physician. The medical suspension must  
139.6 be lifted after the commissioner receives written information from a physician licensed in  
139.7 the home state of the licensee indicating that the combatant may resume competition, and  
139.8 any other information that the commissioner may by rule require. Medical suspensions are  
139.9 not subject to section 326B.082 or the contested case procedures provided in sections 14.57  
139.10 to 14.69; and

139.11 ~~(8)~~ (9) immediately suspend an individual combatant license for a mandatory rest period,  
139.12 which must commence at the conclusion of every combative sports contest in which the  
139.13 license holder competes and does not receive a medical suspension. A rest suspension must  
139.14 automatically lift after 14 calendar days from the date the combative sports contest passed  
139.15 without notice or additional proceedings. Rest suspensions are not subject to section 326B.082  
139.16 or the contested case procedures provided in sections 14.57 to 14.69.

139.17 Sec. 10. Minnesota Statutes 2022, section 341.28, subdivision 2, is amended to read:

139.18 Subd. 2. **Regulatory authority; tough person contests.** All professional and amateur  
139.19 tough person contests are subject to this chapter. All tough person contests are subject to  
139.20 the most recent version of the Unified Rules of Boxing, as promulgated by the Association  
139.21 of Boxing Commissions rules. Every contestant in a tough person contest shall have a  
139.22 physical examination prior to their bouts. Every contestant in a tough person contest shall  
139.23 wear headgear and padded gloves that weigh at least 12 ounces. ~~All tough person bouts are~~  
139.24 ~~limited to two-minute rounds and a maximum of four total rounds.~~ Officials at all tough  
139.25 person contests shall be licensed under this chapter.

139.26 Sec. 11. Minnesota Statutes 2022, section 341.28, subdivision 3, is amended to read:

139.27 Subd. 3. **Regulatory authority; mixed martial arts contests; ~~similar sporting~~**  
139.28 **events.** All professional and amateur mixed martial arts contests, ~~martial arts contests except~~  
139.29 ~~amateur contests regulated by the Minnesota State High School League (MSHSL), recognized~~  
139.30 ~~martial arts studios and schools in Minnesota, and recognized national martial arts~~  
139.31 ~~organizations holding contests between students, ultimate fight contests, and similar sporting~~  
139.32 ~~events~~ are subject to this chapter and all officials at these events must be licensed under this  
139.33 chapter.

140.1 Sec. 12. Minnesota Statutes 2022, section 341.28, is amended by adding a subdivision to  
140.2 read:

140.3 Subd. 4. **Regulatory authority; kickboxing contests.** All professional and amateur  
140.4 kickboxing contests are subject to this chapter and all officials at these events must be  
140.5 licensed under this chapter.

140.6 Sec. 13. Minnesota Statutes 2022, section 341.28, is amended by adding a subdivision to  
140.7 read:

140.8 Subd. 5. **Regulatory authority; martial arts and amateur boxing.** (a) Unless this  
140.9 chapter specifically states otherwise, contests or exhibitions for martial arts and amateur  
140.10 boxing are exempt from the requirements of this chapter and officials at these events are  
140.11 not required to be licensed under this chapter.

140.12 (b) Martial arts and amateur boxing contests, unless subject to the exceptions set forth  
140.13 in subdivision 6, must be regulated by a nationally recognized organization approved by  
140.14 the commissioner. The organization must have a set of written standards, procedures, or  
140.15 rules used to sanction the combative sports it oversees.

140.16 (c) Any regulatory body overseeing a martial arts or amateur boxing event must submit  
140.17 bout results to the commissioner within 72 hours after the event. If the regulatory body  
140.18 issues suspensions, the regulatory body must submit to the commissioner a list of any  
140.19 suspensions resulting from the event within 72 hours after the event. Regulatory bodies that  
140.20 oversee combative sports or martial arts contests under subdivision 6 are not subject to this  
140.21 paragraph.

140.22 Sec. 14. Minnesota Statutes 2022, section 341.28, is amended by adding a subdivision to  
140.23 read:

140.24 Subd. 6. **Regulatory authority; certain students.** Combative sports or martial arts  
140.25 contests regulated by the Minnesota State High School League, National Collegiate Athletic  
140.26 Association, National Junior Collegiate Athletic Association, National Association of  
140.27 Intercollegiate Athletics, or any similar organization that governs interscholastic athletics  
140.28 are not subject to this chapter and officials at these events are not required to be licensed  
140.29 under this chapter.

140.30 Sec. 15. Minnesota Statutes 2022, section 341.30, subdivision 4, is amended to read:

140.31 Subd. 4. **Prelicensure requirements.** (a) Before the commissioner issues a promoter's  
140.32 license to an individual, corporation, or other business entity, the applicant shall, ~~a minimum~~

141.1 ~~of six weeks before the combative sport contest is scheduled to occur,~~ complete a licensing  
141.2 application on the Office of Combative Sports website or on forms ~~furnished or approved~~  
141.3 prescribed by the commissioner and shall:

141.4 ~~(1) provide the commissioner with a copy of any agreement between a combatant and~~  
141.5 ~~the applicant that binds the applicant to pay the combatant a certain fixed fee or percentage~~  
141.6 ~~of the gate receipts;~~

141.7 ~~(2)~~ (1) show on the licensing application the owner or owners of the applicant entity and  
141.8 the percentage of interest held by each owner holding a 25 percent or more interest in the  
141.9 applicant;

141.10 ~~(3)~~ (2) provide the commissioner with a copy of the latest financial statement of the  
141.11 applicant;

141.12 ~~(4) provide the commissioner with a copy or other proof acceptable to the commissioner~~  
141.13 ~~of the insurance contract or policy required by this chapter;~~

141.14 ~~(5)~~ (3) provide proof, where applicable, of authorization to do business in the state of  
141.15 Minnesota; and

141.16 ~~(6)~~ (4) deposit with the commissioner a ~~cash bond or~~ surety bond in an amount set by  
141.17 the commissioner, which must not be less than \$10,000. The bond shall be executed in favor  
141.18 of this state and shall be conditioned on the faithful performance by the promoter of the  
141.19 promoter's obligations under this chapter and the rules adopted under it.

141.20 (b) Before the commissioner issues a license to a combatant, the applicant shall:

141.21 (1) submit to the commissioner the results of a current medical ~~examination~~ examinations  
141.22 on forms ~~furnished or approved~~ prescribed by the commissioner that state that the combatant  
141.23 is cleared to participate in a combative sport contest. ~~The medical examination must include~~  
141.24 ~~an ophthalmological and neurological examination, and documentation of test results for~~  
141.25 ~~HBV, HCV, and HIV, and any other blood test as the commissioner by rule may require.~~  
141.26 ~~The ophthalmological examination must be designed to detect any retinal defects or other~~  
141.27 ~~damage or condition of the eye that could be aggravated by combative sports. The~~  
141.28 ~~neurological examination must include an electroencephalogram or medically superior test~~  
141.29 ~~if the combatant has been knocked unconscious in a previous contest. The commissioner~~  
141.30 ~~may also order an electroencephalogram or other appropriate neurological or physical~~  
141.31 ~~examination before any contest if it determines that the examination is desirable to protect~~  
141.32 ~~the health of the combatant. The commissioner shall not issue a license to an applicant~~  
141.33 ~~submitting positive test results for HBV, HCV, or HIV;~~ The applicant must undergo and

142.1 submit the results of the following medical examinations, which do not exempt a combatant  
142.2 from the requirements in section 341.33:

142.3 (i) a physical examination performed by a licensed medical doctor, doctor of osteopathic  
142.4 medicine, advance practice nurse practitioner, or a physician assistant. Physical examinations  
142.5 are valid for one year from the date of the exam;

142.6 (ii) an ophthalmological examination performed by an ophthalmologist or optometrist  
142.7 that includes dilation designed to detect any retinal defects or other damage or a condition  
142.8 of the eye that could be aggravated by combative sports. Ophthalmological examinations  
142.9 are valid for one year from the date of the exam;

142.10 (iii) blood work results for HBsAg (Hepatitis B surface antigen), HCV (Hepatitis C  
142.11 antibody), and HIV. Blood work results are good for one year from the date blood was  
142.12 drawn. The commissioner shall not issue a license to an applicant submitting positive test  
142.13 results for HBsAg, HCV, or HIV; and

142.14 (iv) other appropriate neurological or physical examinations before any contest, if the  
142.15 commissioner determines that the examination is desirable to protect the health of the  
142.16 combatant;

142.17 (2) complete a licensing application on the Office of Combative Sports website or on  
142.18 forms ~~furnished or approved~~ prescribed by the commissioner; and

142.19 (3) provide proof that the applicant is 18 years of age. Acceptable proof is a photo driver's  
142.20 license, state photo identification card, passport, or birth certificate combined with additional  
142.21 photo identification.

142.22 (c) Before the commissioner issues a license to a referee, judge, or timekeeper, the  
142.23 applicant must submit proof of qualifications that may include certified training from the  
142.24 Association of Boxing Commissions, licensure with other regulatory bodies, professional  
142.25 references, or a log of bouts worked.

142.26 (d) Before the commissioner issues a license to a ringside physician, the applicant must  
142.27 submit proof that they are licensed to practice medicine in the state of Minnesota and in  
142.28 good standing.

142.29 Sec. 16. Minnesota Statutes 2022, section 341.32, subdivision 2, is amended to read:

142.30 Subd. 2. **Expiration and application.** Licenses issued on or after January 1, 2023, shall  
142.31 expire annually on December 31 one year after the date of issuance. A license may be  
142.32 applied for each year by filing an application for licensure and satisfying all licensure

143.1 requirements established in section 341.30, and submitting payment of the license fees  
143.2 established in section 341.321. An application for a license and renewal of a license must  
143.3 be on a form provided by the commissioner.

143.4 Sec. 17. Minnesota Statutes 2022, section 341.321, is amended to read:

143.5 **341.321 FEE SCHEDULE.**

143.6 (a) The fee schedule for professional and amateur licenses issued by the commissioner  
143.7 is as follows:

143.8 (1) referees, \$25;

143.9 (2) promoters, ~~\$700~~ \$500;

143.10 (3) judges and knockdown judges, \$25;

143.11 (4) trainers and seconds, ~~\$80~~ \$40;

143.12 (5) timekeepers, \$25;

143.13 (6) professional combatants, ~~\$70~~ \$55;

143.14 (7) amateur combatants, ~~\$50~~ \$35; and

143.15 (8) ringside physicians, \$25.

143.16 ~~License fees for promoters are due at least six weeks prior to the combative sport contest.~~  
143.17 All ~~other~~ license fees shall be paid no later than the weigh-in prior to the contest. No license  
143.18 may be issued until all prelicensure requirements in section 341.30 are satisfied and fees  
143.19 are paid.

143.20 ~~(b) The commissioner shall establish a contest fee for each combative sport contest and~~  
143.21 ~~shall consider the size and type of venue when establishing a contest fee. The A promoter~~  
143.22 ~~or event organizer of an event regulated by the Department of Labor and Industry must pay,~~  
143.23 ~~per event, a combative sport contest fee is \$1,500 per event of \$500 or not more than four~~  
143.24 ~~percent of the gross ticket sales, whichever is greater, as determined by the commissioner~~  
143.25 ~~when the combative sport contest is scheduled. The fee must be paid as follows:~~

143.26 ~~(c) A professional or amateur combative sport contest fee is nonrefundable and shall be~~  
143.27 ~~paid as follows:~~

143.28 (1) \$500 at the time the combative sport contest is scheduled; ~~and~~

143.29 ~~(2) \$1,000 at the weigh-in prior to the contest.~~

144.1 (2) if four percent of the gross ticket sales is greater than \$500, the balance is due to the  
144.2 commissioner within 14 days of the completed contest; and

144.3 (3) the value of all complimentary tickets distributed for an event, to the extent they  
144.4 exceed five percent of total event attendance, counts toward gross tickets sales for the  
144.5 purposes of determining a combative sports contest fee. For purposes of this clause, the  
144.6 lowest advertised ticket price shall be used to calculate the value of complimentary tickets.

144.7 ~~If four percent of the gross ticket sales is greater than \$1,500, the balance is due to the~~  
144.8 ~~commissioner within seven days of the completed contest.~~

144.9 ~~(d) The commissioner may establish the maximum number of complimentary tickets~~  
144.10 ~~allowed for each event by rule.~~

144.11 ~~(e)~~ (c) All fees and penalties collected by the commissioner must be deposited in the  
144.12 commissioner account in the special revenue fund.

144.13 Sec. 18. **[341.322] PAYMENT SCHEDULE.**

144.14 The commissioner may establish a schedule of payments to be paid by a promoter to  
144.15 referees, judges and knockdown judges, timekeepers, and ringside physicians.

144.16 Sec. 19. **[341.323] EVENT APPROVAL.**

144.17 Subdivision 1. Preapproval documentation. Before the commissioner approves a  
144.18 combative sports contest, the promoter shall provide the commissioner, at least six weeks  
144.19 before the combative sport contest is scheduled to occur, information about the time, date,  
144.20 and location of the contest and at least 72 hours before the combative sport contest is  
144.21 scheduled to occur:

144.22 (1) a copy of any agreement between a combatant and the promoter that binds the  
144.23 promoter to pay the combatant a certain fixed fee or percentage of the gate receipts;

144.24 (2) a copy or other proof acceptable to the commissioner of the insurance contract or  
144.25 policy required by this chapter;

144.26 (3) proof acceptable to the commissioner that the promoter will provide, at the cost of  
144.27 the promoter, at least one uniformed security guard or uniformed off-duty member of law  
144.28 enforcement to provide security at any event regulated by the Department of Labor and  
144.29 Industry. The commissioner may require a promoter to take additional security measures  
144.30 to ensure the safety of participants and spectators at an event; and

145.1 (4) proof acceptable to the commissioner that the promoter will provide an ambulance  
145.2 service as required by section 341.324.

145.3 Subd. 2. **Proper licensure.** Before the commissioner approves a combative sport contest,  
145.4 the commissioner must ensure that the promoter is properly licensed under this chapter.  
145.5 The promoter must maintain proper licensure from the time it schedules a combative sports  
145.6 contest through the date of the contest.

145.7 Subd. 3. **Discretion.** Nothing in this section limits the commissioner's discretion in  
145.8 deciding whether to approve a combative sport contest or event.

145.9 Sec. 20. **[341.324] AMBULANCE.**

145.10 A promoter must ensure, at the cost of the promoter, that a licensed ambulance service  
145.11 with two emergency medical technicians is on the premises during a combative sports  
145.12 contest.

