

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 3035

(SENATE AUTHORS: CHAMPION and Mohamed)

DATE	D-PG	OFFICIAL STATUS
03/22/2023	2200	Introduction and first reading Referred to Jobs and Economic Development
04/03/2023	3006	Author added Mohamed
04/11/2023	3727a 3810	Comm report: To pass as amended and re-refer to Finance Rule 12.10: report of votes in committee
04/13/2023	4811a 4954	Comm report: To pass as amended Second reading
04/14/2023	5106 5129	Special Order: Amended Third reading Passed
04/25/2023	5878	Returned from House with amendment Senate not concur, conference committee of 5 requested
04/26/2023	6084	Senate conferees Champion; McEwen; Mohamed; Hauschild; Gustafson
04/27/2023	6542	House conferees Hassan; Xiong; Nelson, M.; Berg; Olson, L.
05/15/2023	7922c 8149 8149 8150 8150	Conference committee report, delete everything Motion to reject CC report, did not prevail Point of order pertaining to Jt rule 2.06, put to the body Point of order well taken Returned to Conference Committee
05/16/2023	8220 8447 8448 8448	Conference committee report, delete everything Motion to reject CC report, did not prevail Senate adopted CC report and repassed bill Third reading
05/17/2023		House adopted SCC report and repassed bill

- 1.1 A bill for an act
- 1.2 relating to state government; establishing a biennial budget for jobs, labor, and
- 1.3 economic development; appropriating money for the Department of Labor and
- 1.4 Industry, Department of Employment and Economic Development, Bureau of
- 1.5 Mediation Services, and Workers' Compensation Court of Appeals; making labor
- 1.6 policy changes; establishing workforce standards for agriculture and food
- 1.7 processing workers, meat and poultry workers, and warehouse workers; establishing
- 1.8 a Nursing Home Workforce Standards Board; regulating combative sports;
- 1.9 prohibiting covenants not to compete; regulating building and construction
- 1.10 contracts; modifying provisions of the Public Employment Relations Board;
- 1.11 establishing wage protections for construction workers; establishing earned sick
- 1.12 and safe time; modifying economic development provisions; modifying Explore
- 1.13 Minnesota provisions; establishing a Capitol Area Community Vitality Task Force;
- 1.14 establishing the PROMISE Act; creating the Minnesota Forward Fund; creating
- 1.15 the Minnesota Climate Innovation Finance Authority; authorizing rulemaking;
- 1.16 requiring reports; creating accounts; creating penalties; amending Minnesota
- 1.17 Statutes 2022, sections 13.43, subdivision 6; 15.71, by adding subdivisions; 15.72,
- 1.18 by adding a subdivision; 116J.5492, subdivisions 8, 10; 116J.55, subdivisions 1,
- 1.19 5, 6; 116J.871, subdivisions 1, 2; 116J.8748, subdivisions 3, 4, 6, by adding a
- 1.20 subdivision; 116L.361, subdivision 7; 116L.362, subdivision 1; 116L.364,
- 1.21 subdivision 3; 116L.365, subdivision 1; 116L.56, subdivision 2; 116L.561,
- 1.22 subdivision 5; 116L.562, subdivision 2; 116U.05; 116U.10; 116U.15; 116U.20;
- 1.23 116U.30; 116U.35; 120A.414, subdivision 2; 122A.181, subdivision 5; 122A.26,
- 1.24 subdivision 2; 122A.40, subdivision 5; 122A.41, subdivision 2; 175.16, subdivision
- 1.25 1; 177.26, subdivisions 1, 2; 177.27, subdivisions 1, 2, 4, as amended, 7, 8, 9, 10;
- 1.26 177.42, subdivision 2; 178.01; 178.011, subdivision 7; 178.03, subdivision 1;
- 1.27 178.11; 179.86, subdivisions 1, 3, by adding subdivisions; 179A.03, subdivisions
- 1.28 14, 18, 19; 179A.041, by adding a subdivision; 179A.06, subdivision 6; 179A.07,
- 1.29 subdivisions 1, 6, by adding subdivisions; 179A.10, subdivision 2; 179A.12,
- 1.30 subdivisions 6, 11, by adding a subdivision; 181.03, subdivision 6; 181.032; 181.06,
- 1.31 subdivision 2; 181.14, subdivision 1; 181.171, subdivision 4; 181.172; 181.275,
- 1.32 subdivision 1; 181.635, subdivisions 1, 2, 3, 4, 6; 181.85, subdivisions 2, 4; 181.86,
- 1.33 subdivision 1; 181.87, subdivisions 2, 3, 7; 181.88; 181.89, subdivision 2, by
- 1.34 adding a subdivision; 181.932, subdivision 1; 181.939; 181.940, subdivisions 2,
- 1.35 3; 181.941, subdivision 3; 181.9413; 181.942; 181.9435, subdivision 1; 181.9436;
- 1.36 181.944; 181.945, subdivision 3; 181.9456, subdivision 3; 181.956, subdivision
- 1.37 5; 181.964; 182.654, subdivision 11; 182.659, subdivisions 1, 8; 182.66, by adding
- 1.38 a subdivision; 182.661, by adding a subdivision; 182.666, subdivisions 1, 2, 3, 4,

2.1 5, by adding a subdivision; 182.676; 326B.092, subdivision 6; 326B.093,
 2.2 subdivision 4; 326B.096; 326B.103, subdivision 13, by adding subdivisions;
 2.3 326B.106, subdivisions 1, 4, by adding a subdivision; 326B.163, subdivision 5,
 2.4 by adding a subdivision; 326B.164, subdivision 13; 326B.31, subdivision 30;
 2.5 326B.32, subdivision 1; 326B.36, subdivision 7, by adding a subdivision; 326B.802,
 2.6 subdivision 15; 326B.805, subdivision 6; 326B.921, subdivision 8; 326B.925,
 2.7 subdivision 1; 326B.988; 337.01, subdivision 3; 337.05, subdivision 1; 341.21,
 2.8 subdivisions 2a, 2b, 2c, 4f, 7, by adding a subdivision; 341.221; 341.25; 341.27;
 2.9 341.28, subdivisions 2, 3, by adding subdivisions; 341.30, subdivision 4; 341.32,
 2.10 subdivision 2; 341.321; 341.33; 341.355; 469.40, subdivision 11; 469.47,
 2.11 subdivisions 1, 5, 6; 572B.17; Laws 2021, First Special Session chapter 4, article
 2.12 2, section 2, subdivision 1; article 8, section 30; Laws 2021, First Special Session
 2.13 chapter 10, article 2, section 24; Laws 2023, chapter 24, sections 2, subdivisions
 2.14 1, 2; 3; proposing coding for new law in Minnesota Statutes, chapters 13; 16A;
 2.15 116J; 116L; 116U; 177; 179; 181; 182; 216C; 327; 341; repealing Minnesota
 2.16 Statutes 2022, sections 177.26, subdivision 3; 179A.12, subdivision 2; 181.9413;
 2.17 Laws 2019, First Special Session chapter 7, article 2, section 8, as amended.

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

2.19 **ARTICLE 1**

2.20 **LABOR POLICY**

2.21 Section 1. Minnesota Statutes 2022, section 116J.871, subdivision 1, is amended to read:

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

2.24 (b) "Economic development" means financial assistance provided to a person directly
 2.25 or to a local unit of government or nonprofit organization on behalf of a person who is
 2.26 engaged in the manufacture or sale of goods and services. Economic development does not
 2.27 include (1) financial assistance for rehabilitation of existing housing ~~or~~; (2) financial
 2.28 assistance for new housing construction in which total financial assistance at a single project
 2.29 site is less than \$100,000; or (3) financial assistance for the new construction of fully
 2.30 detached single-family affordable homeownership units for which the financial assistance
 2.31 covers no more than ten fully detached single-family affordable homeownership units. For
 2.32 purposes of this paragraph, "affordable homeownership" means housing targeted at
 2.33 households with incomes, at initial occupancy, at or below 115 percent of the state or area
 2.34 median income, whichever is greater, as determined by the United States Department of
 2.35 Housing and Urban Development.

2.36 (c) "Financial assistance" means (1) a grant awarded by a state agency for economic
 2.37 development related purposes if a single business receives \$200,000 or more of the grant
 2.38 proceeds; (2) a loan or the guaranty or purchase of a loan made by a state agency for
 2.39 economic development related purposes if a single business receives \$500,000 or more of
 2.40 the loan proceeds; or (3) a reduction, credit, or abatement of a tax assessed under chapter

3.1 297A where the tax reduction, credit, or abatement applies to a geographic area smaller
3.2 than the entire state and was granted for economic development related purposes. Financial
3.3 assistance does not include payments by the state of aids and credits under chapter 273 or
3.4 477A to a political subdivision.

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

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

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

3.12 Subd. 2. **Prevailing wage required.** (a) A state agency may provide financial assistance
3.13 to a person only if the person receiving or benefiting from the financial assistance certifies
3.14 to the commissioner of labor and industry that laborers and mechanics at the project site
3.15 during construction, installation, remodeling, and repairs for which the financial assistance
3.16 was provided will be paid the prevailing wage rate as defined in section 177.42, subdivision
3.17 6. The person receiving or benefiting from the financial assistance is also subject to the
3.18 requirements and enforcement provisions of sections 177.27, 177.30, 177.32, 177.41 to
3.19 177.435, and 177.45.

3.20 (b) For purposes of complying with section 177.30, paragraph (a), clauses (6) and (7),
3.21 the state agency awarding the financial assistance is considered the contracting authority
3.22 and the project is considered a public works project. The person receiving or benefiting
3.23 from the financial assistance shall notify all employers on the project of the record keeping
3.24 and reporting requirements in section 177.30, paragraph (a), clauses (6) and (7). Each
3.25 employer shall submit the required information to the contracting authority.

3.26 Sec. 3. Minnesota Statutes 2022, section 175.16, subdivision 1, is amended to read:

3.27 Subdivision 1. **Established.** The Department of Labor and Industry shall consist of the
3.28 following divisions: Division of Workers' Compensation, Division of Construction Codes
3.29 and Licensing, Division of Occupational Safety and Health, Division of Statistics, Division
3.30 of Labor Standards, and Division of Apprenticeship, and such other divisions as the
3.31 commissioner of the Department of Labor and Industry may deem necessary and establish.
3.32 Each division of the department and persons in charge thereof shall be subject to the
3.33 supervision of the commissioner of the Department of Labor and Industry and, in addition

4.1 to such duties as are or may be imposed on them by statute, shall perform such other duties
4.2 as may be assigned to them by the commissioner. Notwithstanding any other law to the
4.3 contrary, the commissioner is the administrator and supervisor of all of the department's
4.4 dispute resolution functions and personnel and may delegate authority to compensation
4.5 judges and others to make determinations under sections 176.106, 176.238, and 176.239
4.6 and to approve settlement of claims under section 176.521.

4.7 Sec. 4. Minnesota Statutes 2022, section 177.26, subdivision 1, is amended to read:

4.8 Subdivision 1. **Creation.** The Division of Labor Standards and Apprenticeship in the
4.9 Department of Labor and Industry is supervised and controlled by the commissioner of
4.10 labor and industry.

4.11 Sec. 5. Minnesota Statutes 2022, section 177.26, subdivision 2, is amended to read:

4.12 Subd. 2. **Powers and duties.** The Division of Labor Standards and Apprenticeship shall
4.13 administer this chapter and chapters ~~178~~, 181, 181A, and 184.

4.14 Sec. 6. Minnesota Statutes 2022, section 177.27, subdivision 4, as amended by Laws 2023,
4.15 chapter 30, section 1, is amended to read:

4.16 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
4.17 employer to comply with sections 177.21 to 177.435, 179.86, 181.02, 181.03, 181.031,
4.18 181.032, 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d),
4.19 181.214 to 181.217, 181.275, subdivision 2a, 181.635, 181.722, 181.79, 181.85 to 181.89,
4.20 181.939 to 181.943, and 181.987, or with any rule promulgated under section 177.28,
4.21 181.213, or 181.215. The commissioner shall issue an order requiring an employer to comply
4.22 with sections 177.41 to 177.435 or 181.987 if the violation is repeated. For purposes of this
4.23 subdivision only, a violation is repeated if at any time during the two years that preceded
4.24 the date of violation, the commissioner issued an order to the employer for violation of
4.25 sections 177.41 to 177.435 or 181.987 and the order is final or the commissioner and the
4.26 employer have entered into a settlement agreement that required the employer to pay back
4.27 wages that were required by sections 177.41 to 177.435. The department shall serve the
4.28 order upon the employer or the employer's authorized representative in person or by certified
4.29 mail at the employer's place of business. An employer who wishes to contest the order must
4.30 file written notice of objection to the order with the commissioner within 15 calendar days
4.31 after being served with the order. A contested case proceeding must then be held in
4.32 accordance with sections 14.57 to 14.69. If, within 15 calendar days after being served with

5.1 the order, the employer fails to file a written notice of objection with the commissioner, the
5.2 order becomes a final order of the commissioner.