145.13 Sec. 21. Minnesota Statutes 2022, section 341.33, is amended to read:

145.14 **341.33 PHYSICAL EXAMINATION REQUIRED; FEES.**

145.15 Subdivision 1. **Examination by physician.** All combatants must be examined by a  
145.16 physician licensed by this state within 36 hours before entering the ring, and the examining  
145.17 physician shall immediately file with the commissioner a written report of the examination.  
145.18 Each female combatant shall take and submit a negative pregnancy test as part of the  
145.19 examination. The physician's examination may report on the condition of the combatant's  
145.20 heart and general physical and general neurological condition. The physician's report may  
145.21 record the condition of the combatant's nervous system and brain as required by the  
145.22 commissioner. The physician may prohibit the combatant from entering the ring if, in the  
145.23 physician's professional opinion, it is in the best interest of the combatant's health. The cost  
145.24 of the examination is payable by the promoter conducting the contest or exhibition.

145.25 Subd. 2. **Attendance of physician.** A promoter holding or sponsoring a combative sport  
145.26 contest shall have in attendance a physician licensed by ~~this state~~ Minnesota. ~~The~~  
145.27 ~~commissioner may establish a schedule of fees to be paid to each attending physician by~~  
145.28 ~~the promoter holding or sponsoring the contest.~~

146.1 Sec. 22. **[341.331] PROHIBITED PERFORMANCE ENHANCING SUBSTANCES**  
146.2 **AND TESTING.**

146.3 **Subdivision 1. Performance enhancing substances and masking agents prohibited.** All  
146.4 **combatants are prohibited from using the substances listed in the following classes contained**  
146.5 **in the World Anti-Doping Code published by the World Anti-Doping Agency, unless a**  
146.6 **combatant meets an applicable exception set forth therein:**

146.7 **(1) S0, nonapproved substances;**

146.8 **(2) S1, anabolic agents;**

146.9 **(3) S2, peptide hormones, growth factors, and related substances and mimetics;**

146.10 **(4) S3, beta-2 agonists;**

146.11 **(5) S4, hormone and metabolic modulators; and**

146.12 **(6) S5, diuretics and masking agents.**

146.13 **Subd. 2. Testing.** The commissioner may administer drug testing to discover violations  
146.14 **of subdivision 1 as follows:**

146.15 **(a) The commissioner may require a combatant to submit to a drug test to determine if**  
146.16 **substances are present in the combatant's system in violation of subdivision 1. This testing**  
146.17 **may occur at any time after the official weigh-in, on the day of the contest in which the**  
146.18 **combatant is participating, or within 24 hours of competing in a combative sports contest**  
146.19 **in a manner prescribed by the commissioner. The commissioner may require testing based**  
146.20 **on reasonable cause or random selection. Grounds for reasonable cause includes observing**  
146.21 **or receiving credible information that a combatant has used prohibited performance enhancing**  
146.22 **drugs. If testing is based on random selection, both combatants competing in a selected bout**  
146.23 **shall submit to a drug test.**

146.24 **(b) Specimens may include urine, hair samples, or blood. Specimens shall be tested at**  
146.25 **a facility acceptable to the commissioner. Results of all drug tests shall be submitted directly**  
146.26 **to the commissioner.**

146.27 **(c) The promoter shall pay the costs relating to drug testing combatants. Any requests**  
146.28 **for follow-up or additional testing must be paid by the combatant.**

146.29 **Subd. 3. Discipline.** (a) If a combatant fails to provide a sample for drug testing when  
146.30 **required, and the request is made before a bout, the combatant shall not be allowed to**  
146.31 **compete in the bout. If the request is made after a bout, and the combatant fails to provide**

147.1 a sample for drug testing, the combatant shall be subject to disciplinary action under section  
147.2 341.29.

147.3 (b) If a combatant's specimen tests positive for any prohibited substances, the combatant  
147.4 shall be subject to disciplinary action under section 341.29.

147.5 (c) A combatant who is disciplined and was the winner of a bout shall be disqualified  
147.6 and the decision shall be changed to no contest. The results of a bout shall remain unchanged  
147.7 if a combatant who is disciplined was the loser of the bout.

147.8 Sec. 23. [341.345] CHALLENGING THE OUTCOME OF A COMBATIVE SPORT  
147.9 CONTEST.

147.10 Subdivision 1. **Challenge.** (a) If a combatant disagrees with the outcome of a combative  
147.11 sport contest regulated by the Department of Labor and Industry in which the combatant  
147.12 participated, the combatant may challenge the outcome.

147.13 (b) If a third party makes a challenge on behalf of a combatant, the third party must  
147.14 provide written confirmation that they are authorized to make the challenge on behalf of  
147.15 the combatant. The written confirmation must contain the combatant's signature and must  
147.16 be submitted with the challenge.

147.17 Subd. 2. **Form.** A challenge must be submitted on a form prescribed by the commissioner,  
147.18 set forth all relevant facts and the basis for the challenge, and state what remedy is being  
147.19 sought. A combatant may submit photos, videos, documents, or any other evidence the  
147.20 combatant would like the commissioner to consider in connection to the challenge. A  
147.21 combatant may challenge the outcome of a contest only if it is alleged that:

147.22 (1) the referee made an incorrect call or missed a rule violation that directly affected the  
147.23 outcome of the contest;

147.24 (2) there was collusion amongst officials to affect the outcome of the contest; or

147.25 (3) scores were miscalculated.

147.26 Subd. 3. **Timing.** A challenge must be submitted within ten days of the contest.

147.27 (a) For purposes of this subdivision, the day of the contest shall not count toward the  
147.28 ten-day period. If the tenth day falls on a Saturday, Sunday, or legal holiday, then a combatant  
147.29 shall have until the next day that is not a Saturday, Sunday, or legal holiday to submit a  
147.30 challenge.

147.31 (b) The challenge must be submitted to the commissioner at the address, fax number,  
147.32 or email address designated on the commissioner's website. The date on which a challenge

148.1 is submitted by mail shall be the postmark date on the envelope in which the challenge is  
148.2 mailed. If the challenge is faxed or emailed, it must be received by the commissioner by  
148.3 4:30 p.m. Central Time on the day the challenge is due.

148.4 Subd. 4. **Opponent's response.** If the requirements of subdivisions 1 to 3 are met, the  
148.5 commissioner shall send a complete copy of the challenge documents, along with any  
148.6 supporting materials submitted, to the opposing combatant by mail, fax, or email. The  
148.7 opposing combatant has 14 days from the date the commissioner sends the challenge and  
148.8 supporting materials to submit a response to the commissioner. Additional response time  
148.9 is not added when the commissioner sends the challenge to the opposing combatant by mail.  
148.10 The opposing combatant may submit photos, videos, documents, or any other evidence the  
148.11 opposing combatant would like the commissioner to consider in connection to the challenge.  
148.12 The response must be submitted to the commissioner at the address, fax number, or email  
148.13 address designated on the commissioner's website. The date on which a response is submitted  
148.14 by mail is the postmark date on the envelope in which the response is mailed. If the response  
148.15 is faxed or emailed, it must be received by the commissioner by 4:30 p.m. Central Time on  
148.16 the day the response is due.

148.17 Subd. 5. **Licensed official review.** The commissioner may, if the commissioner  
148.18 determines it would be helpful in resolving the issues raised in the challenge, send a complete  
148.19 copy of the challenge or response, along with any supporting materials submitted, to any  
148.20 licensed official involved in the combative sport contest at issue by mail, fax, or email and  
148.21 request the official's views on the issues raised in the challenge.

148.22 Subd. 6. **Order.** The commissioner shall issue an order on the challenge within 60 days  
148.23 after receiving the opposing combatant's response. If the opposing combatant does not  
148.24 submit a response, the commissioner shall issue an order on the challenge within 75 days  
148.25 after receiving the challenge.

148.26 Subd. 7. **Nonacceptance.** If the requirements of subdivisions 1 through 3 are not met,  
148.27 the commissioner must not accept the challenge and may send correspondence to the person  
148.28 who submitted the challenge stating the reasons for nonacceptance of the challenge. A  
148.29 combatant has no further appeal rights if the combatant's challenge is not accepted by the  
148.30 commissioner.

148.31 Subd. 8. **Administrative hearing.** After the commissioner issues an order under  
148.32 subdivision 6, each combatant under section 326B.082, subdivision 8, has 30 days after  
148.33 service of the order to submit a request for hearing before an administrative law judge.

149.1 Sec. 24. Minnesota Statutes 2022, section 341.355, is amended to read:

149.2 **341.355 CIVIL PENALTIES.**

149.3 When the commissioner finds that a person has violated one or more provisions of any  
149.4 statute, rule, or order that the commissioner is empowered to regulate, enforce, or issue, the  
149.5 commissioner may impose, for each violation, a civil penalty of up to \$10,000 for each  
149.6 violation, or a civil penalty that deprives the person of any economic advantage gained by  
149.7 the violation, or both. The commissioner may also impose these penalties against a person  
149.8 who has violated section 341.28, subdivision 5, paragraph (b) or (c).

149.9 **ARTICLE 11**

149.10 **MISCELLANEOUS**

149.11 Section 1. Minnesota Statutes 2022, section 175.16, subdivision 1, is amended to read:

149.12 Subdivision 1. **Established.** The Department of Labor and Industry shall consist of the  
149.13 following divisions: Division of Workers' Compensation, Division of Construction Codes  
149.14 and Licensing, Division of Occupational Safety and Health, Division of Statistics, Division  
149.15 of Labor Standards, and Division of Apprenticeship, and such other divisions as the  
149.16 commissioner of the Department of Labor and Industry may deem necessary and establish.  
149.17 Each division of the department and persons in charge thereof shall be subject to the  
149.18 supervision of the commissioner of the Department of Labor and Industry and, in addition  
149.19 to such duties as are or may be imposed on them by statute, shall perform such other duties  
149.20 as may be assigned to them by the commissioner. Notwithstanding any other law to the  
149.21 contrary, the commissioner is the administrator and supervisor of all of the department's  
149.22 dispute resolution functions and personnel and may delegate authority to compensation  
149.23 judges and others to make determinations under sections 176.106, 176.238, and 176.239  
149.24 and to approve settlement of claims under section 176.521.

149.25 Sec. 2. Minnesota Statutes 2022, section 177.26, subdivision 1, is amended to read:

149.26 Subdivision 1. **Creation.** The Division of Labor Standards and ~~Apprenticeship~~ in the  
149.27 Department of Labor and Industry is supervised and controlled by the commissioner of  
149.28 labor and industry.

149.29 Sec. 3. Minnesota Statutes 2022, section 177.26, subdivision 2, is amended to read:

149.30 Subd. 2. **Powers and duties.** The Division of Labor Standards and ~~Apprenticeship~~ shall  
149.31 administer this chapter and chapters ~~178~~, 181, 181A, and 184.

150.1 Sec. 4. Minnesota Statutes 2022, section 178.01, is amended to read:

150.2 **178.01 PURPOSES.**

150.3 The purposes of this chapter are: to open to all people regardless of race, sex, creed,  
150.4 color or national origin, the opportunity to obtain training and on-the-job learning that will  
150.5 equip them for profitable employment and citizenship; to establish as a means to this end,  
150.6 a program of voluntary apprenticeship under approved apprenticeship agreements providing  
150.7 facilities for their training and guidance in the arts, skills, and crafts of industry and trade  
150.8 or occupation, with concurrent, supplementary instruction in related subjects; to promote  
150.9 apprenticeship opportunities under conditions providing adequate training and on-the-job  
150.10 learning and reasonable earnings; to relate the supply of skilled workers to employment  
150.11 demands; to establish standards for apprentice training; to establish an Apprenticeship Board  
150.12 and apprenticeship committees to assist in effectuating the purposes of this chapter; to  
150.13 provide for a Division of ~~Labor Standards and~~ Apprenticeship within the Department of  
150.14 Labor and Industry; to provide for reports to the legislature regarding the status of apprentice  
150.15 training in the state; to establish a procedure for the determination of apprenticeship  
150.16 agreement controversies; and to accomplish related ends.

150.17 Sec. 5. Minnesota Statutes 2022, section 178.011, subdivision 7, is amended to read:

150.18 Subd. 7. **Division.** "Division" means the department's ~~Labor Standards and~~ Apprenticeship  
150.19 Division, established under sections 175.16 and 178.03, and the State Apprenticeship Agency  
150.20 as defined in Code of Federal Regulations, title 29, part 29, section 29.2.

150.21 Sec. 6. Minnesota Statutes 2022, section 178.03, subdivision 1, is amended to read:

150.22 Subdivision 1. **Establishment of division.** There is established a Division of ~~Labor~~  
150.23 ~~Standards and~~ Apprenticeship in the Department of Labor and Industry. This division shall  
150.24 be administered by a director, and be under the supervision of the commissioner.

150.25 Sec. 7. Minnesota Statutes 2022, section 178.11, is amended to read:

150.26 **178.11 LABOR EDUCATION ADVANCEMENT GRANT PROGRAM.**

150.27 The commissioner shall establish the labor education advancement grant program for  
150.28 the purpose of facilitating the participation or retention of minorities people of color,  
150.29 Indigenous people, and women in apprenticeable trades and occupations registered  
150.30 apprenticeship programs. The commissioner shall award grants to community-based and  
150.31 nonprofit organizations and Minnesota Tribal governments as defined in section 10.65,  
150.32 serving the targeted populations on a competitive request-for-proposal basis. Interested

151.1 organizations shall apply for the grants in a form prescribed by the commissioner. As part  
151.2 of the application process, applicants must provide a statement of need for the grant, a  
151.3 description of the targeted population and apprenticeship opportunities, a description of  
151.4 activities to be funded by the grant, evidence supporting the ability to deliver services,  
151.5 information related to coordinating grant activities with other employment and learning  
151.6 programs, identification of matching funds, a budget, and performance objectives. Each  
151.7 submitted application shall be evaluated for completeness and effectiveness of the proposed  
151.8 grant activity.

151.9 Sec. 8. [181.536] POSTING OF VETERANS' BENEFITS AND SERVICES.

151.10 Subdivision 1. **Poster creation; content.** (a) The commissioner shall consult with the  
151.11 commissioner of veterans affairs to create and distribute a veterans' benefits and services  
151.12 poster.

151.13 (b) The poster must, at a minimum, include information regarding the following benefits  
151.14 and services available to veterans:

151.15 (1) contact and website information for the Department of Veterans Affairs and the  
151.16 department's veterans' services program;

151.17 (2) substance use disorder and mental health treatment;

151.18 (3) educational, workforce, and training resources;

151.19 (4) tax benefits;

151.20 (5) Minnesota state veteran drivers' licenses and state identification cards;

151.21 (6) eligibility for unemployment insurance benefits under state and federal law;

151.22 (7) legal services; and

151.23 (8) contact information for the U.S. Department of Veterans Affairs Veterans Crisis  
151.24 Line.

151.25 (c) The commissioner must annually review the poster's content and update the poster  
151.26 to include the most current information available.

151.27 Subd. 2. **Mandatory posting.** Every employer in the state with more than 50 full-time  
151.28 equivalent employees shall display the poster created pursuant to this section in a conspicuous  
151.29 place accessible to employees in the workplace.

152.1 Sec. 9. Minnesota Statutes 2022, section 181.9435, subdivision 1, is amended to read:

152.2 Subdivision 1. **Investigation.** The Division of Labor Standards and Apprenticeship shall  
152.3 receive complaints of employees against employers relating to sections 181.172, paragraph  
152.4 (a) or (d), and 181.939 to 181.9436 and investigate informally whether an employer may  
152.5 be in violation of sections 181.172, paragraph (a) or (d), and 181.939 to 181.9436. The  
152.6 division shall attempt to resolve employee complaints by informing employees and employers  
152.7 of the provisions of the law and directing employers to comply with the law. For complaints  
152.8 related to section 181.939, the division must contact the employer within two business days  
152.9 and investigate the complaint within ten days of receipt of the complaint.

152.10 Sec. 10. Minnesota Statutes 2022, section 181.9436, is amended to read:

152.11 **181.9436 POSTING OF LAW.**

152.12 The Division of Labor Standards and Apprenticeship shall develop, with the assistance  
152.13 of interested business and community organizations, an educational poster stating employees'  
152.14 rights under sections 181.940 to 181.9436. The department shall make the poster available,  
152.15 upon request, to employers for posting on the employer's premises.

152.16 Sec. 11. Minnesota Statutes 2022, section 182.666, subdivision 1, is amended to read:

152.17 Subdivision 1. **Willful or repeated violations.** Any employer who willfully or repeatedly  
152.18 violates the requirements of section 182.653, or any standard, rule, or order adopted under  
152.19 the authority of the commissioner as provided in this chapter, may be assessed a fine not to  
152.20 exceed ~~\$70,000~~ \$156,259 for each violation. The minimum fine for a willful violation is  
152.21 ~~\$5,000~~ \$11,162.

152.22 Sec. 12. Minnesota Statutes 2022, section 182.666, subdivision 2, is amended to read:

152.23 Subd. 2. **Serious violations.** Any employer who has received a citation for a serious  
152.24 violation of its duties under section 182.653, or any standard, rule, or order adopted under  
152.25 the authority of the commissioner as provided in this chapter, shall be assessed a fine not  
152.26 to exceed ~~\$7,000~~ \$15,625 for each violation. If a serious violation under section 182.653,  
152.27 subdivision 2, causes or contributes to the death of an employee, the employer shall be  
152.28 assessed a fine of up to \$25,000 for each violation.

152.29 Sec. 13. Minnesota Statutes 2022, section 182.666, subdivision 3, is amended to read:

152.30 Subd. 3. **Nonserious violations.** Any employer who has received a citation for a violation  
152.31 of its duties under section 182.653, subdivisions 2 to 4, where the violation is specifically

153.1 determined not to be of a serious nature as provided in section 182.651, subdivision 12,  
153.2 may be assessed a fine of up to ~~\$7,000~~ \$15,625 for each violation.

153.3 Sec. 14. Minnesota Statutes 2022, section 182.666, subdivision 4, is amended to read:

153.4 Subd. 4. **Failure to correct a violation.** Any employer who fails to correct a violation  
153.5 for which a citation has been issued under section 182.66 within the period permitted for  
153.6 its correction, which period shall not begin to run until the date of the final order of the  
153.7 commissioner in the case of any review proceedings under this chapter initiated by the  
153.8 employer in good faith and not solely for delay or avoidance of penalties, may be assessed  
153.9 a fine of not more than ~~\$7,000~~ \$15,625 for each day during which the failure or violation  
153.10 continues.

153.11 Sec. 15. Minnesota Statutes 2022, section 182.666, subdivision 5, is amended to read:

153.12 Subd. 5. **Posting violations.** Any employer who violates any of the posting requirements,  
153.13 as prescribed under this chapter, except those prescribed under section 182.661, subdivision  
153.14 3a, shall be assessed a fine of up to ~~\$7,000~~ \$15,625 for each violation.

153.15 Sec. 16. Minnesota Statutes 2022, section 182.666, is amended by adding a subdivision  
153.16 to read:

153.17 Subd. 6a. **Increases for inflation.** (a) Each year, beginning in 2023, the commissioner  
153.18 shall determine the percentage change in the Minneapolis-St. Paul-Bloomington, MN-WI,  
153.19 Consumer Price Index for All Urban Consumers (CPI-U) from the month of October in the  
153.20 preceding calendar year to the month of October in the current calendar year.

153.21 (b) The commissioner shall increase the fines in subdivisions 1 to 5, except for the fine  
153.22 for a serious violation under section 182.653, subdivision 2, that causes or contributes to  
153.23 the death of an employee, by the percentage change determined by the commissioner under  
153.24 paragraph (a), if the percentage change is greater than zero. The fines shall be increased to  
153.25 the nearest one dollar.

153.26 (c) If the percentage change determined by the commissioner under paragraph (a) is not  
153.27 greater than zero, the commissioner shall not change any of the fines in subdivisions 1 to  
153.28 5.

153.29 (d) A fine increased under this subdivision takes effect on the next January 15 after the  
153.30 commissioner determines the percentage change under paragraph (a) and applies to all fines  
153.31 assessed on or after the next January 15.

154.1 (e) No later than December 1 of each year, the commissioner shall give notice in the  
154.2 State Register of any increase to the fines in subdivisions 1 to 5.

154.3 Sec. 17. **[182.677] ERGONOMICS.**

154.4 Subdivision 1. **Definitions.** (a) For purposes of this section, the definitions in this  
154.5 subdivision apply unless otherwise specified.

154.6 (b) "Health care facility" means a hospital with a North American Industrial Classification  
154.7 system code of 622110, 622210, or 622310; an outpatient surgical center with a North  
154.8 American Industrial Classification system code of 621493; and a nursing home with a North  
154.9 American Industrial Classification system code of 623110.

154.10 (c) "Warehouse distribution center" means an employer with 100 or more employees in  
154.11 Minnesota and a North American Industrial Classification system code of 493110, 423110  
154.12 to 423990, 424110 to 424990, 454110, or 492110.

154.13 (d) "Meatpacking site" means a meatpacking or poultry processing site with 100 or more  
154.14 employees in Minnesota and a North American Industrial Classification system code of  
154.15 311611 to 311615, except 311613.

154.16 (e) "Musculoskeletal disorder" or "MSD" means a disorder of the muscles, nerves,  
154.17 tendons, ligaments, joints, cartilage, blood vessels, or spinal discs.

154.18 Subd. 2. **Ergonomics program required.** (a) Every licensed health care facility,  
154.19 warehouse distribution center, or meatpacking site in the state shall create and implement  
154.20 an effective written ergonomics program establishing the employer's plan to minimize the  
154.21 risk of its employees developing or aggravating musculoskeletal disorders by utilizing an  
154.22 ergonomics process. The ergonomics program shall focus on eliminating the risk. To the  
154.23 extent risk exists, the ergonomics program must include feasible administrative or engineering  
154.24 controls to reduce the risk.

154.25 (b) The program shall include:

154.26 (1) an assessment of hazards with regard to prevention of musculoskeletal disorders;

154.27 (2) an initial and ongoing training of employees on ergonomics and its benefits, including  
154.28 the importance of reporting early symptoms of musculoskeletal disorders;

154.29 (3) a procedure to ensure early reporting of musculoskeletal disorders to prevent or  
154.30 reduce the progression of symptoms, the development of serious injuries, and lost-time  
154.31 claims;

155.1 (4) a process for employees to provide possible solutions that may be implemented to  
155.2 reduce, control, or eliminate workplace musculoskeletal disorders;

155.3 (5) procedures to ensure that physical plant modifications and major construction projects  
155.4 are consistent with program goals; and

155.5 (6) annual evaluations of the ergonomics program and whenever a change to the work  
155.6 process occurs.

155.7 Subd. 3. **Annual evaluation of program required.** There must be an established  
155.8 procedure to annually assess the effectiveness of the ergonomics program, including  
155.9 evaluation of corrective actions taken in response to reporting of symptoms by employees.  
155.10 The annual assessment shall determine the success of the implemented ergonomic solutions  
155.11 and whether goals set by the ergonomics program have been met.

155.12 Subd. 4. **Employee training.** (a) An employer subject to this section must train all new  
155.13 and existing employees on the following:

155.14 (1) the name of each individual on the employer's safety committee;

155.15 (2) the facility's hazard prevention and control plan;

155.16 (3) the early signs and symptoms of musculoskeletal injuries and the procedures for  
155.17 reporting them;

155.18 (4) the procedures for reporting injuries and other hazards;

155.19 (5) any administrative or engineering controls related to ergonomic hazards that are in  
155.20 place or will be implemented at the facility;

155.21 (6) how to use personal protective equipment, whether it is available, and where it is  
155.22 located; and

155.23 (7) the requirements of subdivision 9.

155.24 (b) New and current employees must be trained according to paragraph (a) prior to  
155.25 starting work. The employer must provide the training during working hours and compensate  
155.26 the employee for attending the training at the employee's standard rate of pay. All training  
155.27 must be in a language and with vocabulary that the employee can understand.

155.28 (c) Updates to the information conveyed in the training shall be communicated to  
155.29 employees as soon as practicable.

155.30 Subd. 5. **Involvement of employees.** Employers subject to this section must solicit  
155.31 feedback for its ergonomics program through its safety committee required by section

156.1 182.676, in addition to any other opportunities for employee participation the employer  
156.2 may provide. The safety committee must be directly involved in ergonomics worksite  
156.3 assessments and participate in the annual evaluation required by subdivision 3.

156.4 Subd. 6. **Workplace program or AWAIR.** An employer subject to this section must  
156.5 reference its ergonomics program in a written Workplace Accident and Injury Reduction  
156.6 (AWAIR) program required by section 182.653, subdivision 8.

156.7 Subd. 7. **Recordkeeping.** An employer subject to this section must maintain:

156.8 (1) a written certification dated and signed by each person who provides training and  
156.9 each employee who receives training pursuant to this section. The certification completed  
156.10 by the training providers must state that the employer has provided training consistent with  
156.11 the requirements of this section;

156.12 (2) a record of all worker visits to on-site medical or first aid personnel for the last five  
156.13 years, regardless of severity or type of illness or injury; and

156.14 (3) a record of all ergonomic injuries suffered by employees for the last five years.

156.15 Subd. 8. **Availability of records.** (a) The employer must ensure that the certification  
156.16 records required by subdivision 7, clause (1), are up to date and available to the  
156.17 commissioner, employees, and authorized employee representatives, if any, upon request.

156.18 (b) Upon the request of the commissioner, an employee, or an authorized employee  
156.19 representative, the employer must provide the requestor a redacted version of the medical  
156.20 or first aid records and records of all ergonomic injuries. The name, contact information,  
156.21 and occupation of an employee, and any other information that would reveal the identity  
156.22 of an employee, must be removed in the redacted version. The redacted version must only  
156.23 include, to the extent it would not reveal identity of an employee, the location where the  
156.24 employee worked, the date of the injury or visit, a description of the medical treatment or  
156.25 first aid provided, and a description of the injury suffered.

156.26 (c) The employer must also make available to the commissioner the unredacted medical  
156.27 or first aid records and unredacted records of ergonomic injuries required by subdivision  
156.28 7, clause (2), upon request.

156.29 Subd. 9. **Reporting encouraged.** Any employer subject to this section must not institute  
156.30 or maintain any program, policy, or practice that discourages employees from reporting  
156.31 injuries, hazards, or safety and health standard violations, including ergonomic-related  
156.32 hazards and symptoms of musculoskeletal disorders.

157.1 Subd. 10. **Training materials.** The commissioner shall make training materials on  
157.2 implementation of this section available to all employers, upon request, at no cost as part  
157.3 of the duties of the commissioner under section 182.673.

157.4 Subd. 11. **Enforcement.** This section shall be enforced by the commissioner under  
157.5 sections 182.66 and 182.661. A violation of this section is subject to the penalties provided  
157.6 under section 182.666.

157.7 Subd. 12. **Grant program.** (a) The commissioner shall establish an ergonomics grant  
157.8 program to provide matching funding for employers who are subject to this section to make  
157.9 ergonomic improvements recommended by an on-site safety survey. Minnesota Rules,  
157.10 chapter 5203, applies to the administration of the grant program.

157.11 (b) To be eligible for a grant under this section, an employer must:

157.12 (1) be a licensed health care facility, warehouse distribution center, or meatpacking site  
157.13 as defined by subdivision 1;

157.14 (2) have current workers' compensation insurance provided through the assigned risk  
157.15 plan, provided by an insurer subject to penalties under chapter 176, or as an approved  
157.16 self-insured employer; and

157.17 (3) have an on-site safety survey with results that recommend specific equipment or  
157.18 practices that will reduce the risk of injury or illness to employees and prevent  
157.19 musculoskeletal disorders. This survey must have been conducted by a Minnesota  
157.20 occupational safety and health compliance investigator or workplace safety consultant, an  
157.21 in-house safety and health committee, a workers' compensation insurance underwriter, a  
157.22 private consultant, or a person under contract with the assigned risk plan.

157.23 (c) Grant funds may be used for all or part of the cost of the following:

157.24 (1) purchasing and installing recommended equipment intended to prevent  
157.25 musculoskeletal disorders;

157.26 (2) operating or maintaining recommended equipment intended to prevent musculoskeletal  
157.27 disorders;

157.28 (3) property, if the property is necessary to meet the recommendations of the on-site  
157.29 safety survey that are related to prevention of musculoskeletal disorders;

157.30 (4) training required to operate recommended safety equipment to prevent musculoskeletal  
157.31 disorders; and

158.1 (5) tuition reimbursement for educational costs related to identifying ergonomic-related  
158.2 issues that are related to the recommendations of the on-site safety survey.

158.3 (d) The commissioner shall evaluate applications, submitted on forms developed by the  
158.4 commissioner, based on whether the proposed project:

158.5 (1) is technically and economically feasible;

158.6 (2) is consistent with the recommendations of the on-site safety survey and the objective  
158.7 of reducing risk of injury or illness to employees and preventing musculoskeletal disorders;

158.8 (3) was submitted by an applicant with sufficient experience, knowledge, and commitment  
158.9 for the project to be implemented in a timely manner;

158.10 (4) has the necessary financial commitments to cover all project costs;

158.11 (5) has the support of all public entities necessary for its completion; and

158.12 (6) complies with federal, state, and local regulations.

158.13 (e) Grants under this section shall provide a match of up to \$10,000 for private funds  
158.14 committed by the employer to implement the recommended ergonomics-related equipment  
158.15 or practices.