5.3 Sec. 7. Minnesota Statutes 2022, section 178.01, is amended to read:

5.4 **178.01 PURPOSES.**

5.5 The purposes of this chapter are: to open to all people regardless of race, sex, creed,
5.6 color or national origin, the opportunity to obtain training and on-the-job learning that will
5.7 equip them for profitable employment and citizenship; to establish as a means to this end,
5.8 a program of voluntary apprenticeship under approved apprenticeship agreements providing
5.9 facilities for their training and guidance in the arts, skills, and crafts of industry and trade
5.10 or occupation, with concurrent, supplementary instruction in related subjects; to promote
5.11 apprenticeship opportunities under conditions providing adequate training and on-the-job
5.12 learning and reasonable earnings; to relate the supply of skilled workers to employment
5.13 demands; to establish standards for apprentice training; to establish an Apprenticeship Board
5.14 and apprenticeship committees to assist in effectuating the purposes of this chapter; to
5.15 provide for a Division of ~~Labor Standards and Apprenticeship~~ within the Department of
5.16 Labor and Industry; to provide for reports to the legislature regarding the status of apprentice
5.17 training in the state; to establish a procedure for the determination of apprenticeship
5.18 agreement controversies; and to accomplish related ends.

5.19 Sec. 8. Minnesota Statutes 2022, section 178.011, subdivision 7, is amended to read:

5.20 Subd. 7. **Division.** "Division" means the department's ~~Labor Standards and Apprenticeship~~
5.21 Division, established under sections 175.16 and 178.03, and the State Apprenticeship Agency
5.22 as defined in Code of Federal Regulations, title 29, part 29, section 29.2.

5.23 Sec. 9. Minnesota Statutes 2022, section 178.03, subdivision 1, is amended to read:

5.24 Subdivision 1. **Establishment of division.** There is established a Division of ~~Labor~~
5.25 ~~Standards and Apprenticeship~~ in the Department of Labor and Industry. This division shall
5.26 be administered by a director, and be under the supervision of the commissioner.

5.27 Sec. 10. Minnesota Statutes 2022, section 178.11, is amended to read:

5.28 **178.11 LABOR EDUCATION ADVANCEMENT GRANT PROGRAM.**

5.29 The commissioner shall establish the labor education advancement grant program for
5.30 the purpose of facilitating the participation or retention of ~~minorities~~ people of color,
5.31 Indigenous people, and women in ~~apprenticeable trades and occupations~~ registered

6.1 apprenticeship programs. The commissioner shall award grants to community-based and
6.2 nonprofit organizations and Minnesota Tribal governments as defined in section 10.65,
6.3 serving the targeted populations on a competitive request-for-proposal basis. Interested
6.4 organizations shall apply for the grants in a form prescribed by the commissioner. As part
6.5 of the application process, applicants must provide a statement of need for the grant, a
6.6 description of the targeted population and apprenticeship opportunities, a description of
6.7 activities to be funded by the grant, evidence supporting the ability to deliver services,
6.8 information related to coordinating grant activities with other employment and learning
6.9 programs, identification of matching funds, a budget, and performance objectives. Each
6.10 submitted application shall be evaluated for completeness and effectiveness of the proposed
6.11 grant activity.

6.12 Sec. 11. Minnesota Statutes 2022, section 179A.10, subdivision 2, is amended to read:

6.13 Subd. 2. **State employees.** (a) Unclassified employees, unless otherwise excluded, are
6.14 included within the units which include the classifications to which they are assigned for
6.15 purposes of compensation. Supervisory employees shall only be assigned to units 12, and
6.16 ~~16, and 18~~. The following are the appropriate units of executive branch state employees:

- 6.17 (1) law enforcement unit;
- 6.18 (2) craft, maintenance, and labor unit;
- 6.19 (3) service unit;
- 6.20 (4) health care nonprofessional unit;
- 6.21 (5) health care professional unit;
- 6.22 (6) clerical and office unit;
- 6.23 (7) technical unit;
- 6.24 (8) correctional guards unit;
- 6.25 (9) state university instructional unit;
- 6.26 (10) state college instructional unit;
- 6.27 (11) state university administrative unit;
- 6.28 (12) professional engineering unit;
- 6.29 (13) health treatment unit;
- 6.30 (14) general professional unit;

- 7.1 (15) professional state residential instructional unit;
- 7.2 (16) supervisory employees unit;
- 7.3 (17) public safety radio communications operator unit; ~~and~~
- 7.4 (18) ~~law enforcement supervisors unit.~~ licensed peace officer special unit; and
- 7.5 (19) licensed peace officer leader unit.

7.6 Each unit consists of the classifications or positions assigned to it in the schedule of
 7.7 state employee job classification and positions maintained by the commissioner. The
 7.8 commissioner may only make changes in the schedule in existence on the day prior to
 7.9 August 1, 1984, as required by law or as provided in subdivision 4.

7.10 (b) The following positions are included in the licensed peace officer special unit:

- 7.11 (1) State Patrol lieutenant;
- 7.12 (2) NR district supervisor - enforcement;
- 7.13 (3) assistant special agent in charge;
- 7.14 (4) corrections investigation assistant director 2;
- 7.15 (5) corrections investigation supervisor; and
- 7.16 (6) commerce supervisor special agent.

7.17 (c) The following positions are included in the licensed peace officer leader unit:

- 7.18 (1) State Patrol captain;
- 7.19 (2) NR program manager 2 enforcement; and
- 7.20 (3) special agent in charge.

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

7.22 **Sec. 12. [181.536] POSTING OF VETERANS' BENEFITS AND SERVICES.**

7.23 Subdivision 1. **Poster creation; content.** (a) The commissioner shall consult with the
 7.24 commissioner of veterans affairs to create and distribute a veterans' benefits and services
 7.25 poster.

7.26 (b) The poster must, at a minimum, include information regarding the following benefits
 7.27 and services available to veterans:

- 7.28 (1) contact and website information for the Department of Veterans Affairs and the
 7.29 department's veterans' services program;

- 8.1 (2) substance use disorder and mental health treatment;
- 8.2 (3) educational, workforce, and training resources;
- 8.3 (4) tax benefits;
- 8.4 (5) Minnesota state veteran drivers' licenses and state identification cards;
- 8.5 (6) eligibility for unemployment insurance benefits under state and federal law;
- 8.6 (7) legal services; and
- 8.7 (8) contact information for the U.S. Department of Veterans Affairs Veterans Crisis
- 8.8 Line.

8.9 (c) The commissioner must annually review the poster's content and update the poster

8.10 to include the most current information available.

8.11 Subd. 2. **Mandatory posting.** Every employer in the state with more than 50 full-time

8.12 equivalent employees shall display the poster created pursuant to this section in a conspicuous

8.13 place accessible to employees in the workplace.

8.14 **EFFECTIVE DATE.** This section is effective January 1, 2024.

8.15 Sec. 13. Minnesota Statutes 2022, section 181.9435, subdivision 1, is amended to read:

8.16 Subdivision 1. **Investigation.** The Division of Labor Standards and Apprenticeship shall

8.17 receive complaints of employees against employers relating to sections 181.172, paragraph

8.18 (a) or (d), and 181.939 to 181.9436 and investigate informally whether an employer may

8.19 be in violation of sections 181.172, paragraph (a) or (d), and 181.939 to 181.9436. The

8.20 division shall attempt to resolve employee complaints by informing employees and employers

8.21 of the provisions of the law and directing employers to comply with the law. For complaints

8.22 related to section 181.939, the division must contact the employer within two business days

8.23 and investigate the complaint within ten days of receipt of the complaint.

8.24 Sec. 14. Minnesota Statutes 2022, section 181.9436, is amended to read:

8.25 **181.9436 POSTING OF LAW.**

8.26 The Division of Labor Standards and Apprenticeship shall develop, with the assistance

8.27 of interested business and community organizations, an educational poster stating employees'

8.28 rights under sections 181.940 to 181.9436. The department shall make the poster available,

8.29 upon request, to employers for posting on the employer's premises.

9.1 Sec. 15. Minnesota Statutes 2022, section 182.666, subdivision 1, is amended to read:

9.2 Subdivision 1. **Willful or repeated violations.** Any employer who willfully or repeatedly
9.3 violates the requirements of section 182.653, or any standard, rule, or order adopted under
9.4 the authority of the commissioner as provided in this chapter, may be assessed a fine not to
9.5 exceed ~~\$70,000~~ \$156,259 for each violation. The minimum fine for a willful violation is
9.6 ~~\$5,000~~ \$11,162.

9.7 Sec. 16. Minnesota Statutes 2022, section 182.666, subdivision 2, is amended to read:

9.8 Subd. 2. **Serious violations.** Any employer who has received a citation for a serious
9.9 violation of its duties under section 182.653, or any standard, rule, or order adopted under
9.10 the authority of the commissioner as provided in this chapter, shall be assessed a fine not
9.11 to exceed ~~\$7,000~~ \$15,625 for each violation. If a serious violation under section 182.653,
9.12 subdivision 2, causes or contributes to the death of an employee, the employer shall be
9.13 assessed a fine of up to \$25,000 for each violation.

9.14 Sec. 17. Minnesota Statutes 2022, section 182.666, subdivision 3, is amended to read:

9.15 Subd. 3. **Nonserious violations.** Any employer who has received a citation for a violation
9.16 of its duties under section 182.653, subdivisions 2 to 4, where the violation is specifically
9.17 determined not to be of a serious nature as provided in section 182.651, subdivision 12,
9.18 may be assessed a fine of up to ~~\$7,000~~ \$15,625 for each violation.

9.19 Sec. 18. Minnesota Statutes 2022, section 182.666, subdivision 4, is amended to read:

9.20 Subd. 4. **Failure to correct a violation.** Any employer who fails to correct a violation
9.21 for which a citation has been issued under section 182.66 within the period permitted for
9.22 its correction, which period shall not begin to run until the date of the final order of the
9.23 commissioner in the case of any review proceedings under this chapter initiated by the
9.24 employer in good faith and not solely for delay or avoidance of penalties, may be assessed
9.25 a fine of not more than ~~\$7,000~~ \$15,625 for each day during which the failure or violation
9.26 continues.

9.27 Sec. 19. Minnesota Statutes 2022, section 182.666, subdivision 5, is amended to read:

9.28 Subd. 5. **Posting violations.** Any employer who violates any of the posting requirements,
9.29 as prescribed under this chapter, except those prescribed under section 182.661, subdivision
9.30 3a, shall be assessed a fine of up to ~~\$7,000~~ \$15,625 for each violation.

10.1 Sec. 20. Minnesota Statutes 2022, section 182.666, is amended by adding a subdivision
10.2 to read:

10.3 Subd. 6a. **Increases for inflation.** (a) The commissioner shall increase the fines in
10.4 subdivisions 1 to 5, except for the fine for a serious violation under section 182.653,
10.5 subdivision 2, that causes or contributes to the death of an employee, to the amounts of the
10.6 corresponding federal penalties for the specified violations promulgated in United States
10.7 Code, title 29, section 666, subsections (a) and (b), as amended through November 5, 1990,
10.8 and adjusted according to United States Code, title 28, section 2461, note (Federal Civil
10.9 Penalties Inflation Adjustment), as amended through November 2, 2015. A maximum fine
10.10 shall not be reduced under this subdivision. The fines shall be increased to the nearest one
10.11 dollar.

10.12 (b) A fine increased under this subdivision takes effect on the next October 1 after any
10.13 increases to the corresponding federal penalties and applies to all fines assessed on or after
10.14 October 1.

10.15 (c) No later than September 1 of each year, the commissioner shall give notice in the
10.16 State Register of any increases to the corresponding federal penalties and the resulting
10.17 increase to the fines in subdivisions 1 to 5.