158.16 (f) Grants will be awarded to all applicants that meet the eligibility and evaluation criteria  
158.17 under paragraphs (b), (c), and (d) until funding is depleted. If there are more eligible requests  
158.18 than funding, awards will be prorated.

158.19 (g) Grant recipients are not eligible to apply for another grant under chapter 176 until  
158.20 two years after the date of the award.

158.21 Subd. 13. **Standard development.** The commissioner may propose an ergonomics  
158.22 standard using the authority provided in section 182.655.

158.23 **EFFECTIVE DATE.** This section is effective November 1, 2023, except subdivisions  
158.24 9 and 12 are effective July 1, 2023.

158.25 Sec. 18. Minnesota Statutes 2022, section 326B.092, subdivision 6, is amended to read:

158.26 Subd. 6. **Fees nonrefundable.** Application and examination fees, license fees, license  
158.27 renewal fees, and late fees are nonrefundable except for:

158.28 (1) license renewal fees received more than two years after expiration of the license, as  
158.29 described in section 326B.094, subdivision 2;

158.30 (2) any overpayment of fees; and

159.1 (3) if the license is not issued or renewed, the contractor recovery fund fee and any  
159.2 additional assessment paid under subdivision 7, paragraph (e).

159.3 Sec. 19. Minnesota Statutes 2022, section 326B.096, is amended to read:

159.4 **326B.096 REINSTATEMENT OF LICENSES.**

159.5 Subdivision 1. **Reinstatement after revocation.** (a) If a license is revoked under this  
159.6 chapter and if an applicant for a license needs to pass an examination administered by the  
159.7 commissioner before becoming licensed, then, in order to have the license reinstated, the  
159.8 person who holds the revoked license must:

159.9 (1) retake the examination and achieve a passing score; and

159.10 (2) meet all other requirements for an initial license, including payment of the application  
159.11 and examination fee and the license fee. The person holding the revoked license is not  
159.12 eligible for Minnesota licensure without examination based on reciprocity.

159.13 (b) If a license is revoked under a chapter other than this chapter, then, in order to have  
159.14 the license reinstated, the person who holds the revoked license must:

159.15 (1) apply for reinstatement to the commissioner no later than two years after the effective  
159.16 date of the revocation;

159.17 (2) pay a ~~\$100~~ \$50 reinstatement application fee and any applicable renewal license fee;  
159.18 and

159.19 (3) meet all applicable requirements for licensure, except that, unless required by the  
159.20 order revoking the license, the applicant does not need to retake any examination and does  
159.21 not need to repay a license fee that was paid before the revocation.

159.22 Subd. 2. **Reinstatement after suspension.** If a license is suspended, then, in order to  
159.23 have the license reinstated, the person who holds the suspended license must:

159.24 (1) apply for reinstatement to the commissioner no later than two years after the  
159.25 completion of the suspension period;

159.26 (2) pay a ~~\$100~~ \$50 reinstatement application fee and any applicable renewal license fee;  
159.27 and

159.28 (3) meet all applicable requirements for licensure, except that, unless required by the  
159.29 order suspending the license, the applicant does not need to retake any examination and  
159.30 does not need to repay a license fee that was paid before the suspension.

160.1 Subd. 3. **Reinstatement after voluntary termination.** A licensee who is not an individual  
160.2 may voluntarily terminate a license issued to the person under this chapter. If a licensee has  
160.3 voluntarily terminated a license under this subdivision, then, in order to have the license  
160.4 reinstated, the person who holds the terminated license must:

160.5 (1) apply for reinstatement to the commissioner no later than the date that the license  
160.6 would have expired if it had not been terminated;

160.7 (2) pay a ~~\$100~~ \$25 reinstatement application fee and any applicable renewal license fee;  
160.8 and

160.9 (3) meet all applicable requirements for licensure, except that the applicant does not  
160.10 need to repay a license fee that was paid before the termination.

160.11 Sec. 20. Minnesota Statutes 2022, section 326B.103, is amended by adding a subdivision  
160.12 to read:

160.13 Subd. 6a. **Electric vehicle capable space.** "Electric vehicle capable space" means a  
160.14 designated automobile parking space that has electrical infrastructure, including but not  
160.15 limited to raceways, cables, electrical capacity, and panelboard or other electrical distribution  
160.16 space necessary for the future installation of an electric vehicle charging station.

160.17 Sec. 21. Minnesota Statutes 2022, section 326B.103, is amended by adding a subdivision  
160.18 to read:

160.19 Subd. 6b. **Electric vehicle charging station.** "Electric vehicle charging station" means  
160.20 a designated automobile parking space that has a dedicated connection for charging an  
160.21 electric vehicle.

160.22 Sec. 22. Minnesota Statutes 2022, section 326B.103, is amended by adding a subdivision  
160.23 to read:

160.24 Subd. 6c. **Electric vehicle ready space.** "Electric vehicle ready space" means a designated  
160.25 automobile parking space that has a branch circuit capable of supporting the installation of  
160.26 an electric vehicle charging station.

160.27 Sec. 23. Minnesota Statutes 2022, section 326B.103, is amended by adding a subdivision  
160.28 to read:

160.29 Subd. 10a. **Parking facilities.** "Parking facilities" includes parking lots, garages, ramps,  
160.30 or decks.

161.1 Sec. 24. Minnesota Statutes 2022, section 326B.103, subdivision 13, is amended to read:

161.2 Subd. 13. **State licensed facility.** "State licensed facility" means a building and its  
161.3 grounds that are licensed by the state as a hospital, nursing home, supervised living facility,  
161.4 assisted living facility, including assisted living facility with dementia care, free-standing  
161.5 outpatient surgical center, correctional facility, boarding care home, or residential hospice.

161.6 Sec. 25. Minnesota Statutes 2022, section 326B.106, subdivision 1, is amended to read:

161.7 Subdivision 1. **Adoption of code.** (a) Subject to paragraphs (c) and (d) and sections  
161.8 326B.101 to 326B.194, the commissioner shall by rule and in consultation with the  
161.9 Construction Codes Advisory Council establish a code of standards for the construction,  
161.10 reconstruction, alteration, and repair of buildings, governing matters of structural materials,  
161.11 design and construction, fire protection, health, sanitation, and safety, including design and  
161.12 construction standards regarding heat loss control, illumination, and climate control. The  
161.13 code must also include duties and responsibilities for code administration, including  
161.14 procedures for administrative action, penalties, and suspension and revocation of certification.  
161.15 The code must conform insofar as practicable to model building codes generally accepted  
161.16 and in use throughout the United States, including a code for building conservation. In the  
161.17 preparation of the code, consideration must be given to the existing statewide specialty  
161.18 codes presently in use in the state. Model codes with necessary modifications and statewide  
161.19 specialty codes may be adopted by reference. The code must be based on the application  
161.20 of scientific principles, approved tests, and professional judgment. To the extent possible,  
161.21 the code must be adopted in terms of desired results instead of the means of achieving those  
161.22 results, avoiding wherever possible the incorporation of specifications of particular methods  
161.23 or materials. To that end the code must encourage the use of new methods and new materials.  
161.24 Except as otherwise provided in sections 326B.101 to 326B.194, the commissioner shall  
161.25 administer and enforce the provisions of those sections.

161.26 (b) The commissioner shall develop rules addressing the plan review fee assessed to  
161.27 similar buildings without significant modifications including provisions for use of building  
161.28 systems as specified in the industrial/modular program specified in section 326B.194.  
161.29 Additional plan review fees associated with similar plans must be based on costs  
161.30 commensurate with the direct and indirect costs of the service.

161.31 (c) Beginning with the 2018 edition of the model building codes and every six years  
161.32 thereafter, the commissioner shall review the new model building codes and adopt the model  
161.33 codes as amended for use in Minnesota, within two years of the published edition date. The  
161.34 commissioner may adopt amendments to the building codes prior to the adoption of the

162.1 new building codes to advance construction methods, technology, or materials, or, where  
162.2 necessary to protect the health, safety, and welfare of the public, or to improve the efficiency  
162.3 or the use of a building.

162.4 (d) Notwithstanding paragraph (c), the commissioner shall act on each new model  
162.5 residential energy code and the new model commercial energy code in accordance with  
162.6 federal law for which the United States Department of Energy has issued an affirmative  
162.7 determination in compliance with United States Code, title 42, section 6833. The  
162.8 commissioner shall consider amendments to the model energy codes that mitigate the impact  
162.9 of climate change and reduce greenhouse gas emissions by increasing and optimizing energy  
162.10 efficiency and improving resiliency of new buildings and existing buildings undergoing  
162.11 additions, alterations, and changes of use. The commissioner may adopt amendments prior  
162.12 to adoption of the new energy codes, as amended for use in Minnesota, to advance  
162.13 construction methods, technology, or materials, or, where necessary to protect the health,  
162.14 safety, and welfare of the public, or to improve the efficiency or use of a building.

162.15 (e) Beginning in 2024, the commissioner shall act on the new model commercial energy  
162.16 code by adopting each new published edition of ASHRAE 90.1 or a more efficient standard.  
162.17 The commercial energy code in effect in 2036 and thereafter must achieve an 80 percent  
162.18 reduction in annual net energy consumption or greater, using the ASHRAE 90.1-2004 as a  
162.19 baseline. The commissioner shall adopt commercial energy codes from 2024 to 2036 that  
162.20 incrementally move toward achieving the 80 percent reduction in annual net energy  
162.21 consumption. By January 15 of the year following each new code adoption, the commissioner  
162.22 shall make a report on progress under this section to the legislative committees with  
162.23 jurisdiction over the energy code.

162.24 (f) Nothing in this section shall be interpreted to limit the ability of a public utility to  
162.25 offer code support programs, or to claim energy savings resulting from such programs,  
162.26 through its energy conservation and optimization plans approved by the commissioner of  
162.27 commerce under section 216B.241.

162.28 Sec. 26. Minnesota Statutes 2022, section 326B.106, subdivision 4, is amended to read:

162.29 Subd. 4. **Special requirements.** (a) **Space for commuter vans.** The code must require  
162.30 that any parking ramp or other parking facility constructed in accordance with the code  
162.31 include an appropriate number of spaces suitable for the parking of motor vehicles having  
162.32 a capacity of seven to 16 persons and which are principally used to provide prearranged  
162.33 commuter transportation of employees to or from their place of employment or to or from  
162.34 a transit stop authorized by a local transit authority.

163.1 (b) **Smoke detection devices.** The code must require that all dwellings, lodging houses,  
163.2 apartment houses, and hotels as defined in section 299F.362 comply with the provisions of  
163.3 section 299F.362.

163.4 (c) **Doors in nursing homes and hospitals.** The State Building Code may not require  
163.5 that each door entering a sleeping or patient's room from a corridor in a nursing home or  
163.6 hospital with an approved complete standard automatic fire extinguishing system be  
163.7 constructed or maintained as self-closing or automatically closing.

163.8 (d) **Child care facilities in churches; ground level exit.** A licensed day care center  
163.9 serving fewer than 30 preschool age persons and which is located in a belowground space  
163.10 in a church building is exempt from the State Building Code requirement for a ground level  
163.11 exit when the center has more than two stairways to the ground level and its exit.

163.12 (e) **Family and group family day care.** Until the legislature enacts legislation specifying  
163.13 appropriate standards, the definition of dwellings constructed in accordance with the  
163.14 International Residential Code as adopted as part of the State Building Code applies to  
163.15 family and group family day care homes licensed by the Department of Human Services  
163.16 under Minnesota Rules, chapter 9502.

163.17 (f) **Enclosed stairways.** No provision of the code or any appendix chapter of the code  
163.18 may require stairways of existing multiple dwelling buildings of two stories or less to be  
163.19 enclosed.

163.20 (g) **Double cylinder dead bolt locks.** No provision of the code or appendix chapter of  
163.21 the code may prohibit double cylinder dead bolt locks in existing single-family homes,  
163.22 townhouses, and first floor duplexes used exclusively as a residential dwelling. Any  
163.23 recommendation or promotion of double cylinder dead bolt locks must include a warning  
163.24 about their potential fire danger and procedures to minimize the danger.

163.25 (h) **Relocated residential buildings.** A residential building relocated within or into a  
163.26 political subdivision of the state need not comply with the State Energy Code or section  
163.27 326B.439 provided that, where available, an energy audit is conducted on the relocated  
163.28 building.

163.29 (i) **Automatic garage door opening systems.** The code must require all residential  
163.30 buildings as defined in section 325F.82 to comply with the provisions of sections 325F.82  
163.31 and 325F.83.

163.32 (j) **Exterior wood decks, patios, and balconies.** The code must permit the decking  
163.33 surface and upper portions of exterior wood decks, patios, and balconies to be constructed

164.1 of (1) heartwood from species of wood having natural resistance to decay or termites,  
164.2 including redwood and cedars, (2) grades of lumber which contain sapwood from species  
164.3 of wood having natural resistance to decay or termites, including redwood and cedars, or  
164.4 (3) treated wood. The species and grades of wood products used to construct the decking  
164.5 surface and upper portions of exterior decks, patios, and balconies must be made available  
164.6 to the building official on request before final construction approval.

164.7 (k) **Bioprocess piping and equipment.** No permit fee for bioprocess piping may be  
164.8 imposed by municipalities under the State Building Code, except as required under section  
164.9 326B.92 subdivision 1. Permits for bioprocess piping shall be according to section 326B.92  
164.10 administered by the Department of Labor and Industry. All data regarding the material  
164.11 production processes, including the bioprocess system's structural design and layout, are  
164.12 nonpublic data as provided by section 13.7911.

164.13 (l) **Use of ungraded lumber.** The code must allow the use of ungraded lumber in  
164.14 geographic areas of the state where the code did not generally apply as of April 1, 2008, to  
164.15 the same extent that ungraded lumber could be used in that area before April 1, 2008.

164.16 (m) **Window cleaning safety.** ~~The code must require the installation of dedicated~~  
164.17 ~~anchorages for the purpose of suspended window cleaning on (1) new buildings four stories~~  
164.18 ~~or greater; and (2) buildings four stories or greater, only on those areas undergoing~~  
164.19 ~~reconstruction, alteration, or repair that includes the exposure of primary structural~~  
164.20 ~~components of the roof.~~ The commissioner shall adopt rules, using the expedited rulemaking  
164.21 process in section 14.389, requiring window cleaning safety features that comply with a  
164.22 nationally recognized standard as part of the State Building Code. Window cleaning safety  
164.23 features shall be provided for all windows on:

164.24 (1) new buildings where determined by the code; and

164.25 (2) existing buildings undergoing alterations where both of the following conditions are  
164.26 met:

164.27 (i) the windows do not currently have safe window cleaning features; and

164.28 (ii) the proposed work area being altered can include provisions for safe window cleaning.

164.29 ~~The commissioner may waive all or a portion of the requirements of this paragraph~~  
164.30 ~~related to reconstruction, alteration, or repair, if the installation of dedicated anchorages~~  
164.31 ~~would not result in significant safety improvements due to limits on the size of the project,~~  
164.32 ~~or other factors as determined by the commissioner.~~

165.1 (n) **Adult-size changing facilities.** The commissioner shall adopt rules requiring  
165.2 adult-size changing facilities as part of the State Building Code.

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

165.4 Sec. 27. Minnesota Statutes 2022, section 326B.106, is amended by adding a subdivision  
165.5 to read:

165.6 Subd. 16. **Electric vehicle charging.** The code shall require a minimum number of  
165.7 electric vehicle ready spaces, electric vehicle capable spaces, and electric vehicle charging  
165.8 stations either within or adjacent to new commercial and multifamily structures that provide  
165.9 on-site parking facilities. Residential structures with fewer than four dwelling units are  
165.10 exempt from this subdivision.

165.11 Sec. 28. Minnesota Statutes 2022, section 326B.802, subdivision 15, is amended to read:

165.12 Subd. 15. **Special skill.** "Special skill" means one of the following eight categories:

165.13 (a) **Excavation.** Excavation includes work in any of the following areas:

165.14 (1) excavation;

165.15 (2) trenching;

165.16 (3) grading; and

165.17 (4) site grading.

165.18 (b) **Masonry and concrete.** Masonry and concrete includes work in any of the following  
165.19 areas:

165.20 (1) drain systems;

165.21 (2) poured walls;

165.22 (3) slabs and poured-in-place footings;

165.23 (4) masonry walls;

165.24 (5) masonry fireplaces;

165.25 (6) masonry veneer; and

165.26 (7) water resistance and waterproofing.

165.27 (c) **Carpentry.** Carpentry includes work in any of the following areas:

165.28 (1) rough framing;

- 166.1 (2) finish carpentry;
- 166.2 (3) doors, windows, and skylights;
- 166.3 (4) porches and decks, excluding footings;
- 166.4 (5) wood foundations; and
- 166.5 (6) drywall installation, excluding taping and finishing.
- 166.6 (d) **Interior finishing.** Interior finishing includes work in any of the following areas:
  - 166.7 (1) floor covering;
  - 166.8 (2) wood floors;
  - 166.9 (3) cabinet and counter top installation;
  - 166.10 (4) insulation and vapor barriers;
  - 166.11 (5) interior or exterior painting;
  - 166.12 (6) ceramic, marble, and quarry tile;
  - 166.13 (7) ornamental guardrail and installation of prefabricated stairs; and
  - 166.14 (8) wallpapering.
- 166.15 (e) **Exterior finishing.** Exterior finishing includes work in any of the following areas:
  - 166.16 (1) siding;
  - 166.17 (2) soffit, fascia, and trim;
  - 166.18 (3) exterior plaster and stucco;
  - 166.19 (4) painting; and
  - 166.20 (5) rain carrying systems, including gutters and down spouts.
- 166.21 (f) **Drywall and plaster.** Drywall and plaster includes work in any of the following
- 166.22 areas:
  - 166.23 (1) installation;
  - 166.24 (2) taping;
  - 166.25 (3) finishing;
  - 166.26 (4) interior plaster;
  - 166.27 (5) painting; and

- 167.1 (6) wallpapering.
- 167.2 (g) **Residential roofing.** Residential roofing includes work in any of the following areas:
- 167.3 (1) roof coverings;
- 167.4 (2) roof sheathing;
- 167.5 (3) roof weatherproofing and insulation; ~~and~~
- 167.6 (4) repair of roof support system, but not construction of new roof support system; and
- 167.7 (5) penetration of roof coverings for purposes of attaching a solar photovoltaic system.
- 167.8 (h) **General installation specialties.** Installation includes work in any of the following
- 167.9 areas:
- 167.10 (1) garage doors and openers;
- 167.11 (2) pools, spas, and hot tubs;
- 167.12 (3) fireplaces and wood stoves;
- 167.13 (4) asphalt paving and seal coating; ~~and~~
- 167.14 (5) ornamental guardrail and prefabricated stairs; and
- 167.15 (6) assembly of the support system for a solar photovoltaic system.

167.16 Sec. 29. **RULEMAKING AUTHORITY.**

167.17 The commissioner of labor and industry shall adopt rules, using the expedited rulemaking

167.18 process in Minnesota Statutes, section 14.389, that set forth adult-size changing facilities

167.19 to conform with the addition of Minnesota Statutes, section 326B.106, subdivision 4,

167.20 paragraph (n), under this act.

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

167.22 Sec. 30. **REPEALER.**

167.23 Minnesota Statutes 2022, section 177.26, subdivision 3, is repealed.

168.1

**ARTICLE 12**

168.2

**PUBLIC EMPLOYMENT RELATIONS BOARD**

168.3

Section 1. Minnesota Statutes 2022, section 13.43, subdivision 6, is amended to read:

168.4

Subd. 6. **Access by labor organizations, Bureau of Mediation Services, Public**

168.5

**Employment Relations Board.** Personnel data may be disseminated to labor organizations

168.6

and the Public Employment Relations Board to the extent that the responsible authority

168.7

determines that the dissemination is necessary to conduct elections, notify employees of

168.8

fair share fee assessments, and implement the provisions of chapters 179 and 179A. Personnel

168.9

data shall be disseminated to labor organizations, the Public Employment Relations Board,

168.10

and ~~to~~ the Bureau of Mediation Services to the extent the dissemination is ordered or

168.11

authorized by the commissioner of the Bureau of Mediation Services or the Public

168.12

Employment Relations Board or its employees or agents.

168.13

Sec. 2. **[13.7909] PUBLIC EMPLOYMENT RELATIONS BOARD DATA.**

168.14

Subdivision 1. Definition. For purposes of this section, "board" means the Public

168.15

Employment Relations Board.

168.16

Subd. 2. Charge and complaint data. (a) Except as provided in paragraphs (b) and (c),

168.17

all data maintained by the board about a charge of unfair labor practices and appeals of

168.18

determinations of the commissioner under section 179A.12, subdivision 11, are classified

168.19

as protected nonpublic data or confidential data prior to being admitted into evidence at a

168.20

hearing conducted pursuant to section 179A.13. Data that are admitted into evidence at a

168.21

hearing conducted pursuant to section 179A.13 are public unless subject to a protective

168.22

order as determined by the board or a hearing officer.

168.23

(b) Statements by individuals that are provided to the board are private data on

168.24

individuals, as defined by section 13.02, subdivision 12, prior to being admitted into evidence

168.25

at a hearing conducted pursuant to section 179A.13, and become public once admitted into

168.26

evidence.

168.27

(c) The following data are public at all times:

168.28

(1) the filing date of unfair labor practice charges;

168.29

(2) the status of unfair labor practice charges as an original or amended charge;

168.30

(3) the names and job classifications of charging parties and charged parties;

168.31

(4) the provisions of law alleged to have been violated in unfair labor practice charges;

169.1 (5) the complaint issued by the board; and

169.2 (6) unless subject to a protective order:

169.3 (i) the full and complete record of an evidentiary hearing before a hearing officer,  
169.4 including the hearing transcript, exhibits admitted into evidence, and posthearing briefs;

169.5 (ii) recommended decisions and orders of hearing officers pursuant to section 179A.13,  
169.6 subdivision 1, paragraph (i);

169.7 (iii) exceptions to the hearing officer's recommended decision and order filed with the  
169.8 board pursuant to section 179A.13, subdivision 1, paragraph (k);

169.9 (iv) party and nonparty briefs filed with the board; and

169.10 (v) decisions and orders issued by the board.

169.11 (d) The board may make any data classified as private, protected nonpublic, or  
169.12 confidential pursuant to this subdivision accessible to any person or party if the access will  
169.13 aid the implementation of chapters 179 and 179A or ensure due process protection of the  
169.14 parties.

169.15 Sec. 3. Minnesota Statutes 2022, section 179A.041, is amended by adding a subdivision  
169.16 to read:

169.17 Subd. 10. **Open Meeting Law; exceptions.** Chapter 13D does not apply to meetings of  
169.18 the board when it is deliberating on the merits of unfair labor practice charges under sections  
169.19 179.11, 179.12, and 179A.13; reviewing a recommended decision and order of a hearing  
169.20 officer under section 179A.13; or reviewing decisions of the commissioner of the Bureau  
169.21 of Mediation Services relating to unfair labor practices under section 179A.12, subdivision  
169.22 11.

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

169.24 **ARTICLE 13**

169.25 **MEAT AND POULTRY PROCESSING**

169.26 Section 1. **[179.87] TITLE.**

169.27 Sections 179.87 to 179.8757 may be titled the "Safe Workplaces for Meat and Poultry  
169.28 Processing Workers Act."

170.1 Sec. 2. **[179.871] DEFINITIONS.**

170.2 **Subdivision 1. Definitions.** For purposes of sections 179.87 to 179.8757, the terms in  
170.3 this section have the meanings given.

170.4 **Subd. 2. Authorized employee representative.** "Authorized employee representative"  
170.5 has the meaning given in section 182.651, subdivision 22.

170.6 **Subd. 3. Commissioner.** "Commissioner" means the commissioner of labor and industry  
170.7 or the commissioner's designee.

170.8 **Subd. 4. Coordinator.** "Coordinator" means the meatpacking industry worker rights  
170.9 coordinator or the coordinator's designee.

170.10 **Subd. 5. Meat-processing worker.** "Meat-processing worker" or "worker" means any  
170.11 individual who a meat-processing employer suffers or permits to work directly in contact  
170.12 with raw meatpacking products in a meatpacking operation, including independent contractors  
170.13 and persons performing work for an employer through a temporary service or staffing  
170.14 agency. Workers in a meatpacking operation who inspect or package meatpacking products  
170.15 and workers who clean, maintain, or sanitize equipment or surfaces are included in the  
170.16 definition of a meat-processing worker.

170.17 **Subd. 6. Meatpacking operation.** "Meatpacking operation" or "meat-processing  
170.18 employer" means a meatpacking or poultry processing site with 100 or more employees in  
170.19 Minnesota and a North American Industrial Classification system code of 311611 to 311615,  
170.20 except 311613. Meatpacking operation or meat-processing employer does not mean a grocery  
170.21 store, deli, restaurant, or other business preparing meatpacking products for immediate  
170.22 consumption.

170.23 **Subd. 7. Meatpacking products.** "Meatpacking products" means meat food products  
170.24 and poultry food products as defined in section 31A.02, subdivision 10.

170.25 Sec. 3. **[179.8715] WORKER RIGHTS COORDINATOR.**

170.26 **(a) The commissioner must appoint a meatpacking industry worker rights coordinator**  
170.27 **in the Department of Labor and Industry and provide the coordinator with necessary office**  
170.28 **space, furniture, equipment, supplies, and assistance.**

170.29 **(b) The commissioner must enforce sections 179.87 to 179.8757, including inspecting,**  
170.30 **reviewing, and recommending improvements to the practices and procedures of meatpacking**  
170.31 **operations in Minnesota. A meat-processing employer must grant the commissioner full**

171.1 access to all meatpacking operations in this state at any time that meatpacking products are  
171.2 being processed or meat-processing workers are on the job.

171.3 (c) No later than December 1 each year, beginning December 1, 2024, the coordinator  
171.4 must submit a report to the governor and the chairs and ranking minority members of the  
171.5 legislative committees with jurisdiction over labor. The report must include recommendations  
171.6 to promote better treatment of meat-processing workers. The coordinator shall also post the  
171.7 report on the Department of Labor and Industry's website.

171.8 **Sec. 4. [179.872] REFUSAL TO WORK UNDER DANGEROUS CONDITIONS.**

171.9 A meat-processing worker has the right to refuse to work under dangerous conditions  
171.10 in accordance with section 182.654, subdivision 11. Pursuant to section 182.654, subdivision  
171.11 11, the worker shall continue to receive pay and shall not be subject to discrimination.

171.12 **Sec. 5. [179.875] ENFORCEMENT AND COMPLIANCE.**

171.13 Subdivision 1. **Administrative enforcement.** The commissioner, either on the  
171.14 commissioner's initiative or in response to a complaint, may inspect a meatpacking operation  
171.15 and subpoena records and witnesses as provided in sections 175.20, 177.27, and 182.659.  
171.16 If a meat-processing employer does not comply with the commissioner's inspection, the  
171.17 commissioner may seek relief as provided in this section or chapter 175 or 182.

171.18 Subd. 2. **Compliance authority.** The commissioner may issue a compliance order under  
171.19 section 177.27, subdivision 4, requiring an employer to comply with sections 179.8755,  
171.20 paragraphs (b) and (c); 179.8756, subdivisions 1 to 3 and 4, paragraphs (f) and (g); and  
171.21 179.8757. The commissioner also has authority, pursuant to section 182.662, subdivision  
171.22 1, to issue a stop-work or business-closure order when there is a condition or practice that  
171.23 could result in death or serious physical harm.

171.24 Subd. 3. **Private civil action.** If a meat-processing employer does not comply with a  
171.25 provision in sections 179.87 to 179.8757, an aggrieved worker, authorized employee  
171.26 representative, or other person may bring a civil action in a court of competent jurisdiction  
171.27 within three years of an alleged violation and, upon prevailing, must be awarded the relief  
171.28 provided in this section. Pursuing administrative relief is not a prerequisite for bringing a  
171.29 civil action.

171.30 Subd. 4. **Other government enforcement.** The attorney general may enforce sections  
171.31 179.87 to 179.8757 under section 8.31. A city or county attorney may also enforce these  
171.32 sections. Such law enforcement agencies may inspect meatpacking operations and subpoena

172.1 records and witnesses and, where such agencies determine that a violation has occurred,  
172.2 may bring a civil action as provided in this section.

172.3 Subd. 5. **Relief.** (a) In a civil action or administrative proceeding brought to enforce  
172.4 sections 179.87 to 179.8757, the court or commissioner must order relief as provided in this  
172.5 subdivision.

172.6 (b) For any violation of sections 179.87 to 179.8757:

172.7 (1) an injunction to order compliance and restrain continued violations;

172.8 (2) payment to a prevailing worker by a meat-processing employer of reasonable costs,  
172.9 disbursements, and attorney fees; and

172.10 (3) a civil penalty payable to the state of not less than \$100 per day per worker affected  
172.11 by the meat-processing employer's noncompliance with sections 179.87 to 179.8757.

172.12 (c) Any worker who brings a complaint under sections 179.87 to 179.8757 and suffers  
172.13 retaliation is entitled to treble damages in addition to lost pay and recovery of attorney fees  
172.14 and costs.