10.18 Sec. 21. [182.677] ERGONOMICS.

10.19 Subdivision 1. **Definitions.** (a) For purposes of this section, the definitions in this
10.20 subdivision apply unless otherwise specified.

10.21 (b) "Health care facility" means a hospital with a North American Industrial Classification
10.22 system code of 622110, 622210, or 622310; an outpatient surgical center with a North
10.23 American Industrial Classification system code of 621493; and a nursing home with a North
10.24 American Industrial Classification system code of 623110.

10.25 (c) "Warehouse distribution center" means an employer with 100 or more employees in
10.26 Minnesota and a North American Industrial Classification system code of 493110, 423110
10.27 to 423990, 424110 to 424990, 454110, or 492110.

10.28 (d) "Meatpacking site" means a meatpacking or poultry processing site with 100 or more
10.29 employees in Minnesota and a North American Industrial Classification system code of
10.30 311611 to 311615, except 311613.

10.31 (e) "Musculoskeletal disorder" or "MSD" means a disorder of the muscles, nerves,
10.32 tendons, ligaments, joints, cartilage, blood vessels, or spinal discs.

11.1 Subd. 2. Ergonomics program required. (a) Every licensed health care facility,
11.2 warehouse distribution center, or meatpacking site in the state shall create and implement
11.3 an effective written ergonomics program establishing the employer's plan to minimize the
11.4 risk of its employees developing or aggravating musculoskeletal disorders. The ergonomics
11.5 program shall focus on eliminating the risk. To the extent risk exists, the ergonomics program
11.6 must include feasible administrative or engineering controls to reduce the risk.

11.7 (b) The program shall include:

11.8 (1) an assessment to identify and reduce musculoskeletal disorder risk factors in the
11.9 facility;

11.10 (2) an initial and ongoing training of employees on ergonomics and its benefits, including
11.11 the importance of reporting early symptoms of musculoskeletal disorders;

11.12 (3) a procedure to ensure early reporting of musculoskeletal disorders to prevent or
11.13 reduce the progression of symptoms, the development of serious injuries, and lost-time
11.14 claims;

11.15 (4) a process for employees to provide possible solutions that may be implemented to
11.16 reduce, control, or eliminate workplace musculoskeletal disorders;

11.17 (5) procedures to ensure that physical plant modifications and major construction projects
11.18 are consistent with program goals; and

11.19 (6) annual evaluations of the ergonomics program and whenever a change to the work
11.20 process occurs.

11.21 Subd. 3. Annual evaluation of program required. There must be an established
11.22 procedure to annually assess the effectiveness of the ergonomics program, including
11.23 evaluation of the process to mitigate work-related risk factors in response to reporting of
11.24 symptoms of musculoskeletal disorders by employees. The annual assessment shall determine
11.25 the success of the implemented ergonomic solutions and whether goals set by the ergonomics
11.26 program have been met.

11.27 Subd. 4. Employee training. (a) An employer subject to this section must train all
11.28 employees on the following:

11.29 (1) the name of each individual on the employer's safety committee;

11.30 (2) the facility's ergonomic program;

11.31 (3) the early signs and symptoms of musculoskeletal injuries and the procedures for
11.32 reporting them;

12.1 (4) the procedures for reporting injuries and other hazards;

12.2 (5) any administrative or engineering controls related to ergonomic hazards that are in
12.3 place or will be implemented for their positions; and

12.4 (6) the requirements of subdivision 9.

12.5 (b) New employees must be trained according to paragraph (a) prior to starting work.

12.6 Current employees must receive initial training and ongoing annual training in accordance
12.7 with the employer's ergonomics program. The employer must provide the training during
12.8 working hours and compensate the employee for attending the training at the employee's
12.9 standard rate of pay. All training must be in a language and with vocabulary that the employee
12.10 can understand.

12.11 (c) Updates to the information conveyed in the training shall be communicated to
12.12 employees as soon as practicable.

12.13 Subd. 5. **Involvement of employees.** Employers subject to this section must solicit
12.14 feedback for its ergonomics program through its safety committee required by section
12.15 182.676, in addition to any other opportunities for employee participation the employer
12.16 may provide. The safety committee must be directly involved in ergonomics worksite
12.17 assessments and participate in the annual evaluation required by subdivision 3.

12.18 Subd. 6. **Workplace program or AWAIR.** An employer subject to this section must
12.19 reference its ergonomics program in a written Workplace Accident and Injury Reduction
12.20 (AWAIR) program required by section 182.653, subdivision 8.

12.21 Subd. 7. **Recordkeeping.** An employer subject to this section must maintain:

12.22 (1) a written certification dated and signed by each person who provides training and
12.23 containing the name and job title of each employee who receives training pursuant to this
12.24 section. The certifications must include the date training was conducted. The certification
12.25 completed by the training providers must state that the employer has provided training
12.26 consistent with the requirements of this section and include a brief summary or outline of
12.27 the information that was included in the training session;

12.28 (2) a record of all worker visits to on-site medical or first aid personnel for the last five
12.29 years, regardless of severity or type of illness or injury; and

12.30 (3) a record of all musculoskeletal disorders suffered by employees for the last five
12.31 years.

13.1 Subd. 8. **Availability of records.** (a) The employer must ensure that the certification
13.2 records required by subdivision 7, clause (1), are up to date and available to the
13.3 commissioner, employees, and authorized employee representatives, if any, upon request.

13.4 (b) Upon the request of the commissioner, an employee who is a member of the facility's
13.5 safety committee, or an authorized employee representative, the employer must provide the
13.6 requestor a redacted version of the medical or first aid records and records of all
13.7 musculoskeletal disorders. The name, contact information, and occupation of an employee,
13.8 and any other information that would reveal the identity of an employee, must be removed
13.9 in the redacted version. The redacted version must only include, to the extent it would not
13.10 reveal the identity of an employee, the location where the employee worked, the date of the
13.11 injury or visit, a description of the medical treatment or first aid provided, and a description
13.12 of the injury suffered.

13.13 (c) The employer must also make available to the commissioner and the employee who
13.14 is the subject of the records the unredacted medical or first aid records and unredacted
13.15 records of musculoskeletal disorders required by subdivision 7, clause (2), upon request.

13.16 Subd. 9. **Reporting encouraged.** Any employer subject to this section must not institute
13.17 or maintain any program, policy, or practice that discourages employees from reporting
13.18 injuries, hazards, or safety and health standard violations, including ergonomic-related
13.19 hazards and symptoms of musculoskeletal disorders.

13.20 Subd. 10. **Training materials.** The commissioner shall make training materials on
13.21 implementation of this section available to all employers, upon request, at no cost as part
13.22 of the duties of the commissioner under section 182.673.

13.23 Subd. 11. **Enforcement.** This section shall be enforced by the commissioner under
13.24 sections 182.66 and 182.661. A violation of this section is subject to the penalties provided
13.25 under section 182.666.

13.26 Subd. 12. **Grant program.** (a) The commissioner shall establish an ergonomics grant
13.27 program to provide matching funding for employers who are subject to this section to make
13.28 ergonomic improvements recommended by an on-site safety survey. Minnesota Rules,
13.29 chapter 5203, applies to the administration of the grant program.

13.30 (b) To be eligible for a grant under this section, an employer must:

13.31 (1) be a licensed health care facility, warehouse distribution center, or meatpacking site
13.32 as defined by subdivision 1;

14.1 (2) have current workers' compensation insurance provided through the assigned risk
 14.2 plan, provided by an insurer subject to penalties under chapter 176, or as an approved
 14.3 self-insured employer; and

14.4 (3) have an on-site safety survey with results that recommend specific equipment or
 14.5 practices that will reduce the risk of injury or illness to employees and prevent
 14.6 musculoskeletal disorders. This survey must have been conducted by a Minnesota
 14.7 occupational safety and health compliance investigator or workplace safety consultant, an
 14.8 in-house safety and health committee, a workers' compensation insurance underwriter, a
 14.9 private consultant, or a person under contract with the assigned risk plan.

14.10 (c) Grant funds may be used for all or part of the cost of the following:

14.11 (1) purchasing and installing recommended equipment intended to prevent
 14.12 musculoskeletal disorders;

14.13 (2) operating or maintaining recommended equipment intended to prevent musculoskeletal
 14.14 disorders;

14.15 (3) property, if the property is necessary to meet the recommendations of the on-site
 14.16 safety survey that are related to prevention of musculoskeletal disorders;

14.17 (4) training required to operate recommended safety equipment to prevent musculoskeletal
 14.18 disorders; and

14.19 (5) tuition reimbursement for educational costs related to identifying ergonomic-related
 14.20 issues that are related to the recommendations of the on-site safety survey.

14.21 (d) The commissioner shall evaluate applications, submitted on forms developed by the
 14.22 commissioner, based on whether the proposed project:

14.23 (1) is technically and economically feasible;

14.24 (2) is consistent with the recommendations of the on-site safety survey and the objective
 14.25 of reducing risk of injury or illness to employees and preventing musculoskeletal disorders;

14.26 (3) was submitted by an applicant with sufficient experience, knowledge, and commitment
 14.27 for the project to be implemented in a timely manner;

14.28 (4) has the necessary financial commitments to cover all project costs;

14.29 (5) has the support of all public entities necessary for its completion; and

14.30 (6) complies with federal, state, and local regulations.

15.1 (e) Grants under this section shall provide a match of up to \$10,000 for private funds
15.2 committed by the employer to implement the recommended ergonomics-related equipment
15.3 or practices.

15.4 (f) Grants will be awarded to all applicants that meet the eligibility and evaluation criteria
15.5 under paragraphs (b), (c), and (d) until funding is depleted. If there are more eligible requests
15.6 than funding, awards will be prorated.

15.7 (g) Grant recipients are not eligible to apply for another grant under chapter 176 until
15.8 two years after the date of the award.

15.9 Subd. 13. **Standard development.** The commissioner may propose an ergonomics
15.10 standard using the authority provided in section 182.655.

15.11 **EFFECTIVE DATE.** This section is effective January 1, 2024, except subdivisions 9
15.12 and 12 are effective July 1, 2023.

15.13 Sec. 22. Minnesota Statutes 2022, section 326B.092, subdivision 6, is amended to read:

15.14 Subd. 6. **Fees nonrefundable.** Application and examination fees, license fees, license
15.15 renewal fees, and late fees are nonrefundable except for:

15.16 (1) license renewal fees received more than two years after expiration of the license, as
15.17 described in section 326B.094, subdivision 2;

15.18 (2) any overpayment of fees; and

15.19 (3) if the license is not issued or renewed, the contractor recovery fund fee and any
15.20 additional assessment paid under subdivision 7, paragraph (e).

15.21 Sec. 23. Minnesota Statutes 2022, section 326B.096, is amended to read:

15.22 **326B.096 REINSTATEMENT OF LICENSES.**

15.23 Subdivision 1. **Reinstatement after revocation.** (a) If a license is revoked under this
15.24 chapter and if an applicant for a license needs to pass an examination administered by the
15.25 commissioner before becoming licensed, then, in order to have the license reinstated, the
15.26 person who holds the revoked license must:

15.27 (1) retake the examination and achieve a passing score; and

15.28 (2) meet all other requirements for an initial license, including payment of the application
15.29 and examination fee and the license fee. The person holding the revoked license is not
15.30 eligible for Minnesota licensure without examination based on reciprocity.

16.1 (b) If a license is revoked under a chapter other than this chapter, then, in order to have
16.2 the license reinstated, the person who holds the revoked license must:

16.3 (1) apply for reinstatement to the commissioner no later than two years after the effective
16.4 date of the revocation;

16.5 (2) pay a ~~\$100~~ \$50 reinstatement application fee and any applicable renewal license fee;
16.6 and

16.7 (3) meet all applicable requirements for licensure, except that, unless required by the
16.8 order revoking the license, the applicant does not need to retake any examination and does
16.9 not need to repay a license fee that was paid before the revocation.

16.10 **Subd. 2. Reinstatement after suspension.** If a license is suspended, then, in order to
16.11 have the license reinstated, the person who holds the suspended license must:

16.12 (1) apply for reinstatement to the commissioner no later than two years after the
16.13 completion of the suspension period;

16.14 (2) pay a ~~\$100~~ \$50 reinstatement application fee and any applicable renewal license fee;
16.15 and

16.16 (3) meet all applicable requirements for licensure, except that, unless required by the
16.17 order suspending the license, the applicant does not need to retake any examination and
16.18 does not need to repay a license fee that was paid before the suspension.