172.15 (d) Any company who is found to have retaliated against a meat-processing worker must  
172.16 pay a fine of up to \$10,000 to the commissioner, in addition to other penalties available  
172.17 under the law.

172.18 Subd. 6. **Whistleblower enforcement; penalty distribution.** (a) The relief provided in  
172.19 this section may be recovered through a private civil action brought on behalf of the  
172.20 commissioner in a court of competent jurisdiction by another individual, including an  
172.21 authorized employee representative, pursuant to this subdivision.

172.22 (b) The individual must give written notice to the coordinator of the specific provision  
172.23 or provisions of sections 179.87 to 179.8757 alleged to have been violated. The individual  
172.24 or representative organization may commence a civil action under this subdivision if no  
172.25 enforcement action is taken by the commissioner within 30 days.

172.26 (c) Civil penalties recovered pursuant to this subdivision must be distributed as follows:

172.27 (1) 70 percent to the commissioner for enforcement of sections 179.87 to 179.8757; and

172.28 (2) 30 percent to the individual or authorized employee representative.

172.29 (d) The right to bring an action under this subdivision shall not be impaired by private  
172.30 contract. A public enforcement action must be tried promptly, without regard to concurrent  
172.31 adjudication of a private claim for the same alleged violation.

173.1 Sec. 6. [179.8755] RETALIATION AGAINST EMPLOYEES AND  
173.2 WHISTLEBLOWERS PROHIBITED.

173.3 (a) Pursuant to section 182.669, no meat-processing employer or other person may  
173.4 discharge or discriminate against a worker because the worker has raised a concern about  
173.5 a meatpacking operation's health and safety practices to the employer or otherwise exercised  
173.6 any right authorized under sections 182.65 to 182.674.

173.7 (b) No meat-processing employer or other person may attempt to require any worker to  
173.8 sign a contract or other agreement that would limit or prevent the worker from disclosing  
173.9 information about workplace health and safety practices or hazards, or to otherwise abide  
173.10 by a workplace policy that would limit or prevent such disclosures. Any such agreements  
173.11 or policies are hereby void and unenforceable as contrary to the public policy of this state.  
173.12 An employer's attempt to impose such a contract, agreement, or policy shall constitute an  
173.13 adverse action enforceable under section 179.875.

173.14 (c) Reporting or threatening to report a meat-processing worker's suspected citizenship  
173.15 or immigration status, or the suspected citizenship or immigration status of a family member  
173.16 of the worker, to a federal, state, or local agency because the worker exercises a right under  
173.17 sections 179.87 to 179.8757 constitutes an adverse action for purposes of establishing a  
173.18 violation of that worker's rights. For purposes of this paragraph, "family member" means a  
173.19 spouse, parent, sibling, child, uncle, aunt, niece, nephew, cousin, grandparent, or grandchild  
173.20 related by blood, adoption, marriage, or domestic partnership.

173.21 Sec. 7. [179.8756] MEATPACKING WORKER CHRONIC INJURIES AND  
173.22 WORKPLACE SAFETY.

173.23 Subdivision 1. Facility committee. (a) The meat-processing employer's ergonomics  
173.24 program under section 182.677, subdivision 2, must be developed and implemented by a  
173.25 committee of individuals who are knowledgeable of the tasks and work processes performed  
173.26 by workers at the employer's facility. The committee must include:

173.27 (1) a certified professional ergonomist;

173.28 (2) a licensed, board-certified physician, with preference given to a physician who has  
173.29 specialized experience and training in occupational medicine; and

173.30 (3) at least three workers employed in the employer's facility who have completed a  
173.31 general industry outreach course approved by the commissioner, one of whom must be an  
173.32 authorized employee representative if the employer is party to a collective bargaining  
173.33 agreement.

174.1 (b) If it is not practicable for a certified professional ergonomist or a licensed,  
174.2 board-certified physician to be a member of the committee required by paragraph (a), the  
174.3 meatpacking employer must have their safe-worker program reviewed by a certified  
174.4 professional ergonomist and a licensed, board-certified physician prior to implementation  
174.5 of the program and annually thereafter.

174.6 Subd. 2. **New task and annual safety training.** (a) Meat-processing employers must  
174.7 provide every worker who is assigned a new task if the worker has no previous work  
174.8 experience with training on how to safely perform the task, the ergonomic and other hazards  
174.9 associated with the task, and training on the early signs and symptoms of musculoskeletal  
174.10 injuries and the procedures for reporting them. The employer must give a worker an  
174.11 opportunity within 30 days of receiving the new task training to receive refresher training  
174.12 on the topics covered in the new task training. The employer must provide this training in  
174.13 a language and with vocabulary that the employee can understand.

174.14 (b) Meat-processing employers must provide each worker with no less than eight hours  
174.15 of safety training each year. This annual training must address health and safety topics that  
174.16 are relevant to the establishment and the worker's job assignment, such as cuts, lacerations,  
174.17 amputations, machine guarding, biological hazards, lockout/tagout, hazard communication,  
174.18 ergonomic hazards, and personal protective equipment. At least two of the eight hours of  
174.19 annual training must be on topics related to the facility's ergonomic injury prevention  
174.20 program, including the assessment of surveillance data, the ergonomic hazard prevention  
174.21 and control plan, and the early signs and symptoms of musculoskeletal disorders and the  
174.22 procedures for reporting them. The employer must provide this training in a language and  
174.23 with vocabulary that the employee can understand.

174.24 Subd. 3. **Medical services and qualifications.** (a) Meat-processing employers must  
174.25 ensure that:

174.26 (1) all first-aid providers, medical assistants, nurses, and physicians engaged by the  
174.27 employer are licensed and perform their duties within the scope of their licensed practice;

174.28 (2) medical management of musculoskeletal disorders is under direct supervision of a  
174.29 licensed physician specializing in occupational medicine who will advise on best practices  
174.30 for management and prevention of work-related musculoskeletal disorders; and

174.31 (3) medical management of musculoskeletal injuries follows the most current version  
174.32 of the American College of Occupational and Environmental Medicine practice guidelines.

174.33 (b) The coordinator may compile, analyze, and publish annually, either in summary or  
174.34 detailed form, all reports or information obtained under sections 179.87 to 179.8757,

175.1 including information about ergonomics programs, and may cooperate with the United  
175.2 States Department of Labor in obtaining national summaries of occupational deaths, injuries,  
175.3 and illnesses. The coordinator and authorized employee representative must preserve the  
175.4 anonymity of each employee with respect to whom medical reports or information is obtained.

175.5 Subd. 4. **Pandemic protections.** (a) This subdivision applies during a peacetime public  
175.6 health emergency declared under section 12.31, subdivision 2, that involves airborne  
175.7 transmission.

175.8 (b) Meat-processing employers must maintain at least a six-foot radius of space around  
175.9 and between each worker unless a nonporous barrier separates the workers. An employer  
175.10 may accomplish such distancing by increasing physical space between workstations, slowing  
175.11 production speeds, staggering shifts and breaks, adjusting shift size, or a combination thereof.  
175.12 The employer must reconfigure common or congregate spaces to allow for such distancing,  
175.13 including lunch rooms, break rooms, and locker rooms. The employer must reinforce social  
175.14 distancing by allowing workers to maintain six feet of distance along with the use of  
175.15 nonporous barriers.

175.16 (c) Meat-processing employers must provide employees with face masks and must make  
175.17 face shields available on request. Face masks, including replacement face masks, and face  
175.18 shields must be provided at no cost to the employee. All persons present at the meatpacking  
175.19 operation must wear face masks in the facility except in those parts of the facility where  
175.20 infection risk is low because workers work in isolation.

175.21 (d) Meat-processing employers must provide all meat-processing workers with the ability  
175.22 to frequently and routinely sanitize their hands with either hand-washing or hand-sanitizing  
175.23 stations. The employer must ensure that restrooms have running hot and cold water and  
175.24 paper towels and are in sanitary condition. The employer must provide gloves to those who  
175.25 request them.

175.26 (e) Meat-processing employers must clean and regularly disinfect all frequently touched  
175.27 surfaces in the workplace, such as workstations, training rooms, machinery controls, tools,  
175.28 protective garments, eating surfaces, bathrooms, showers, and other similar areas. Employers  
175.29 must install and maintain ventilation systems that ensure unidirectional air flow, outdoor  
175.30 air, and filtration in both production areas and common areas such as cafeterias and locker  
175.31 rooms.

175.32 (f) Meat-processing employers must disseminate all required communications, notices,  
175.33 and any published materials regarding these protections in English, Spanish, and other  
175.34 languages as required for employees to understand the communication.

176.1 (g) Consistent with sections 177.253 and 177.254, meat-processing employers must  
176.2 provide adequate break time for workers to use the bathroom, wash their hands, and don  
176.3 and doff protective equipment. Nothing in this subdivision relieves an employer of its  
176.4 obligation to comply with federal and state wage and hour laws.

176.5 (h) Meat-processing employers must provide sufficient personal protective equipment  
176.6 for each employee for each shift, plus replacements, at no cost to the employee.  
176.7 Meat-processing employers must provide training in proper use of personal protective  
176.8 equipment, safety procedures, and sanitation.

176.9 (i) Meat-processing employers must record all injuries and illnesses in the facility and  
176.10 make these records available upon request to the health and safety committee. The name,  
176.11 contact information, and occupation of an employee, and any other information that would  
176.12 reveal the identity of an employee, must be removed. The redacted records must only include,  
176.13 to the extent it would not reveal the identity of an employee, the location where the employee  
176.14 worked, the date of the injury or visit, a description of the medical treatment or first aid  
176.15 provided, and a description of the injury suffered. The employer also must make its records  
176.16 available to the commissioner, and where there is a collective bargaining agreement, to the  
176.17 authorized bargaining representative.

176.18 (j) Except for paragraphs (f) and (g), this subdivision shall be enforced by the  
176.19 commissioner under sections 182.66 and 182.661. A violation of this subdivision is subject  
176.20 to the penalties provided under section 182.666. Paragraphs (f) and (g) are enforceable by  
176.21 the commissioner as described in section 179.875, subdivision 2.

176.22 (k) The entirety of this subdivision may also be enforced as described in section 179.875,  
176.23 subdivisions 3 to 6.

176.24 **EFFECTIVE DATE.** This section is effective November 1, 2023, except subdivision  
176.25 4, which is effective July 1, 2023.

176.26 **Sec. 8. [179.8757] NOTIFICATION REQUIRED.**

176.27 (a) Meat-processing employers must provide written information and notifications about  
176.28 employee rights under section 179.86 and sections 179.87 to 179.8757 to workers in their  
176.29 language of fluency at least annually. If a worker is unable to understand written information  
176.30 and notifications, the employer must provide such information and notices orally in the  
176.31 worker's language of fluency.

176.32 (b) The coordinator must notify covered employers of the provisions of sections 179.87  
176.33 to 179.8757 and any recent updates at least annually.

177.1 (c) The coordinator must place information explaining sections 179.87 to 179.8757 on  
177.2 the Department of Labor and Industry's website in at least English, Spanish, and any other  
177.3 language that at least ten percent of meat-processing workers communicate in fluently. The  
177.4 coordinator must also make the information accessible to persons with impaired visual  
177.5 acuity.

177.6 **EFFECTIVE DATE.** This section is effective November 1, 2023.

177.7 Sec. 9. Minnesota Statutes 2022, section 182.654, subdivision 11, is amended to read:

177.8 Subd. 11. **Refusal to work under dangerous conditions.** An employee acting in good  
177.9 faith has the right to refuse to work under conditions which the employee reasonably believes  
177.10 present an imminent danger of death or serious physical harm to the employee.

177.11 A reasonable belief of imminent danger of death or serious physical harm includes but  
177.12 is not limited to a reasonable belief of the employee that the employee has been assigned  
177.13 to work in an unsafe or unhealthful manner with a hazardous substance, harmful physical  
177.14 agent or infectious agent.

177.15 An employer may not discriminate against an employee for a good faith refusal to  
177.16 perform assigned tasks if the employee has requested that the employer correct the hazardous  
177.17 conditions but the conditions remain uncorrected.

177.18 An employee who has refused in good faith to perform assigned tasks and who has not  
177.19 been reassigned to other tasks by the employer shall, in addition to retaining a right to  
177.20 continued employment, receive pay for the tasks which would have been performed if (1)  
177.21 the employee requests the commissioner to inspect and determine the nature of the hazardous  
177.22 condition, and (2) the commissioner determines that the employee, by performing the  
177.23 assigned tasks, would have been placed in imminent danger of death or serious physical  
177.24 harm.

177.25 Additionally, an administrative law judge may order, in addition to the relief found in  
177.26 section 182.669:

177.27 (1) reinstatement of the worker to the same position held before any adverse personnel  
177.28 action or to an equivalent position; reinstatement of full fringe benefits and seniority rights;  
177.29 compensation for unpaid wages, benefits, and other remuneration; or front pay in lieu of  
177.30 reinstatement; and

177.31 (2) compensatory damages payable to the aggrieved worker equal to the greater of \$5,000  
177.32 or twice the actual damages, including unpaid wages, benefits, and other remuneration and  
177.33 punitive damages.

178.1 **ARTICLE 14**

178.2 **WAREHOUSE WORKERS**

178.3 Section 1. **[182.6526] WAREHOUSE DISTRIBUTION WORKER SAFETY.**

178.4 Subdivision 1. Definitions. (a) The terms defined in this subdivision have the meanings  
178.5 given them.

178.6 (b) "Commissioner" means the commissioner of labor and industry.

178.7 (c)(1) Except as provided in clause (2), "employee" means a nonexempt employee who  
178.8 works at a warehouse distribution center.

178.9 (2) For the purposes of subdivisions 2, 3, and 4 only, "employee" means a nonexempt  
178.10 employee performing warehouse work occurring on the property of a warehouse distribution  
178.11 center, and does not include a nonexempt employee performing solely manufacturing,  
178.12 administrative, sales, accounting, human resources, or driving work at a warehouse  
178.13 distribution center.

178.14 (d) "Work speed data" means information an employer collects, stores, analyzes, or  
178.15 interprets relating to an individual employee's or group of employees' pace of work, including  
178.16 but not limited to quantities of tasks performed, quantities of items or materials handled or  
178.17 produced, rates or speeds of tasks performed, measurements or metrics of employee  
178.18 performance in relation to a quota, and time categorized as performing tasks or not  
178.19 performing tasks.