16.19 **Subd. 3. Reinstatement after voluntary termination.** A licensee who is not an individual
16.20 may voluntarily terminate a license issued to the person under this chapter. If a licensee has
16.21 voluntarily terminated a license under this subdivision, then, in order to have the license
16.22 reinstated, the person who holds the terminated license must:

16.23 (1) apply for reinstatement to the commissioner no later than the date that the license
16.24 would have expired if it had not been terminated;

16.25 (2) pay a ~~\$100~~ \$25 reinstatement application fee and any applicable renewal license fee;
16.26 and

16.27 (3) meet all applicable requirements for licensure, except that the applicant does not
16.28 need to repay a license fee that was paid before the termination.

17.1 Sec. 24. Minnesota Statutes 2022, section 326B.103, is amended by adding a subdivision
17.2 to read:

17.3 Subd. 6a. **Electric vehicle capable space.** "Electric vehicle capable space" means a
17.4 designated automobile parking space that has electrical infrastructure, including but not
17.5 limited to raceways, cables, electrical capacity, and panelboard or other electrical distribution
17.6 space necessary for the future installation of an electric vehicle charging station.

17.7 Sec. 25. Minnesota Statutes 2022, section 326B.103, is amended by adding a subdivision
17.8 to read:

17.9 Subd. 6b. **Electric vehicle charging station.** "Electric vehicle charging station" means
17.10 a designated automobile parking space that has a dedicated connection for charging an
17.11 electric vehicle.

17.12 Sec. 26. Minnesota Statutes 2022, section 326B.103, is amended by adding a subdivision
17.13 to read:

17.14 Subd. 6c. **Electric vehicle ready space.** "Electric vehicle ready space" means a designated
17.15 automobile parking space that has a branch circuit capable of supporting the installation of
17.16 an electric vehicle charging station.

17.17 Sec. 27. Minnesota Statutes 2022, section 326B.103, is amended by adding a subdivision
17.18 to read:

17.19 Subd. 10a. **Parking facilities.** "Parking facilities" includes parking lots, garages, ramps,
17.20 or decks.

17.21 Sec. 28. Minnesota Statutes 2022, section 326B.103, subdivision 13, is amended to read:

17.22 Subd. 13. **State licensed facility.** "State licensed facility" means a building and its
17.23 grounds that are licensed by the state as a hospital, nursing home, supervised living facility,
17.24 assisted living facility, including assisted living facility with dementia care, free-standing
17.25 outpatient surgical center, correctional facility, boarding care home, or residential hospice.

17.26 **EFFECTIVE DATE.** This section is effective August 1, 2023.

17.27 Sec. 29. Minnesota Statutes 2022, section 326B.106, subdivision 1, is amended to read:

17.28 Subdivision 1. **Adoption of code.** (a) Subject to paragraphs (c) and (d) and sections
17.29 326B.101 to 326B.194, the commissioner shall by rule and in consultation with the
17.30 Construction Codes Advisory Council establish a code of standards for the construction,

18.1 reconstruction, alteration, and repair of buildings, governing matters of structural materials,
18.2 design and construction, fire protection, health, sanitation, and safety, including design and
18.3 construction standards regarding heat loss control, illumination, and climate control. The
18.4 code must also include duties and responsibilities for code administration, including
18.5 procedures for administrative action, penalties, and suspension and revocation of certification.
18.6 The code must conform insofar as practicable to model building codes generally accepted
18.7 and in use throughout the United States, including a code for building conservation. In the
18.8 preparation of the code, consideration must be given to the existing statewide specialty
18.9 codes presently in use in the state. Model codes with necessary modifications and statewide
18.10 specialty codes may be adopted by reference. The code must be based on the application
18.11 of scientific principles, approved tests, and professional judgment. To the extent possible,
18.12 the code must be adopted in terms of desired results instead of the means of achieving those
18.13 results, avoiding wherever possible the incorporation of specifications of particular methods
18.14 or materials. To that end the code must encourage the use of new methods and new materials.
18.15 Except as otherwise provided in sections 326B.101 to 326B.194, the commissioner shall
18.16 administer and enforce the provisions of those sections.

18.17 (b) The commissioner shall develop rules addressing the plan review fee assessed to
18.18 similar buildings without significant modifications including provisions for use of building
18.19 systems as specified in the industrial/modular program specified in section 326B.194.
18.20 Additional plan review fees associated with similar plans must be based on costs
18.21 commensurate with the direct and indirect costs of the service.

18.22 (c) Beginning with the 2018 edition of the model building codes and every six years
18.23 thereafter, the commissioner shall review the new model building codes and adopt the model
18.24 codes as amended for use in Minnesota, within two years of the published edition date. The
18.25 commissioner may adopt amendments to the building codes prior to the adoption of the
18.26 new building codes to advance construction methods, technology, or materials, or, where
18.27 necessary to protect the health, safety, and welfare of the public, or to improve the efficiency
18.28 or the use of a building.

18.29 (d) Notwithstanding paragraph (c), the commissioner shall act on each new model
18.30 residential energy code and the new model commercial energy code in accordance with
18.31 federal law for which the United States Department of Energy has issued an affirmative
18.32 determination in compliance with United States Code, title 42, section 6833. The
18.33 commissioner may adopt amendments prior to adoption of the new energy codes, as amended
18.34 for use in Minnesota, to advance construction methods, technology, or materials, or, where

19.1 necessary to protect the health, safety, and welfare of the public, or to improve the efficiency
19.2 or use of a building.

19.3 (e) Beginning in 2024, the commissioner shall act on the new model commercial energy
19.4 code by adopting each new published edition of ASHRAE 90.1 or a more efficient standard.
19.5 The commercial energy code in effect in 2036 and thereafter must achieve an 80 percent
19.6 reduction in annual net energy consumption or greater, using the ASHRAE 90.1-2004 as a
19.7 baseline. The commissioner shall adopt commercial energy codes from 2024 to 2036 that
19.8 incrementally move toward achieving the 80 percent reduction in annual net energy
19.9 consumption. By January 15 of the year following each new code adoption, the commissioner
19.10 shall make a report on progress under this section to the legislative committees with
19.11 jurisdiction over the energy code.

19.12 (f) Nothing in this section shall be interpreted to limit the ability of a public utility to
19.13 offer code support programs, or to claim energy savings resulting from such programs,
19.14 through its energy conservation and optimization plans approved by the commissioner of
19.15 commerce under section 216B.241 or an energy conservation and optimization plan filed
19.16 by a consumer-owned utility under section 216B.2403.

19.17 Sec. 30. Minnesota Statutes 2022, section 326B.106, subdivision 4, is amended to read:

19.18 Subd. 4. **Special requirements.** (a) **Space for commuter vans.** The code must require
19.19 that any parking ramp or other parking facility constructed in accordance with the code
19.20 include an appropriate number of spaces suitable for the parking of motor vehicles having
19.21 a capacity of seven to 16 persons and which are principally used to provide prearranged
19.22 commuter transportation of employees to or from their place of employment or to or from
19.23 a transit stop authorized by a local transit authority.

19.24 (b) **Smoke detection devices.** The code must require that all dwellings, lodging houses,
19.25 apartment houses, and hotels as defined in section 299F.362 comply with the provisions of
19.26 section 299F.362.

19.27 (c) **Doors in nursing homes and hospitals.** The State Building Code may not require
19.28 that each door entering a sleeping or patient's room from a corridor in a nursing home or
19.29 hospital with an approved complete standard automatic fire extinguishing system be
19.30 constructed or maintained as self-closing or automatically closing.

19.31 (d) **Child care facilities in churches; ground level exit.** A licensed day care center
19.32 serving fewer than 30 preschool age persons and which is located in a belowground space

20.1 in a church building is exempt from the State Building Code requirement for a ground level
20.2 exit when the center has more than two stairways to the ground level and its exit.

20.3 (e) **Family and group family day care.** Until the legislature enacts legislation specifying
20.4 appropriate standards, the definition of dwellings constructed in accordance with the
20.5 International Residential Code as adopted as part of the State Building Code applies to
20.6 family and group family day care homes licensed by the Department of Human Services
20.7 under Minnesota Rules, chapter 9502.

20.8 (f) **Enclosed stairways.** No provision of the code or any appendix chapter of the code
20.9 may require stairways of existing multiple dwelling buildings of two stories or less to be
20.10 enclosed.

20.11 (g) **Double cylinder dead bolt locks.** No provision of the code or appendix chapter of
20.12 the code may prohibit double cylinder dead bolt locks in existing single-family homes,
20.13 townhouses, and first floor duplexes used exclusively as a residential dwelling. Any
20.14 recommendation or promotion of double cylinder dead bolt locks must include a warning
20.15 about their potential fire danger and procedures to minimize the danger.

20.16 (h) **Relocated residential buildings.** A residential building relocated within or into a
20.17 political subdivision of the state need not comply with the State Energy Code or section
20.18 326B.439 provided that, where available, an energy audit is conducted on the relocated
20.19 building.

20.20 (i) **Automatic garage door opening systems.** The code must require all residential
20.21 buildings as defined in section 325F.82 to comply with the provisions of sections 325F.82
20.22 and 325F.83.

20.23 (j) **Exterior wood decks, patios, and balconies.** The code must permit the decking
20.24 surface and upper portions of exterior wood decks, patios, and balconies to be constructed
20.25 of (1) heartwood from species of wood having natural resistance to decay or termites,
20.26 including redwood and cedars, (2) grades of lumber which contain sapwood from species
20.27 of wood having natural resistance to decay or termites, including redwood and cedars, or
20.28 (3) treated wood. The species and grades of wood products used to construct the decking
20.29 surface and upper portions of exterior decks, patios, and balconies must be made available
20.30 to the building official on request before final construction approval.

20.31 (k) **Bioprocess piping and equipment.** No permit fee for bioprocess piping may be
20.32 imposed by municipalities under the State Building Code, except as required under section
20.33 326B.92 subdivision 1. Permits for bioprocess piping shall be according to section 326B.92
20.34 administered by the Department of Labor and Industry. All data regarding the material

21.1 production processes, including the bioprocess system's structural design and layout, are
 21.2 nonpublic data as provided by section 13.7911.

21.3 (l) **Use of ungraded lumber.** The code must allow the use of ungraded lumber in
 21.4 geographic areas of the state where the code did not generally apply as of April 1, 2008, to
 21.5 the same extent that ungraded lumber could be used in that area before April 1, 2008.

21.6 (m) **Window cleaning safety.** ~~The code must require the installation of dedicated~~
 21.7 ~~anchorages for the purpose of suspended window cleaning on (1) new buildings four stories~~
 21.8 ~~or greater; and (2) buildings four stories or greater, only on those areas undergoing~~
 21.9 ~~reconstruction, alteration, or repair that includes the exposure of primary structural~~
 21.10 ~~components of the roof.~~ The commissioner shall adopt rules, using the expedited rulemaking
 21.11 process in section 14.389, requiring window cleaning safety features that comply with a
 21.12 nationally recognized standard as part of the State Building Code. Window cleaning safety
 21.13 features shall be provided for all windows on:

21.14 (1) new buildings where determined by the code; and

21.15 (2) existing buildings undergoing alterations where both of the following conditions are
 21.16 met:

21.17 (i) the windows do not currently have safe window cleaning features; and

21.18 (ii) the proposed work area being altered can include provisions for safe window cleaning.

21.19 ~~The commissioner may waive all or a portion of the requirements of this paragraph~~
 21.20 ~~related to reconstruction, alteration, or repair, if the installation of dedicated anchorages~~
 21.21 ~~would not result in significant safety improvements due to limits on the size of the project,~~
 21.22 ~~or other factors as determined by the commissioner.~~

21.23 (n) **Adult-size changing facilities.** The commissioner shall adopt rules requiring
 21.24 adult-size changing facilities as part of the State Building Code.

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

21.26 Sec. 31. Minnesota Statutes 2022, section 326B.106, is amended by adding a subdivision
 21.27 to read:

21.28 Subd. 16. **Electric vehicle charging.** The code shall require a minimum number of
 21.29 electric vehicle ready spaces, electric vehicle capable spaces, and electric vehicle charging
 21.30 stations either within or adjacent to new commercial and multifamily structures that provide
 21.31 on-site parking facilities. Residential structures with fewer than four dwelling units are
 21.32 exempt from this subdivision.

22.1 Sec. 32. Minnesota Statutes 2022, section 326B.802, subdivision 15, is amended to read:

22.2 Subd. 15. **Special skill.** "Special skill" means one of the following eight categories:

22.3 (a) **Excavation.** Excavation includes work in any of the following areas:

22.4 (1) excavation;

22.5 (2) trenching;

22.6 (3) grading; and

22.7 (4) site grading.

22.8 (b) **Masonry and concrete.** Masonry and concrete includes work in any of the following
22.9 areas:

22.10 (1) drain systems;

22.11 (2) poured walls;

22.12 (3) slabs and poured-in-place footings;

22.13 (4) masonry walls;

22.14 (5) masonry fireplaces;

22.15 (6) masonry veneer; and

22.16 (7) water resistance and waterproofing.

22.17 (c) **Carpentry.** Carpentry includes work in any of the following areas:

22.18 (1) rough framing;

22.19 (2) finish carpentry;

22.20 (3) doors, windows, and skylights;

22.21 (4) porches and decks, excluding footings;

22.22 (5) wood foundations; and

22.23 (6) drywall installation, excluding taping and finishing.

22.24 (d) **Interior finishing.** Interior finishing includes work in any of the following areas:

22.25 (1) floor covering;

22.26 (2) wood floors;

22.27 (3) cabinet and counter top installation;

- 23.1 (4) insulation and vapor barriers;
- 23.2 (5) interior or exterior painting;
- 23.3 (6) ceramic, marble, and quarry tile;
- 23.4 (7) ornamental guardrail and installation of prefabricated stairs; and
- 23.5 (8) wallpapering.
- 23.6 (e) **Exterior finishing.** Exterior finishing includes work in any of the following areas:
- 23.7 (1) siding;
- 23.8 (2) soffit, fascia, and trim;
- 23.9 (3) exterior plaster and stucco;
- 23.10 (4) painting; and
- 23.11 (5) rain carrying systems, including gutters and down spouts.
- 23.12 (f) **Drywall and plaster.** Drywall and plaster includes work in any of the following
- 23.13 areas:
- 23.14 (1) installation;
- 23.15 (2) taping;
- 23.16 (3) finishing;
- 23.17 (4) interior plaster;
- 23.18 (5) painting; and
- 23.19 (6) wallpapering.
- 23.20 (g) **Residential roofing.** Residential roofing includes work in any of the following areas:
- 23.21 (1) roof coverings;
- 23.22 (2) roof sheathing;
- 23.23 (3) roof weatherproofing and insulation; ~~and~~
- 23.24 (4) repair of roof support system, but not construction of new roof support system; and
- 23.25 (5) penetration of roof coverings for purposes of attaching a solar photovoltaic system.
- 23.26 (h) **General installation specialties.** Installation includes work in any of the following
- 23.27 areas:
- 23.28 (1) garage doors and openers;

- 24.1 (2) pools, spas, and hot tubs;
- 24.2 (3) fireplaces and wood stoves;
- 24.3 (4) asphalt paving and seal coating; ~~and~~
- 24.4 (5) ornamental guardrail and prefabricated stairs; and
- 24.5 (6) assembly of the support system for a solar photovoltaic system.

24.6 Sec. 33. **RULEMAKING AUTHORITY.**

24.7 The commissioner of labor and industry shall adopt rules, using the expedited rulemaking
 24.8 process in Minnesota Statutes, section 14.389, that set forth adult-size changing facilities
 24.9 to conform with the addition of Minnesota Statutes, section 326B.106, subdivision 4,
 24.10 paragraph (n), under this act.

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

24.12 Sec. 34. **REPEALER.**

24.13 Minnesota Statutes 2022, section 177.26, subdivision 3, is repealed.

24.14 **ARTICLE 2**

24.15 **AGRICULTURE AND FOOD PROCESSING WORKERS**

24.16 Section 1. Minnesota Statutes 2022, section 179.86, subdivision 1, is amended to read:

24.17 Subdivision 1. **Definition.** For the purpose of this section, "employer" means an employer
 24.18 in the meatpacking or poultry processing industry.

24.19 Sec. 2. Minnesota Statutes 2022, section 179.86, subdivision 3, is amended to read:

24.20 Subd. 3. **Information provided to employee by employer.** (a) At the start of
 24.21 employment, an employer must provide an explanation in an employee's native language
 24.22 of the employee's rights and duties as an employee ~~either~~ both person to person ~~or~~ and
 24.23 through written materials that, at a minimum, include:

- 24.24 (1) a complete description of the salary and benefits plans as they relate to the employee;
- 24.25 (2) a job description for the employee's position;
- 24.26 (3) a description of leave policies;
- 24.27 (4) a description of the work hours and work hours policy; ~~and~~
- 24.28 (5) a description of the occupational hazards known to exist for the position; and

25.1 (6) when workers' compensation insurance coverage is required by chapter 176, the
 25.2 name of the employer's workers' compensation insurance carrier, the carrier's phone number,
 25.3 and the insurance policy number.

25.4 (b) The explanation must also include information on the following employee rights as
 25.5 protected by state or federal law and a description of where additional information about
 25.6 those rights may be obtained:

25.7 (1) the right to organize and bargain collectively and refrain from organizing and
 25.8 bargaining collectively;

25.9 (2) the right to a safe workplace; ~~and~~

25.10 (3) the right to be free from discrimination; and

25.11 (4) the right to workers' compensation insurance coverage.

25.12 (c) The Department of Labor and Industry shall provide a standard explanation form for
 25.13 use at the employer's option for providing the information required in this subdivision. The
 25.14 form shall be available in English and Spanish and additional languages upon request.

25.15 (d) The requirements under this subdivision are in addition to the requirements under
 25.16 section 181.032.

25.17 Sec. 3. Minnesota Statutes 2022, section 179.86, is amended by adding a subdivision to
 25.18 read:

25.19 Subd. 5. **Civil action.** An employee injured by a violation of this section has a cause of
 25.20 action for damages for the greater of \$1,000 per violation or twice the employee's actual
 25.21 damages, plus costs and reasonable attorney fees. A damage award shall be the greater of
 25.22 \$1,400 or three times actual damages for an employee injured by an intentional violation
 25.23 of this section.

25.24 Sec. 4. Minnesota Statutes 2022, section 179.86, is amended by adding a subdivision to
 25.25 read:

25.26 Subd. 6. **Fine.** The commissioner of labor and industry shall fine an employer not less
 25.27 than \$400 or more than \$1,000 for each violation of subdivision 3. The fine shall be payable
 25.28 to the employee aggrieved.

26.1 Sec. 5. Minnesota Statutes 2022, section 181.14, subdivision 1, is amended to read:

26.2 Subdivision 1. **Prompt payment required.** (a) When any such employee quits or resigns
26.3 employment, the wages or commissions earned and unpaid at the time the employee quits
26.4 or resigns shall be paid in full not later than the first regularly scheduled payday following
26.5 the employee's final day of employment, unless an employee is subject to a collective
26.6 bargaining agreement with a different provision. Wages are earned and unpaid if the
26.7 employee was not paid for all time worked at the employee's regular rate of pay or at the
26.8 rate required by law, including any applicable statute, regulation, rule, ordinance, government
26.9 resolution or policy, contract, or other legal authority, whichever rate of pay is greater. If
26.10 the first regularly scheduled payday is less than five calendar days following the employee's
26.11 final day of employment, full payment may be delayed until the second regularly scheduled
26.12 payday but shall not exceed a total of 20 calendar days following the employee's final day
26.13 of employment.

26.14 (b) Notwithstanding the provisions of paragraph (a), in the case of migrant workers, as
26.15 defined in section 181.85, the wages or commissions earned and unpaid at the time the
26.16 employee quits or resigns shall become due and payable within ~~five~~ three days thereafter.

26.17 Sec. 6. Minnesota Statutes 2022, section 181.635, subdivision 1, is amended to read:

26.18 Subdivision 1. **Definitions.** The definitions in this subdivision apply to this section.

26.19 (a) "Employer" means a person who employs another to perform a service for hire.
26.20 Employer includes any agent or attorney of an employer who, for money or other valuable
26.21 consideration paid or promised to be paid, performs any recruiting.

26.22 (b) "Person" means a corporation, partnership, limited liability company, limited liability
26.23 partnership, association, individual, or group of persons.

26.24 (c) "Recruits" means to induce an individual, directly or through an agent, to relocate
26.25 to Minnesota or within Minnesota to work in food processing by an offer of employment
26.26 or of the possibility of employment.

26.27 (d) "Food processing" means canning, packing, or otherwise processing poultry or meat
26.28 for consumption.

26.29 (e) "Terms and conditions of employment" means the following:

26.30 (1) nature of the work to be performed;

26.31 (2) wage rate, nature and amount of deductions for tools, clothing, supplies, or other
26.32 items;

- 27.1 (3) anticipated hours of work per week, including overtime;
- 27.2 (4) anticipated slowdown or shutdown or if hours of work per week vary more than 25
27.3 percent from clause (3);
- 27.4 (5) duration of the work;
- 27.5 (6) workers' compensation coverage and name, address, and telephone number of insurer
27.6 and Department of Labor and Industry;
- 27.7 (7) employee benefits available, including any health plans, sick leave, or paid vacation;
- 27.8 (8) transportation and relocation arrangements with allocation of costs between employer
27.9 and employee;
- 27.10 (9) availability and description of housing and any costs to employee associated with
27.11 housing; and
- 27.12 (10) any other item of value offered, and allocation of costs of item between employer
27.13 and employee.

27.14 Sec. 7. Minnesota Statutes 2022, section 181.635, subdivision 2, is amended to read:

27.15 Subd. 2. **Recruiting; required disclosure.** (a) An employer shall provide written
27.16 disclosure of the terms and conditions of employment to a person at the time it recruits the
27.17 person to relocate to work in the food processing industry. The disclosure requirement does
27.18 not apply to an exempt employee as defined in United States Code, title 29, section 213(a)(1).
27.19 The disclosure must be written in English and Spanish, or English and another language if
27.20 the person's preferred language is not English or Spanish, dated and signed by the employer
27.21 and the person recruited, and maintained by the employer for ~~two~~ three years. A copy of
27.22 the signed and completed disclosure must be delivered immediately to the recruited person.
27.23 The disclosure may not be construed as an employment contract.

27.24 (b) The requirements under this subdivision are in addition to the requirements under
27.25 section 181.032.

27.26 Sec. 8. Minnesota Statutes 2022, section 181.635, subdivision 3, is amended to read:

27.27 Subd. 3. **Civil action.** A person injured by a violation of this section has a cause of action
27.28 for damages for the greater of ~~\$500~~ \$1,000 per violation or twice their actual damages, plus
27.29 costs and reasonable attorney's fees. A damage award shall be the greater of ~~\$750~~ \$1,400
27.30 or three times actual damages for a person injured by an intentional violation of this section.

28.1 Sec. 9. Minnesota Statutes 2022, section 181.635, subdivision 4, is amended to read:

28.2 Subd. 4. **Fine.** The Department of Labor and Industry shall fine an employer not less
 28.3 than ~~\$200~~ \$400 or more than ~~\$500~~ \$1,000 for each violation of this section. The fine shall
 28.4 be payable to the employee aggrieved.

28.5 Sec. 10. Minnesota Statutes 2022, section 181.635, subdivision 6, is amended to read:

28.6 Subd. 6. **Standard disclosure form.** The Department of Labor and Industry shall provide
 28.7 a standard form for use at the employer's option in making the disclosure required in
 28.8 subdivision 2. The form shall be available in English and Spanish and additional languages
 28.9 upon request.

28.10 Sec. 11. Minnesota Statutes 2022, section 181.85, subdivision 2, is amended to read:

28.11 Subd. 2. **Agricultural labor.** "Agricultural labor" means field labor associated with the
 28.12 cultivation and harvest of fruits and vegetables and work performed in processing fruits and
 28.13 vegetables for market, as well as labor performed in agriculture as defined in Minnesota
 28.14 Rules, part 5200.0260.

28.15 Sec. 12. Minnesota Statutes 2022, section 181.85, subdivision 4, is amended to read:

28.16 Subd. 4. **Employer.** "Employer" means ~~a processor of fruits or vegetables~~ an individual,
 28.17 partnership, association, corporation, business trust, or any person or group of persons that
 28.18 employs, either directly or indirectly through a recruiter, ~~more than 30~~ one or more migrant
 28.19 workers ~~per day for more than seven days~~ in any calendar year.