178.20 (e) "Employer" means a person who directly or indirectly, or through an agent or any  
178.21 other person, including through the services of a third-party employer, temporary service,  
178.22 or staffing agency or similar entity, employs or exercises control over the wages, hours, or  
178.23 working conditions of 250 or more employees at a single warehouse distribution center or  
178.24 1,000 or more employees at one or more warehouse distribution centers in the state. For  
178.25 purposes of this paragraph, all employees of an employer's unitary business, as that term is  
178.26 defined in section 290.17, subdivision 4, shall be counted in determining the number of  
178.27 employees employed at a single warehouse distribution center or at one or more warehouse  
178.28 distribution centers in the state.

178.29 (f) "Warehouse distribution center" means an establishment as defined by any of the  
178.30 following North American Industry Classification System (NAICS) codes:

178.31 (1) 493110 for General Warehousing and Storage;

178.32 (2) 423 for Merchant Wholesalers, Durable Goods;

179.1 (3) 424 for Merchant Wholesalers, Nondurable Goods;

179.2 (4) 454110 for Electronic Shopping and Mail-Order Houses; and

179.3 (5) 492110 for Couriers and Express Delivery Services.

179.4 (g) "Quota" means a work standard under which:

179.5 (1) an employee or group of employees is assigned or required to perform at a specified  
179.6 productivity speed, or perform a quantified number of tasks, or handle or produce a quantified  
179.7 amount of material, or perform without a certain number of errors or defects, as measured  
179.8 at the individual or group level within a defined time period; or

179.9 (2) an employee's actions are categorized between time performing tasks and not  
179.10 performing tasks, and the employee's failure to complete a task performance standard or  
179.11 recommendation may have an adverse impact on the employee's continued employment.

179.12 Subd. 2. **Written description required.** (a) Each employer shall provide to each  
179.13 employee a written description of each quota to which the employee is subject and how it  
179.14 is measured, including the quantified number of tasks to be performed or materials to be  
179.15 produced or handled or the limit on time categorized as not performing tasks, within the  
179.16 defined time period, and any potential adverse employment action that could result from  
179.17 failure to meet the quota.

179.18 (b) The written description must be understandable in plain language and in the  
179.19 employee's language of preference.

179.20 (c) The written description must be provided:

179.21 (1) upon hire or within 30 days of the effective date of this section; and

179.22 (2) no fewer than two working days prior to the effective date of any modification of  
179.23 existing quotas.

179.24 (d) An employer shall not take adverse employment action against an employee for  
179.25 failure to meet a quota that has not been disclosed to the employee.

179.26 Subd. 3. **Breaks.** An employee shall not be required to meet a quota that prevents  
179.27 compliance with meal or rest or prayer periods, use of restroom facilities, including  
179.28 reasonable travel time to and from restroom facilities as provided under section 177.253,  
179.29 subdivision 1, or occupational health and safety standards under this chapter or Minnesota  
179.30 Rules, chapter 5205. An employer shall not take adverse employment action against an  
179.31 employee for failure to meet a quota that does not allow a worker to comply with meal or  
179.32 rest or prayer periods, or occupational health and safety standards under this chapter.

180.1 Subd. 4. **Work speed data.** (a) Employees have the right to request orally or in writing  
180.2 from any supervisor, and the employer shall provide within 72 hours: (1) a written description  
180.3 of each quota to which the employee is subject; (2) a copy of the most recent 90 days of the  
180.4 employee's own personal work speed data; and (3) a copy of the prior six months of  
180.5 aggregated work speed data for similar employees at the same work site.

180.6 The written description of each quota must meet the requirements of subdivision 2, paragraph  
180.7 (b), and the work speed data must be provided in a manner understandable to the employee.  
180.8 An employee may make a request under this paragraph no more than four times per year.

180.9 (b) If an employer disciplines an employee for failure to meet a quota, the employer  
180.10 must, at the time of discipline, provide the employee with a written copy of the most recent  
180.11 90 days of the employee's own personal work speed data. If an employer dismisses an  
180.12 employee for any reason, they must, at the time of firing, provide the employee with a  
180.13 written copy of the most recent 90 days of the employee's own personal work speed data.  
180.14 An employer shall not retaliate against an employee for requesting data under this  
180.15 subdivision.

180.16 Subd. 5. **High rates of injury.** If a particular work site or employer is found to have an  
180.17 employee incidence rate in a given year, based on data reported to the federal Occupational  
180.18 Safety and Health Administration, of at least 30 percent higher than that year's average  
180.19 incidence rate for the relevant NAICS code's nonfatal occupational injuries and illnesses  
180.20 by industry and case types, released by the United States Bureau of Labor Statistics, the  
180.21 commissioner shall open an investigation of violations under this section. The employer  
180.22 must also hold its safety committee meetings as provided under section 182.676 monthly  
180.23 until, for two consecutive years, the work site or employer does not have an employee  
180.24 incidence rate 30 percent higher than the average yearly incidence rate for the relevant  
180.25 NAICS code.

180.26 Subd. 6. **Enforcement.** (a) Subdivision 2, paragraphs (a) to (c), subdivision 4, and  
180.27 subdivision 5 shall be enforced by the commissioner under sections 182.66, 182.661, and  
180.28 182.669. A violation of this section is subject to the penalties provided under sections  
180.29 182.666 and 182.669.

180.30 (b) A current or former employee aggrieved by a violation of this section may bring a  
180.31 civil cause of action for damages and injunctive relief to obtain compliance with this section,  
180.32 may receive other equitable relief as determined by a court, including reinstatement with  
180.33 back pay, and may, upon prevailing in the action, recover costs and reasonable attorney

181.1 fees in that action. A cause of action under this section must be commenced within one year  
181.2 of the date of the violation.

181.3 (c) Nothing in this section shall be construed to prevent local enforcement of occupational  
181.4 health and safety standards that are more restrictive than this section.

181.5 Sec. 2. **SEVERABILITY.**

181.6 If any provision of this act or the application thereof to any person or circumstance is  
181.7 held invalid, the invalidity does not affect other provisions or applications of the act which  
181.8 can be given effect without the invalid provision or application.

181.9 **ARTICLE 15**

181.10 **CONSTRUCTION WORKER WAGE PROTECTIONS**

181.11 Section 1. Minnesota Statutes 2022, section 177.27, subdivision 1, is amended to read:

181.12 Subdivision 1. **Examination of records.** The commissioner may enter during reasonable  
181.13 office hours or upon request and inspect the place of business or employment of any employer  
181.14 of employees working in the state, to examine and inspect books, registers, payrolls, and  
181.15 other records of any employer that in any way relate to wages, hours, and other conditions  
181.16 of employment of any employees. The commissioner may transcribe any or all of the books,  
181.17 registers, payrolls, and other records as the commissioner deems necessary or appropriate  
181.18 and may question the employees to ascertain compliance with sections 177.21 to 177.435  
181.19 and 181.165. The commissioner may investigate wage claims or complaints by an employee  
181.20 against an employer if the failure to pay a wage may violate Minnesota law or an order or  
181.21 rule of the department.

181.22 Sec. 2. Minnesota Statutes 2022, section 177.27, subdivision 4, is amended to read:

181.23 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an  
181.24 employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,  
181.25 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.165, 181.172, paragraph (a) or (d),  
181.26 181.275, subdivision 2a, 181.722, 181.79, and 181.939 to 181.943, or with any rule  
181.27 promulgated under section 177.28. The commissioner shall issue an order requiring an  
181.28 employer to comply with sections 177.41 to 177.435 or 181.165 if the violation is repeated.  
181.29 For purposes of this subdivision only, a violation is repeated if at any time during the two  
181.30 years that preceded the date of violation, the commissioner issued an order to the employer  
181.31 for violation of sections 177.41 to 177.435 or 181.165 and the order is final or the  
181.32 commissioner and the employer have entered into a settlement agreement that required the

182.1 employer to pay back wages that were required by sections 177.41 to 177.435. The  
182.2 department shall serve the order upon the employer or the employer's authorized  
182.3 representative in person or by certified mail at the employer's place of business. An employer  
182.4 who wishes to contest the order must file written notice of objection to the order with the  
182.5 commissioner within 15 calendar days after being served with the order. A contested case  
182.6 proceeding must then be held in accordance with sections 14.57 to 14.69 or 181.165. If,  
182.7 within 15 calendar days after being served with the order, the employer fails to file a written  
182.8 notice of objection with the commissioner, the order becomes a final order of the  
182.9 commissioner. For the purposes of this subdivision, an employer includes a contractor that  
182.10 has assumed a subcontractor's liability within the meaning of section 181.165.

182.11 Sec. 3. Minnesota Statutes 2022, section 177.27, subdivision 8, is amended to read:

182.12 Subd. 8. **Court actions; suits brought by private parties.** An employee may bring a  
182.13 civil action seeking redress for a violation or violations of sections 177.21 to 177.44 and  
182.14 181.165 directly to district court. An employer who pays an employee less than the wages  
182.15 and overtime compensation to which the employee is entitled under sections 177.21 to  
182.16 177.44 or a contractor that has assumed a subcontractor's liability as required by section  
182.17 181.165, is liable to the employee for the full amount of the wages, gratuities, and overtime  
182.18 compensation, less any amount the employer or contractor is able to establish was actually  
182.19 paid to the employee and for an additional equal amount as liquidated damages. In addition,  
182.20 in an action under this subdivision the employee may seek damages and other appropriate  
182.21 relief provided by subdivision 7 and otherwise provided by law. An agreement between the  
182.22 employee and the employer to work for less than the applicable wage is not a defense to  
182.23 the action.

182.24 Sec. 4. Minnesota Statutes 2022, section 177.27, subdivision 9, is amended to read:

182.25 Subd. 9. **District court jurisdiction.** Any action brought under subdivision 8 may be  
182.26 filed in the district court of the county wherein a violation or violations of sections 177.21  
182.27 to 177.44 or 181.165 are alleged to have been committed, where the respondent resides or  
182.28 has a principal place of business, or any other court of competent jurisdiction. The action  
182.29 may be brought by one or more employees.

182.30 Sec. 5. Minnesota Statutes 2022, section 177.27, subdivision 10, is amended to read:

182.31 Subd. 10. **Attorney fees and costs.** In any action brought pursuant to subdivision 8, the  
182.32 court shall order an employer who is found to have committed a violation or violations of

183.1 sections 177.21 to 177.44 or 181.165 to pay to the employee or employees reasonable costs,  
183.2 disbursements, witness fees, and attorney fees.

183.3 **Sec. 6. 181.165 WAGE PROTECTION; CONSTRUCTION WORKERS.**

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

183.6 (b) "Claimant" means any person claiming unpaid wages, fringe benefits, penalties, or  
183.7 resulting liquidated damages that are owed as required by law, including any applicable  
183.8 statute, regulation, rule, ordinance, government resolution or policy, contract, or other legal  
183.9 authority.

183.10 (c) "Commissioner" refers to the commissioner of labor and industry.

183.11 (d) "Construction contract" means a written or oral agreement for the construction,  
183.12 reconstruction, erection, alteration, remodeling, repairing, maintenance, moving, or  
183.13 demolition of any building, structure, or improvement, or relating to the excavation of or  
183.14 development or improvement to land. For purposes of this section, a construction contract  
183.15 shall not include a home improvement contract for the performance of a home improvement  
183.16 between a home improvement contractor and the owner of an owner-occupied dwelling,  
183.17 and a home construction contract for one- or two-family dwelling units except where such  
183.18 contract or contracts results in the construction of more than ten one- or two-family  
183.19 owner-occupied dwellings at one project site annually.

183.20 (e) "Contractor" means any person, firm, partnership, corporation, association, company,  
183.21 organization, or other entity, including a construction manager, general or prime contractor,  
183.22 joint venture, or any combination thereof, along with their successors, heirs, and assigns,  
183.23 which enters into a construction contract with an owner. An owner shall be deemed a  
183.24 contractor and liable as such under this section if said owner has entered into a construction  
183.25 contract with more than one contractor or subcontractor on any construction site.

183.26 (f) "Owner" means any person, firm, partnership, corporation, association, company,  
183.27 organization, or other entity, or a combination of any thereof, with an ownership interest,  
183.28 whether the interest or estate is in fee, as vendee under a contract to purchase, as lessee or  
183.29 another interest or estate less than fee that causes a building, structure, or improvement,  
183.30 new or existing, to be constructed, reconstructed, erected, altered, remodeled, repaired,  
183.31 maintained, moved, or demolished or that causes land to be excavated or otherwise developed  
183.32 or improved.

184.1 (g) "Subcontractor" means any person, firm, partnership, corporation, company,  
184.2 association, organization or other entity, or any combination thereof, that is a party to a  
184.3 contract with a contractor or party to a contract with the contractor's subcontractors at any  
184.4 tier to perform any portion of work within the scope of the contractor's construction contract  
184.5 with the owner, including where the subcontractor has no direct privity of contract with the  
184.6 contractor. When the owner is deemed a contractor, subcontractor also includes the owner's  
184.7 contractors.

184.8 Subd. 2. **Assumption of liability.** (a) A contractor entering into a construction contract  
184.9 shall assume and is liable for any unpaid wages, fringe benefits, penalties, and resulting  
184.10 liquidated damages owed to a claimant or third party acting on the claimant's behalf by a  
184.11 subcontractor at any tier acting under, by, or for the contractor or its subcontractors for the  
184.12 claimant's performance of labor.

184.13 (b) A contractor or any other person shall not evade or commit any act that negates the  
184.14 requirements of this section. No agreement by an employee or subcontractor to indemnify  
184.15 a contractor or otherwise release or transfer liability assigned to a contractor under this  
184.16 section shall be valid. However, if a contractor has satisfied unpaid wage claims of an  
184.17 employee and incurred fees and costs in doing so, such contractor may then pursue actual  
184.18 and liquidated damages from any subcontractor who caused the contractor to incur those  
184.19 damages.

184.20 (c) A contractor shall not evade liability under this section by claiming that a person is  
184.21 an independent contractor rather than an employee of a subcontractor unless the person  
184.22 meets the criteria required by section 181.723, subdivision 4.

184.23 Subd. 3. **Enforcement.** (a) In the case of a complaint filed with the commissioner under  
184.24 section 177.27, subdivision 1, or a private civil action by an employee under section 177.27,  
184.25 subdivision 8, such employee may designate any person, organization, or collective  
184.26 bargaining agent authorized to file a complaint with the commissioner or in court pursuant  
184.27 to this section to make a wage claim on the claimant's behalf.

184.28 (b) In the case of an action against a subcontractor, the contractor shall be jointly and  
184.29 severally liable for any unpaid wages, benefits, penalties, and any other remedies available  
184.30 pursuant to this section.

184.31 (c) Claims shall be brought consistent with section 541.07, clause (5), for the initiation  
184.32 of such claim under this section in a court of competent jurisdiction or the filing of a  
184.33 complaint with the commissioner or attorney general. The provisions of this section do not

185.1 diminish, impair, or otherwise infringe on any other right of an employee to bring an action  
185.2 or file a complaint against any employer.

185.3 Subd. 4. **Payroll records; data.** (a) Within 15 days of a request by a contractor to a  
185.4 subcontractor, the subcontractor, and any other subcontractors hired under contract to the  
185.5 subcontractor shall provide payroll records, which, at minimum, contain all lawfully required  
185.6 information for all workers providing labor on the project. The payroll records shall contain  
185.7 sufficient information to apprise the contractor or subcontractor of such subcontractor's  
185.8 payment of wages and fringe benefit contributions to a third party on the workers' behalf.  
185.9 Payroll records shall be marked or redacted to an extent only to prevent disclosure of the  
185.10 employee's Social Security number.

185.11 (b) Within 15 days of a request of a contractor or a contractor's subcontractor, any  
185.12 subcontractor that performs any portion of work within the scope of the contractor's  
185.13 construction contract with an owner shall provide:

185.14 (1) the names of all employees and independent contractors of the subcontractor on the  
185.15 project, including the names of all those designated as independent contractors and, when  
185.16 applicable, the name of the contractor's subcontractor with whom the subcontractor is under  
185.17 contract;

185.18 (2) the anticipated contract start date;

185.19 (3) the scheduled duration of work;

185.20 (4) when applicable, local unions with which such subcontractor is a signatory contractor;  
185.21 and

185.22 (5) the name and telephone number of a contact for the subcontractor.

185.23 (c) Unless otherwise required by law, a contractor or subcontractor shall not disclose an  
185.24 individual's personal identifying information to the general public, except that the contractor  
185.25 or subcontractor can confirm that the individual works for them and provide the individual's  
185.26 full name.

185.27 Subd. 5. **Payments to contractors and subcontractors.** Nothing in this section shall  
185.28 alter the owner's obligation to pay a contractor, or a contractor's obligation to pay a  
185.29 subcontractor as set forth in section 337.10, except as expressly permitted by this section.

185.30 Subd. 6. **Exemptions.** (a) Nothing in this section shall be deemed to diminish the rights,  
185.31 privileges, or remedies of any employee under any collective bargaining agreement. This  
185.32 section shall not apply to any contractor or subcontractor that is a signatory to a bona fide  
185.33 collective bargaining agreement with a building and construction trade labor organization

186.1 that: (1) contains a grievance procedure that may be used to recover unpaid wages on behalf  
186.2 of employees covered by the agreement; and (2) provides for collection of unpaid  
186.3 contributions to fringe benefit trust funds established pursuant to United States Code, title  
186.4 29, section 186(c)(5)-(6), by or on behalf of such trust funds.

186.5 (b) This section does not apply to work for which prevailing wage rates apply under  
186.6 sections 177.41 to 177.44.

186.7 Sec. 7. Minnesota Statutes 2022, section 181.171, subdivision 4, is amended to read:

186.8 Subd. 4. **Employer; definition.** "Employer" means any person having one or more  
186.9 employees in Minnesota and includes the state or a contractor that has assumed a  
186.10 subcontractor's liability within the meaning of section 181.165 and any political subdivision  
186.11 of the state. This definition applies to this section and sections 181.02, 181.03, 181.031,  
186.12 181.032, 181.06, 181.063, 181.10, 181.101, 181.13, 181.14, and 181.16.

186.13 Sec. 8. **EFFECTIVE DATE.**

186.14 Sections 1 to 7 are effective August 1, 2023, and apply to contracts or agreements entered  
186.15 into, renewed, modified, or amended on or after that date.

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**116J.9924 TARGETED COMMUNITY CAPITAL PROJECT GRANT PROGRAM.**

Subd. 6. **Applicability of other laws.** The provisions of chapter 16A that apply to general fund appropriations for capital projects also apply to grants under this section. Money granted under this section is available until the project is completed or abandoned subject to section 16A.642.

**177.26 DIVISION OF LABOR STANDARDS.**

No active language found for: 177.26.3

***Laws 2019, First Special Session chapter 7, article 2, section 8, as amended by Laws 2021, First Special Session chapter 10, article 2, section 19; as amended by Laws 2023, chapter 53, article 15, section 34***

Sec. 19. Laws 2019, First Special Session chapter 7, article 2, section 8, is amended to read:

**Sec. 8. LAUNCH MINNESOTA.**

Subdivision 1. **Establishment.** Launch Minnesota is established within the Business and Community Development Division of the Department of Employment and Economic Development to encourage and support the development of new private sector technologies and support the science and technology policies under Minnesota Statutes, section 3.222. Launch Minnesota must provide entrepreneurs and emerging technology-based companies business development assistance and financial assistance to spur growth.

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

(b) "Advisory board" means the board established under subdivision 9.

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

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

(e) "Entrepreneur" means a Minnesota resident who is involved in establishing a business entity and secures resources directed to its growth while bearing the risk of loss.

(f) "Greater Minnesota" means the area of Minnesota located outside of the metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2.

(g) "Innovative technology and business" means a new novel business model or product; a derivative product incorporating new elements into an existing product; a new use for a product; or a new process or method for the manufacture, use, or assessment of any product or activity, patentability, or scalability. Innovative technology or business model does not include locally based retail, lifestyle, or business services. The business must not be primarily engaged in real estate development, insurance, banking, lending, lobbying, political consulting, information technology consulting, wholesale or retail trade, leisure, hospitality, transportation, construction, ethanol production from corn, or professional services provided by attorneys, accountants, business consultants, physicians, or health care consultants.

(h) "Institution of higher education" has the meaning given in Minnesota Statutes, section 136A.28, subdivision 6.

(i) "Minority group member" means a United States citizen or lawful permanent resident who is Asian, Pacific Islander, Black, Hispanic, or Native American.

(j) "Research and development" means any activity that is:

(1) a systematic, intensive study directed toward greater knowledge or understanding of the subject studies;

(2) a systematic study directed specifically toward applying new knowledge to meet a recognized need; or

(3) a systematic application of knowledge toward the production of useful materials, devices, systems and methods, including design, development and improvement of prototypes and new processes to meet specific requirements.

(k) "Start-up" means a business entity that has been in operation for less than ten years, has operations in Minnesota, and is in the development stage defined as devoting substantially all of its efforts to establishing a new business and either of the following conditions exists:

(1) planned principal operations have not commenced; or

(2) planned principal operations have commenced, but have generated less than \$1,000,000 in revenue.

(l) "Technology-related assistance" means the application and utilization of technological-information and technologies to assist in the development and production of new

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technology-related products or services or to increase the productivity or otherwise enhance the production or delivery of existing products or services.

(m) "Trade association" means a nonprofit membership organization organized to promote businesses and business conditions and having an election under Internal Revenue Code section 501(c)(3) or 501(c)(6).

(n) "Veteran" has the meaning given in Minnesota Statutes, section 197.447.

Subd. 3. **Duties.** The commissioner, by and through Launch Minnesota, shall:

(1) support innovation and initiatives designed to accelerate the growth of innovative technology and business start-ups in Minnesota;

(2) in partnership with other organizations, offer classes and instructional sessions on how to start an innovative technology and business start-up;

(3) promote activities for entrepreneurs and investors regarding the state's growing innovation economy;

(4) hold events and meetings that gather key stakeholders in the state's innovation sector;

(5) conduct outreach and education on innovation activities and related financial programs available from the department and other organizations, particularly for underserved communities;

(6) interact and collaborate with statewide partners including but not limited to businesses, nonprofits, trade associations, and higher education institutions;

(7) administer an advisory board to assist with direction, grant application review, program evaluation, report development, and partnerships;

(8) accept grant applications under subdivisions 5, 6, and 7 and work with the advisory board to review and prioritize the applications and provide recommendations to the commissioner; and

(9) perform other duties at the commissioner's discretion.

Subd. 4. **Administration.** (a) The commissioner shall employ an executive director in the unclassified service, one staff member to support Launch Minnesota, and one staff member in the business and community development division to manage grants. The executive director shall:

(1) assist the commissioner and the advisory board in performing the duties of Launch Minnesota; and

(2) comply with all state and federal program requirements, and all state and federal securities and tax laws and regulations.

(b) Launch Minnesota may occupy and lease physical space in a private coworking facility that includes office space for staff and space for community engagement for training entrepreneurs. The physical space leased under this paragraph is exempt from the requirements in Minnesota Statutes, section 16B.24, subdivision 6.

(c) At least three times per month, Launch Minnesota staff shall communicate with organizations in greater Minnesota that have received a grant under subdivision 7. To the extent possible, Launch Minnesota shall form partnerships with organizations located throughout the state.

(d) Launch Minnesota must accept grant applications under this section and provide funding recommendations to the commissioner and the commissioner shall distribute grants based in part on the recommendations.

Subd. 5. **Application process.** (a) The commissioner shall establish the application form and procedures for grants.

(b) Upon receiving recommendations from Launch Minnesota, the commissioner is responsible for evaluating all applications using evaluation criteria which shall be developed by Launch Minnesota in consultation with the advisory board.

(c) For grants under subdivision 6, priority shall be given if the applicant is:

(1) a business or entrepreneur located in greater Minnesota; or

(2) a business owner, individual with a disability, or entrepreneur who is a woman, veteran, or minority group member.

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(d) For grants under subdivision 7, priority shall be given if the applicant is planning to serve:

(1) businesses or entrepreneurs located in greater Minnesota; or

(2) business owners, individuals with disabilities, or entrepreneurs who are women, veterans, or minority group members.

(e) The department staff, and not Launch Minnesota staff, are responsible for awarding funding, disbursing funds, and monitoring grantee performance for all grants awarded under this section.

(f) Grantees must provide matching funds by equal expenditures and grant payments must be provided on a reimbursement basis after review of submitted receipts by the department.

(g) Grant applications must be accepted on a regular periodic basis by Launch Minnesota and must be reviewed by Launch Minnesota and the advisory board before being submitted to the commissioner with their recommendations.

**Subd. 6. Innovation grants.** (a) The commissioner shall distribute innovation grants under this subdivision.

(b) The commissioner shall provide a grant of up to \$35,000 to an eligible business or entrepreneur for research and development expenses, direct business expenses, and the purchase of technical assistance or services from public higher education institutions and nonprofit entities. Research and development expenditures may include but are not limited to proof of concept activities, intellectual property protection, prototype designs and production, and commercial feasibility. Expenditures funded under this subdivision are not eligible for the research and development tax credit under Minnesota Statutes, section 290.068. Direct business expenses may include rent, equipment purchases, and supplier invoices. Taxes imposed by federal, state, or local government entities may not be reimbursed under this paragraph. Technical assistance or services must be purchased to assist in the development or commercialization of a product or service to be eligible. Each business or entrepreneur may receive only one grant per biennium under this paragraph.

(c) The commissioner shall provide a grant of up to \$35,000 in Phase 1 or \$50,000 in Phase 2 to an eligible business or entrepreneur that, as a registered client of the Small Business Innovation Research (SBIR) program, has been awarded a first time Phase 1 or Phase 2 award pursuant to the SBIR or Small Business Technology Transfer (STTR) programs after July 1, 2019. Each business or entrepreneur may receive only one grant per biennium under this paragraph. Grants under this paragraph are not subject to the requirements of subdivision 2, paragraph (k), but do require a recommendation from the Launch Minnesota advisory board.

**Subd. 7. Entrepreneur education grants.** (a) The commissioner shall make entrepreneur education grants to institutions of higher education and other organizations to provide educational programming to entrepreneurs and provide outreach to and collaboration with businesses, federal and state agencies, institutions of higher education, trade associations, and other organizations working to advance innovative technology businesses throughout Minnesota.

(b) Applications for entrepreneur education grants under this subdivision must be submitted to the commissioner and evaluated by department staff other than Launch Minnesota. The evaluation criteria must be developed by Launch Minnesota, in consultation with the advisory board, and the commissioner, and priority must be given to an applicant who demonstrates activity assisting business owners or entrepreneurs residing in greater Minnesota or who are women, veterans, or minority group members.

(c) Department staff other than Launch Minnesota staff are responsible for awarding funding, disbursing funds, and monitoring grantee performance under this subdivision.

(d) Grantees may use the grant funds to deliver the following services:

(1) development and delivery to innovative technology businesses of industry specific or innovative product or process specific counseling on issues of business formation, market structure, market research and strategies, securing first mover advantage or overcoming barriers to entry, protecting intellectual property, and securing debt or equity capital. This counseling is to be delivered in a classroom setting or using distance media presentations;

(2) outreach and education to businesses and organizations on the small business investment tax credit program under Minnesota Statutes, section 116J.8737, the MNvest crowd-funding program under Minnesota Statutes, section 80A.461, and other state programs that support innovative technology business creation especially in underserved communities;

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(3) collaboration with institutions of higher education, local organizations, federal and state agencies, the Small Business Development Center, and the Small Business Assistance Office to create and offer educational programming and ongoing counseling in greater Minnesota that is consistent with those services offered in the metropolitan area; and

(4) events and meetings with other innovation-related organizations to inform entrepreneurs and potential investors about Minnesota's growing innovation economy.

Subd. 8. **Report.** (a) Launch Minnesota shall report by December 31, 2022, and again by December 31, 2023, to the chairs and ranking minority members of the committees of the house of representatives and senate having jurisdiction over economic development policy and finance. Each report shall include information on the work completed, including awards made by the department under this section and progress toward transferring the activities of Launch Minnesota to an entity outside of state government.

(b) By December 31, 2024, Launch Minnesota shall provide a comprehensive transition plan to the chairs and ranking minority members of the committees of the house of representatives and senate having jurisdiction over economic development policy and finance. The transition plan shall include: (1) a detailed strategy for the transfer of Launch Minnesota activities to an entity outside of state government; (2) the projected date of the transfer; and (3) the role of the state, if any, in ongoing activities of Launch Minnesota or its successor entity.

Subd. 9. **Advisory board.** (a) The commissioner shall establish an advisory board to advise the executive director regarding the activities of Launch Minnesota, make the recommendations described in this section, and develop and initiate a strategic plan for transferring some activities of Launch Minnesota to a new or existing public-private partnership or nonprofit organization outside of state government.

(b) The advisory board shall consist of ten members and is governed by Minnesota Statutes, section 15.059. A minimum of seven members must be from the private sector representing business and at least two members but no more than three members must be from government and higher education. At least three of the members of the advisory board shall be from greater Minnesota and at least three members shall be minority group members. Appointees shall represent a range of interests, including entrepreneurs, large businesses, industry organizations, investors, and both public and private small business service providers.

(c) The advisory board shall select a chair from its private sector members. The executive director shall provide administrative support to the committee.

(d) The commissioner, or a designee, shall serve as an ex-officio, nonvoting member of the advisory board.

Subd. 10. **Expiration.** This section expires January 1, 2026.