28.20 Sec. 13. Minnesota Statutes 2022, section 181.86, subdivision 1, is amended to read:

28.21 Subdivision 1. **Terms.** (a) An employer that recruits a migrant worker shall provide the
 28.22 migrant worker, at the time the worker is recruited, with a written employment statement
 28.23 which shall state clearly and plainly, in English and Spanish, or English and another language
 28.24 if the worker's preferred language is not English or Spanish:

28.25 (1) the date on which and the place at which the statement was completed and provided
 28.26 to the migrant worker;

28.27 (2) the name and permanent address of the migrant worker, of the employer, and of the
 28.28 recruiter who recruited the migrant worker;

29.1 (3) the date on which the migrant worker is to arrive at the place of employment, the
 29.2 date on which employment is to begin, the approximate hours of employment, and the
 29.3 minimum period of employment;

29.4 (4) the crops and the operations on which the migrant worker will be employed;

29.5 (5) the wage rates to be paid;

29.6 (6) the payment terms, as provided in section 181.87;

29.7 (7) any deduction to be made from wages; ~~and~~

29.8 (8) whether housing will be provided; and

29.9 (9) when workers' compensation insurance coverage is required by chapter 176, the
 29.10 name of the employer's workers' compensation insurance carrier, the carrier's phone number,
 29.11 and the insurance policy number.

29.12 (b) The Department of Labor and Industry shall provide a standard employment statement
 29.13 form for use at the employer's option for providing the information required in subdivision
 29.14 1. The form shall be available in English and Spanish and additional languages upon request.

29.15 (c) The requirements under this subdivision are in addition to the requirements under
 29.16 section 181.032.

29.17 Sec. 14. Minnesota Statutes 2022, section 181.87, subdivision 2, is amended to read:

29.18 Subd. 2. **Biweekly pay.** The employer shall pay wages due to the migrant worker at
 29.19 least every two weeks, except on termination, when the employer shall pay within three
 29.20 days unless payment is required sooner pursuant to section 181.13.

29.21 Sec. 15. Minnesota Statutes 2022, section 181.87, subdivision 3, is amended to read:

29.22 Subd. 3. **Guaranteed hours.** The employer shall guarantee to each recruited migrant
 29.23 worker a minimum of 70 hours pay for work in any two successive weeks and, should the
 29.24 pay for hours actually offered by the employer and worked by the migrant worker provide
 29.25 a sum of pay less than the minimum guarantee, the employer shall pay the migrant worker
 29.26 the difference within three days after the scheduled payday for the pay period involved.
 29.27 Payment for the guaranteed hours shall be at the hourly wage rate, if any, specified in the
 29.28 employment statement, or the federal, state, or local minimum wage, whichever is ~~higher~~
 29.29 highest. Any pay in addition to the hourly wage rate specified in the employment statement
 29.30 shall be applied against the guarantee. This guarantee applies for the minimum period of
 29.31 employment specified in the employment statement beginning with the date on which

30.1 employment is to begin as specified in the employment statement. The date on which
 30.2 employment is to begin may be changed by the employer by written, telephonic, or
 30.3 telegraphic notice to the migrant worker, at the worker's last known physical address or
 30.4 email address, no later than ten days prior to the previously stated beginning date. The
 30.5 migrant worker shall contact the recruiter to obtain the latest information regarding the date
 30.6 upon which employment is to begin no later than five days prior to the previously stated
 30.7 beginning date. This guarantee shall be reduced, when there is no work available for a period
 30.8 of seven or more consecutive days during any two-week period subsequent to the
 30.9 commencement of work, by five hours pay for each such day, when the unavailability of
 30.10 work is caused by climatic conditions or an act of God, provided that the employer pays
 30.11 the migrant worker, on the normal payday, the sum of ~~\$5~~ \$50 for each such day.

30.12 Sec. 16. Minnesota Statutes 2022, section 181.87, subdivision 7, is amended to read:

30.13 Subd. 7. **Statement itemizing deductions from wages.** The employer shall provide a
 30.14 written statement at the time wages are paid clearly itemizing each deduction from wages.
 30.15 The written statement shall also comply with all other requirements for an earnings statement
 30.16 in section 181.032.

30.17 Sec. 17. Minnesota Statutes 2022, section 181.88, is amended to read:

30.18 **181.88 RECORD KEEPING.**

30.19 Every employer subject to the provisions of sections 181.85 to 181.90 shall maintain
 30.20 complete and accurate records ~~of the names of, the daily hours worked by, the rate of pay~~
 30.21 ~~for and the wages paid each pay period to~~ for every individual migrant worker recruited by
 30.22 that employer, as required by section 177.30 and shall ~~preserve the records~~ also maintain
 30.23 the employment statements required under section 181.86 for a period of at least three years.

30.24 Sec. 18. Minnesota Statutes 2022, section 181.89, subdivision 2, is amended to read:

30.25 Subd. 2. **Judgment; damages.** If the court finds that any defendant has violated the
 30.26 provisions of sections 181.86 to 181.88, the court shall enter judgment for the actual damages
 30.27 incurred by the plaintiff or the appropriate penalty as provided by this subdivision, whichever
 30.28 is greater. The court may also award court costs and a reasonable attorney's fee. The penalties
 30.29 shall be as follows:

30.30 (1) whenever the court finds that an employer has violated the record-keeping
 30.31 requirements of section 181.88, ~~\$50~~ \$200;

31.1 (2) whenever the court finds that an employer has recruited a migrant worker without
 31.2 providing a written employment statement as provided in section 181.86, subdivision 1,
 31.3 ~~\$250~~ \$800;

31.4 (3) whenever the court finds that an employer has recruited a migrant worker after having
 31.5 provided a written employment statement, but finds that the employment statement fails to
 31.6 comply with the requirement of section 181.86, subdivision 1 or section 181.87, ~~\$250~~ \$800;

31.7 (4) whenever the court finds that an employer has failed to comply with the terms of an
 31.8 employment statement which the employer has provided to a migrant worker or has failed
 31.9 to comply with any payment term required by section 181.87, ~~\$500~~ \$1,600;

31.10 (5) whenever the court finds that an employer has failed to pay wages to a migrant worker
 31.11 within a time period set forth in section 181.87, subdivision 2 or 3, ~~\$500~~ \$1,600; and

31.12 (6) whenever penalties are awarded, they shall be awarded severally in favor of each
 31.13 migrant worker plaintiff and against each defendant found liable.

31.14 Sec. 19. Minnesota Statutes 2022, section 181.89, is amended by adding a subdivision to
 31.15 read:

31.16 Subd. 3. **Enforcement.** In addition to any other remedies available, the commissioner
 31.17 may assess the penalties in subdivision 2 and provide the penalty to the migrant worker
 31.18 aggrieved by the employer's noncompliance.

31.19 ARTICLE 3

31.20 NURSING HOME WORKFORCE STANDARDS

31.21 Section 1. TITLE.

31.22 Minnesota Statutes, sections 181.211 to 181.217, shall be known as the "Minnesota
 31.23 Nursing Home Workforce Standards Board Act."

31.24 Sec. 2. Minnesota Statutes 2022, section 177.27, subdivision 7, is amended to read:

31.25 Subd. 7. **Employer liability.** If an employer is found by the commissioner to have
 31.26 violated a section identified in subdivision 4, or any rule adopted under section 177.28,
 31.27 181.213, or 181.215, and the commissioner issues an order to comply, the commissioner
 31.28 shall order the employer to cease and desist from engaging in the violative practice and to
 31.29 take such affirmative steps that in the judgment of the commissioner will effectuate the
 31.30 purposes of the section or rule violated. The commissioner shall order the employer to pay
 31.31 to the aggrieved parties back pay, gratuities, and compensatory damages, less any amount

32.1 actually paid to the employee by the employer, and for an additional equal amount as
 32.2 liquidated damages. Any employer who is found by the commissioner to have repeatedly
 32.3 or willfully violated a section or sections identified in subdivision 4 shall be subject to a
 32.4 civil penalty of up to \$1,000 for each violation for each employee. In determining the amount
 32.5 of a civil penalty under this subdivision, the appropriateness of such penalty to the size of
 32.6 the employer's business and the gravity of the violation shall be considered. In addition, the
 32.7 commissioner may order the employer to reimburse the department and the attorney general
 32.8 for all appropriate litigation and hearing costs expended in preparation for and in conducting
 32.9 the contested case proceeding, unless payment of costs would impose extreme financial
 32.10 hardship on the employer. If the employer is able to establish extreme financial hardship,
 32.11 then the commissioner may order the employer to pay a percentage of the total costs that
 32.12 will not cause extreme financial hardship. Costs include but are not limited to the costs of
 32.13 services rendered by the attorney general, private attorneys if engaged by the department,
 32.14 administrative law judges, court reporters, and expert witnesses as well as the cost of
 32.15 transcripts. Interest shall accrue on, and be added to, the unpaid balance of a commissioner's
 32.16 order from the date the order is signed by the commissioner until it is paid, at an annual rate
 32.17 provided in section 549.09, subdivision 1, paragraph (c). The commissioner may establish
 32.18 escrow accounts for purposes of distributing damages.

32.19 Sec. 3. 181.211 **DEFINITIONS.**

32.20 Subdivision 1. **Application.** The terms defined in this section apply to sections 181.211
 32.21 to 181.217.

32.22 Subd. 2. **Board.** "Board" means the Minnesota Nursing Home Workforce Standards
 32.23 Board established under section 181.212.

32.24 Subd. 3. **Certified worker organization.** "Certified worker organization" means a
 32.25 worker organization that is certified by the board to conduct nursing home worker trainings
 32.26 under section 181.214.

32.27 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of labor and industry.

32.28 Subd. 5. **Compensation.** "Compensation" means all income and benefits paid by a
 32.29 nursing home employer to a nursing home worker or on behalf of a nursing home worker,
 32.30 including but not limited to wages, bonuses, differentials, paid leave, pay for scheduling
 32.31 changes, and pay for training or occupational certification.

32.32 Subd. 6. **Employer organization.** "Employer organization" means:

33.1 (1) an organization that is exempt from federal income taxation under section 501(c)(6)
 33.2 of the Internal Revenue Code and that represents nursing home employers; or

33.3 (2) an entity that employers, who together employ a majority of nursing home workers
 33.4 in Minnesota, have selected as a representative.

33.5 Subd. 7. **Nursing home.** "Nursing home" means a nursing home licensed under chapter
 33.6 144A, or a boarding care home licensed under sections 144.50 to 144.56.

33.7 Subd. 8. **Nursing home employer.** "Nursing home employer" means an employer of
 33.8 nursing home workers in a licensed, Medicaid-certified facility that is reimbursed under
 33.9 chapter 256R.

33.10 Subd. 9. **Nursing home worker.** "Nursing home worker" means any worker who provides
 33.11 services in a nursing home in Minnesota, including direct care staff, non-direct care staff,
 33.12 and contractors, but excluding administrative staff, medical directors, nursing directors,
 33.13 physicians, and individuals employed by a supplemental nursing services agency.

33.14 Subd. 10. **Worker organization.** "Worker organization" means an organization that is
 33.15 exempt from federal income taxation under section 501(c)(3), 501(c)(4), or 501(c)(5) of
 33.16 the Internal Revenue Code, that is not dominated or interfered with by any nursing home
 33.17 employer within the meaning of United States Code, title 29, section 158a(2), and that has
 33.18 at least five years of demonstrated experience engaging with and advocating for nursing
 33.19 home workers.

33.20 Sec. 4. **[181.212] MINNESOTA NURSING HOME WORKFORCE STANDARDS**
 33.21 **BOARD; ESTABLISHMENT.**

33.22 Subdivision 1. **Board established; membership.** (a) The Minnesota Nursing Home
 33.23 Workforce Standards Board is created with the powers and duties established by law. The
 33.24 board is composed of the following voting members:

33.25 (1) the commissioner of human services or a designee;

33.26 (2) the commissioner of health or a designee;

33.27 (3) the commissioner of labor and industry or a designee;

33.28 (4) three members who represent nursing home employers or employer organizations,
 33.29 appointed by the governor in accordance with section 15.066; and

33.30 (5) three members who represent nursing home workers or worker organizations,
 33.31 appointed by the governor in accordance with section 15.066.

34.1 (b) In making appointments under clause (4), the governor shall consider the geographic
34.2 distribution of nursing homes within the state.

34.3 Subd. 2. **Terms; vacancies.** (a) Board members appointed under subdivision 1, clause
34.4 (4) or (5), shall serve four-year terms following the initial staggered-lot determination.

34.5 (b) For members appointed under subdivision 1, clause (4) or (5), the governor shall fill
34.6 vacancies occurring prior to the expiration of a member's term by appointment for the
34.7 unexpired term. A member appointed under subdivision 1, clause (4) or (5), must not be
34.8 appointed to more than two consecutive terms.

34.9 (c) A member serves until a successor is appointed.

34.10 Subd. 3. **Chairperson.** The board shall elect a member by majority vote to serve as its
34.11 chairperson and shall determine the term to be served by the chairperson.

34.12 Subd. 4. **Staffing.** The commissioner may employ an executive director for the board
34.13 and other personnel to carry out duties of the board under sections 181.211 to 181.217.

34.14 Subd. 5. **Board compensation.** Compensation of board members is governed by section
34.15 15.0575.

34.16 Subd. 6. **Application of other laws.** Meetings of the board are subject to chapter 13D.
34.17 The board is subject to chapter 13. The board shall comply with section 15.0597.

34.18 Subd. 7. **Voting.** The affirmative vote of five board members is required for the board
34.19 to take any action, including actions necessary to establish minimum nursing home
34.20 employment standards under section 181.213.

34.21 Subd. 8. **Hearings and investigations.** To carry out its duties, the board shall hold public
34.22 hearings on, and conduct investigations into, working conditions in the nursing home industry
34.23 in accordance with section 181.213.

34.24 Subd. 9. **Department support.** The commissioner shall provide staff support to the
34.25 board. The support includes professional, legal, technical, and clerical staff necessary to
34.26 perform rulemaking and other duties assigned to the board. The commissioner shall supply
34.27 necessary office space and supplies to assist the board in its duties.

34.28 Subd. 10. **Antitrust compliance.** The board shall establish operating procedures that
34.29 meet all state and federal antitrust requirements and may prohibit board member access to
34.30 data to meet the requirements of this subdivision.

34.31 Subd. 11. **Annual report.** By December 1, 2023, and each December 1 thereafter, the
34.32 executive director of the board shall submit a report to the chairs and ranking minority

35.1 members of the house of representatives and senate committees with jurisdiction over labor
 35.2 and human services on any actions taken and any standards adopted by the board.

35.3 **Sec. 5. [181.213] DUTIES OF THE BOARD; MINIMUM NURSING HOME**
 35.4 **EMPLOYMENT STANDARDS.**

35.5 **Subdivision 1. Authority to establish minimum nursing home employment**
 35.6 **standards.** (a) The board must adopt rules establishing minimum nursing home employment
 35.7 standards that are reasonably necessary and appropriate to protect the health and welfare
 35.8 of nursing home workers, to ensure that nursing home workers are properly trained about
 35.9 and fully informed of their rights under sections 181.211 to 181.217, and to otherwise satisfy
 35.10 the purposes of sections 181.211 to 181.217. Standards established by the board must include
 35.11 standards on compensation for nursing home workers, and may include recommendations
 35.12 under paragraph (c). The board may not adopt standards that are less protective of or
 35.13 beneficial to nursing home workers as any other applicable statute or rule or any standard
 35.14 previously established by the board unless there is a determination by the board under
 35.15 subdivision 2 that existing standards exceed the operating payment rate and external fixed
 35.16 costs payment rates included in the most recent budget and economic forecast completed
 35.17 under section 16A.103. In establishing standards under this section, the board must establish
 35.18 statewide standards, and may adopt standards that apply to specific nursing home occupations.

35.19 (b) The board must adopt rules establishing initial standards for wages for nursing home
 35.20 workers no later than August 1, 2024. The board may use the authority in section 14.389
 35.21 to adopt rules under this paragraph. The board shall consult with the department in the
 35.22 development of these standards prior to beginning the rule adoption process.

35.23 (c) To the extent that any minimum standards that the board finds are reasonably
 35.24 necessary and appropriate to protect the health and welfare of nursing home workers fall
 35.25 within the jurisdiction of chapter 182, the board shall not adopt rules establishing the
 35.26 standards but shall instead recommend the occupational health and safety standards to the
 35.27 commissioner. The commissioner shall adopt nursing home health and safety standards
 35.28 under section 182.655 as recommended by the board, unless the commissioner determines
 35.29 that the recommended standard is outside the statutory authority of the commissioner,
 35.30 presents enforceability challenges, is infeasible to implement, or is otherwise unlawful and
 35.31 issues a written explanation of this determination.

35.32 **Subd. 2. Investigation of market conditions.** (a) The board must investigate market
 35.33 conditions and the existing wages, benefits, and working conditions of nursing home workers
 35.34 for specific geographic areas of the state and specific nursing home occupations. Based on

36.1 this information, the board must seek to adopt minimum nursing home employment standards
36.2 that meet or exceed existing industry conditions for a majority of nursing home workers in
36.3 the relevant geographic area and nursing home occupation. Except for standards exceeding
36.4 the threshold determined in paragraph (d), initial employment standards established by the
36.5 board are effective beginning January 1, 2025, and shall remain in effect until any subsequent
36.6 standards are adopted by rules.

36.7 (b) The board must consider the following types of information in making determinations
36.8 that employment standards are reasonably necessary to protect the health and welfare of
36.9 nursing home workers:

36.10 (1) wage rate and benefit data collected by or submitted to the board for nursing home
36.11 workers in the relevant geographic area and nursing home occupations;

36.12 (2) statements showing wage rates and benefits paid to nursing home workers in the
36.13 relevant geographic area and nursing home occupations;

36.14 (3) signed collective bargaining agreements applicable to nursing home workers in the
36.15 relevant geographic area and nursing home occupations;

36.16 (4) testimony and information from current and former nursing home workers, worker
36.17 organizations, nursing home employers, and employer organizations;

36.18 (5) local minimum nursing home employment standards;

36.19 (6) information submitted by or obtained from state and local government entities; and

36.20 (7) any other information pertinent to establishing minimum nursing home employment
36.21 standards.

36.22 (c) In considering wage and benefit increases, the board must determine the impact of
36.23 nursing home operating payment rates determined pursuant to section 256R.21, subdivision
36.24 3, and the employee benefits portion of the external fixed costs payment rate determined
36.25 pursuant to section 256R.25. If the board, in consultation with the commissioner of human
36.26 services, determines the operating payment rate and employee benefits portion of the external
36.27 fixed costs payment rate will increase to comply with the new employment standards, the
36.28 board shall report to the legislature the increase in funding needed to increase payment rates
36.29 to comply with the new employment standards and must make implementation of any new
36.30 nursing home employment standards contingent upon an appropriation, as determined by
36.31 sections 256R.21 and 256R.25, to fund the rate increase necessary to comply with the new
36.32 employment standards.

37.1 (d) In evaluating the impact of the employment standards on payment rates determined
37.2 by sections 256R.21 and 256R.25, the board, in consultation with the commissioner of
37.3 human services, must consider the following:

37.4 (1) the statewide average wage rates for employees pursuant to section 256R.10,
37.5 subdivision 5, and benefit rates pursuant to section 256R.02, subdivisions 18 and 22, as
37.6 determined by the annual Medicaid cost report used to determine the operating payment
37.7 rate and the employee benefits portion of the external fixed costs payment rate for the first
37.8 day of the calendar year immediately following the date the board has established minimum
37.9 wage and benefit levels;

37.10 (2) compare the results of clause (1) to the operating payment rate and employee benefits
37.11 portion of the external fixed costs payment rate increase for the first day of the second
37.12 calendar year after the adoption of any nursing home employment standards included in the
37.13 most recent budget and economic forecast completed under section 16A.103; and

37.14 (3) if the established nursing home employment standards result in an increase in costs
37.15 that exceed the operating payment rate and external fixed costs payment rate increase
37.16 included in the most recent budget and economic forecast completed under section 16A.103,
37.17 effective on the proposed implementation date of the new nursing home employment
37.18 standards, the board must determine if the rates will need to be increased to meet the new
37.19 employment standards and the standards must not be effective until an appropriation sufficient
37.20 to cover the rate increase and federal approval of the rate increase is obtained.

37.21 (e) The budget and economic forecasts completed under section 16A.103 shall not
37.22 assume an increase in payment rates determined under chapter 256R resulting from the new
37.23 employment standards until the board certifies the rates will need to be increased and the
37.24 legislature appropriates funding for the increase in payment rates.

37.25 Subd. 3. **Review of standards.** At least once every two years, the board shall:

37.26 (1) conduct a full review of the adequacy of the minimum nursing home employment
37.27 standards previously established by the board; and

37.28 (2) following that review, adopt new rules, amend or repeal existing rules, or make
37.29 recommendations to adopt new rules or amend or repeal existing rules for minimum nursing
37.30 home employment standards using the expedited rulemaking process in section 14.389, as
37.31 appropriate to meet the purposes of sections 181.211 to 181.217.

37.32 Subd. 4. **Variance and waiver.** The board shall adopt procedures for considering
37.33 temporary variances and waivers of the established standards for individual nursing homes

38.1 based on the board's evaluation of the risk of closure or receivership under section 144A.15,
 38.2 due to compliance with all or part of an applicable standard.

38.3 Subd. 5. **Conflict.** (a) In the event of a conflict between a standard established by the
 38.4 board in rule and a rule adopted by another state agency, the rule adopted by the board shall
 38.5 apply to nursing home workers and nursing home employers.

38.6 (b) Notwithstanding paragraph (a), in the event of a conflict between a standard
 38.7 established by the board in rule and a rule adopted by another state agency, the rule adopted
 38.8 by the other state agency shall apply to nursing home workers and nursing home employers
 38.9 if the rule adopted by the other state agency is adopted after the board's standard and the
 38.10 rule adopted by the other state agency is more protective or beneficial than the board's
 38.11 standard.

38.12 (c) Notwithstanding paragraph (a), if the commissioner of health determines that a
 38.13 standard established by the board in rule or recommended by the board conflicts with
 38.14 requirements in federal regulations for nursing home certification or with state statutes or
 38.15 rules governing licensure of nursing homes, the federal regulations or state nursing home
 38.16 licensure statutes or rules shall take precedence, and the conflicting board standard or rule
 38.17 shall not apply to nursing home workers or nursing home employers.

38.18 Subd. 6. **Effect on other agreements.** Nothing in sections 181.211 to 181.217 shall be
 38.19 construed to:

38.20 (1) limit the rights of parties to a collective bargaining agreement to bargain and agree
 38.21 with respect to nursing home employment standards; or

38.22 (2) diminish the obligation of a nursing home employer to comply with any contract,
 38.23 collective bargaining agreement, or employment benefit program or plan that meets or
 38.24 exceeds, and does not conflict with, the minimum standards and requirements in sections
 38.25 181.211 to 181.217 or established by the board.

38.26 Sec. 6. **[181.214] DUTIES OF THE BOARD; TRAINING FOR NURSING HOME**
 38.27 **WORKERS.**

38.28 Subdivision 1. **Certification of worker organizations.** The board shall certify worker
 38.29 organizations that it finds are qualified to provide training to nursing home workers according
 38.30 to this section. The board shall by rule establish certification criteria that a worker
 38.31 organization must meet in order to be certified and provide a process for renewal of
 38.32 certification upon the board's review of the worker organization's compliance with this
 38.33 section. In adopting rules to establish certification criteria under this subdivision, the board

39.1 may use the authority in section 14.389. The criteria must ensure that a worker organization,
39.2 if certified, is able to provide:

39.3 (1) effective, interactive training on the information required by this section; and

39.4 (2) follow-up written materials and responses to inquiries from nursing home workers
39.5 in the languages in which nursing home workers are proficient.

39.6 Subd. 2. **Curriculum.** (a) The board shall establish requirements for the curriculum for
39.7 the nursing home worker training required by this section. A curriculum must at least provide
39.8 the following information to nursing home workers:

39.9 (1) the applicable compensation and working conditions in the minimum standards or
39.10 local minimum standards established by the board;

39.11 (2) the antiretaliation protections established in section 181.216;

39.12 (3) information on how to enforce sections 181.211 to 181.217 and on how to report
39.13 violations of sections 181.211 to 181.217 or of standards established by the board, including
39.14 contact information for the Department of Labor and Industry, the board, and any local
39.15 enforcement agencies, and information on the remedies available for violations;

39.16 (4) the purposes and functions of the board and information on upcoming hearings,
39.17 investigations, or other opportunities for nursing home workers to become involved in board
39.18 proceedings;

39.19 (5) other rights, duties, and obligations under sections 181.211 to 181.217;

39.20 (6) any updates or changes to the information provided according to clauses (1) to (5)
39.21 since the most recent training session;

39.22 (7) any other information the board deems appropriate to facilitate compliance with
39.23 sections 181.211 to 181.217; and

39.24 (8) information on labor standards in other applicable local, state, and federal laws, rules,
39.25 and ordinances regarding nursing home working conditions or nursing home worker health
39.26 and safety.

39.27 (b) Before establishing initial curriculum requirements, the board must hold at least one
39.28 public hearing to solicit input on the requirements.

39.29 Subd. 3. **Topics covered in training session.** A certified worker organization is not
39.30 required to cover all of the topics listed in subdivision 2 in a single training session. A
39.31 curriculum used by a certified worker organization may provide instruction on each topic
39.32 listed in subdivision 2 over the course of up to three training sessions.

40.1 Subd. 4. Annual review of curriculum requirements. The board must review the
40.2 adequacy of its curriculum requirements at least annually and must revise the requirements
40.3 as appropriate to meet the purposes of sections 181.211 to 181.217. As part of each annual
40.4 review of the curriculum requirements, the board must hold at least one public hearing to
40.5 solicit input on the requirements.

40.6 Subd. 5. Duties of certified worker organizations. A certified worker organization:

40.7 (1) must use a curriculum for its training sessions that meets requirements established
40.8 by the board;

40.9 (2) must provide trainings that are interactive and conducted in the languages in which
40.10 the attending nursing home workers are proficient;

40.11 (3) must, at the end of each training session, provide attending nursing home workers
40.12 with follow-up written or electronic materials on the topics covered in the training session,
40.13 in order to fully inform nursing home workers of their rights and opportunities under sections
40.14 181.211 to 181.217;

40.15 (4) must make itself reasonably available to respond to inquiries from nursing home
40.16 workers during and after training sessions; and

40.17 (5) may conduct surveys of nursing home workers who attend a training session to assess
40.18 the effectiveness of the training session and industry compliance with sections 181.211 to
40.19 181.217 and other applicable laws, rules, and ordinances governing nursing home working
40.20 conditions or worker health and safety.

40.21 Subd. 6. Nursing home employer duties regarding training. (a) A nursing home
40.22 employer must submit written documentation to the board to certify that every two years
40.23 each of its nursing home workers completes one hour of training that meets the requirements
40.24 of this section and is provided by a certified worker organization. A nursing home employer
40.25 may, but is not required to, host training sessions on the premises of the nursing home.

40.26 (b) If requested by a certified worker organization, a nursing home employer must, after
40.27 a training session provided by the certified worker organization, provide the certified worker
40.28 organization with the names and contact information of the nursing home workers who
40.29 attended the training session, unless a nursing home worker opts out according to paragraph
40.30 (c).

40.31 (c) A nursing home worker may opt out of having the worker's nursing home employer
40.32 provide the worker's name and contact information to a certified worker organization that

41.1 provided a training session attended by the worker by submitting a written statement to that
41.2 effect to the nursing home employer.

41.3 Subd. 7. **Training compensation.** A nursing home employer must compensate its nursing
41.4 home workers at their regular hourly rate of wages and benefits for each hour of training
41.5 completed as required by this section and reimburse any reasonable travel expenses associated
41.6 with attending training sessions not held on the premises of the nursing home.

41.7 Sec. 7. **[181.215] REQUIRED NOTICES.**

41.8 Subdivision 1. **Provision of notice.** (a) Nursing home employers must provide notices
41.9 informing nursing home workers of the rights and obligations provided under sections
41.10 181.211 to 181.217 of applicable minimum nursing home employment standards and local
41.11 minimum standards and that for assistance and information, nursing home workers should
41.12 contact the Department of Labor and Industry. A nursing home employer must provide
41.13 notice using the same means that the nursing home employer uses to provide other
41.14 work-related notices to nursing home workers. Provision of notice must be at least as
41.15 conspicuous as:

41.16 (1) posting a copy of the notice at each work site where nursing home workers work
41.17 and where the notice may be readily seen and reviewed by all nursing home workers working
41.18 at the site; or

41.19 (2) providing a paper or electronic copy of the notice to all nursing home workers and
41.20 applicants for employment as a nursing home worker.

41.21 (b) The notice required by this subdivision must include text provided by the board that
41.22 informs nursing home workers that they may request the notice to be provided in a particular
41.23 language. The nursing home employer must provide the notice in the language requested
41.24 by the nursing home worker. The board must assist nursing home employers in translating
41.25 the notice in the languages requested by their nursing home workers.

41.26 Subd. 2. **Minimum content and posting requirements.** The board must adopt rules
41.27 under section 14.389 specifying the minimum content and posting requirements for the
41.28 notices required in subdivision 1. The board must make available to nursing home employers
41.29 a template or sample notice that satisfies the requirements of this section and rules adopted
41.30 under this section.

42.1 Sec. 8. **[181.216] RETALIATION PROHIBITED.**

42.2 (a) A nursing home employer shall not discharge, discipline, penalize, interfere with,
42.3 threaten, restrain, coerce, or otherwise retaliate or discriminate against a nursing home
42.4 worker because the person has exercised or attempted to exercise rights protected under
42.5 this act, including but not limited to:

42.6 (1) exercising any right afforded to the nursing home worker under sections 181.211 to
42.7 181.217;

42.8 (2) participating in any process or proceeding under sections 181.211 to 181.217,
42.9 including but not limited to board hearings, board or department investigations, or other
42.10 related proceedings; or

42.11 (3) attending or participating in the training required by section 181.214.

42.12 (b) It shall be unlawful for an employer to:

42.13 (1) inform another employer that a nursing home worker or former nursing home worker
42.14 has engaged in activities protected under sections 181.211 to 181.217; or

42.15 (2) report or threaten to report the actual or suspected citizenship or immigration status
42.16 of a nursing home worker, former nursing home worker, or family member of a nursing
42.17 home worker to a federal, state, or local agency for exercising or attempting to exercise any
42.18 right protected under this act.

42.19 (c) A person found to have experienced retaliation in violation of this section shall be
42.20 entitled to back pay and reinstatement to the person's previous position, wages, benefits,
42.21 hours, and other conditions of employment.

42.22 Sec. 9. **[181.217] ENFORCEMENT.**

42.23 Subdivision 1. **Minimum nursing home employment standards.** Except as provided
42.24 in section 181.213, subdivision 4, paragraph (b) or (c), the minimum wages and other
42.25 compensation established by the board in rule as minimum nursing home employment
42.26 standards shall be the minimum wages and other compensation for nursing home workers
42.27 or a subgroup of nursing home workers as a matter of state law. Except as provided in
42.28 section 181.213, subdivision 4, paragraph (b) or (c), it shall be unlawful for a nursing home
42.29 employer to employ a nursing home worker for lower wages or other compensation than
42.30 that established as the minimum nursing home employment standards.

42.31 Subd. 2. **Investigations.** The commissioner may investigate possible violations of sections
42.32 181.214 to 181.217 or of the minimum nursing home employment standards established by

43.1 the board whenever it has cause to believe that a violation has occurred, either on the basis
 43.2 of a report of a suspected violation or on the basis of any other credible information, including
 43.3 violations found during the course of an investigation.

43.4 Subd. 3. **Civil action by nursing home worker.** (a) One or more nursing home workers
 43.5 may bring a civil action in district court seeking redress for violations of sections 181.211
 43.6 to 181.217 or of any applicable minimum nursing home employment standards or local
 43.7 minimum nursing home employment standards. Such an action may be filed in the district
 43.8 court of the county where a violation or violations are alleged to have been committed or
 43.9 where the nursing home employer resides, or in any other court of competent jurisdiction,
 43.10 and may represent a class of similarly situated nursing home workers.

43.11 (b) Upon a finding of one or more violations, a nursing home employer shall be liable
 43.12 to each nursing home worker for the full amount of the wages, benefits, and overtime
 43.13 compensation, less any amount the nursing home employer is able to establish was actually
 43.14 paid to each nursing home worker, and for an additional equal amount as liquidated damages.
 43.15 In an action under this subdivision, nursing home workers may seek damages and other
 43.16 appropriate relief provided by section 177.27, subdivision 7, or otherwise provided by law,
 43.17 including reasonable costs, disbursements, witness fees, and attorney fees. A court may also
 43.18 issue an order requiring compliance with sections 181.211 to 181.217 or with the applicable
 43.19 minimum nursing home employment standards or local minimum nursing home employment
 43.20 standards. A nursing home worker found to have experienced retaliation in violation of
 43.21 section 181.216 shall be entitled to back pay and reinstatement to the worker's previous
 43.22 position, wages, benefits, hours, and other conditions of employment.

43.23 (c) An agreement between a nursing home employer and nursing home worker or labor
 43.24 union that fails to meet the minimum standards and requirements in sections 181.211 to
 43.25 181.217 or established by the board is not a defense to an action brought under this
 43.26 subdivision.

43.27 Sec. 10. **INITIAL APPOINTMENTS.**

43.28 The governor shall make initial appointments to the Minnesota Nursing Home Workforce
 43.29 Standards Board under Minnesota Statutes, section 181.212, no later than August 1, 2023.
 43.30 Notwithstanding Minnesota Statutes, section 181.212, subdivision 2, the initial terms of
 43.31 members appointed under Minnesota Statutes, section 181.212, subdivision 1, clauses (4)
 43.32 and (5), shall be determined by lot by the secretary of state and shall be as follows:

43.33 (1) one member appointed under each of Minnesota Statutes, section 181.212, subdivision
 43.34 1, clauses (4) and (5), shall serve a two-year term;

44.1 (2) one member appointed under each of Minnesota Statutes, section 181.212, subdivision
 44.2 1, clauses (4) and (5), shall serve a three-year term; and

44.3 (3) one member appointed under each of Minnesota Statutes, section 181.212, subdivision
 44.4 1, clauses (4) and (5), shall serve a four-year term.

44.5 The commissioner of labor and industry must convene the first meeting within 30 days after
 44.6 the governor completes appointments to the board. The board must elect a chair at its first
 44.7 meeting.

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

44.9 **ARTICLE 4**

44.10 **COMBATIVE SPORTS**

44.11 Section 1. Minnesota Statutes 2022, section 341.21, subdivision 2a, is amended to read:

44.12 Subd. 2a. **Combatant.** "Combatant" means an individual who employs the act of attack
 44.13 and defense as a professional boxer, professional or amateur tough person, ~~martial artist~~
 44.14 professional or amateur kickboxer, or professional or amateur mixed martial artist while
 44.15 engaged in a combative sport.

44.16 **EFFECTIVE DATE.** This section is effective January 1, 2024.

44.17 Sec. 2. Minnesota Statutes 2022, section 341.21, subdivision 2b, is amended to read:

44.18 Subd. 2b. **Combative sport.** "Combative sport" means a sport that employs the act of
 44.19 attack and defense with the fists, with or without using padded gloves, or feet that is practiced
 44.20 as a sport under the rules of the Association of Boxing Commissions, unified rules for mixed
 44.21 martial arts, or their equivalent. Combative sports include professional boxing ~~and,~~
 44.22 professional and amateur tough person, professional or amateur kickboxing, and professional
 44.23 and amateur mixed martial arts contests.

44.24 **EFFECTIVE DATE.** This section is effective January 1, 2024.

44.25 Sec. 3. Minnesota Statutes 2022, section 341.21, subdivision 2c, is amended to read:

44.26 Subd. 2c. **Combative sports contest.** "Combative sports contest" means a professional
 44.27 boxing, a professional or amateur tough person, a professional or amateur kickboxing, or
 44.28 a professional or amateur ~~martial art contest~~ or mixed martial arts contest, bout, competition,
 44.29 match, or exhibition.

44.30 **EFFECTIVE DATE.** This section is effective January 1, 2024.

45.1 Sec. 4. Minnesota Statutes 2022, section 341.21, subdivision 4f, is amended to read:

45.2 Subd. 4f. **Martial art.** "Martial art" means a variety of weaponless disciplines of combat
 45.3 or self-defense that utilize physical skill and coordination, and are practiced as combat
 45.4 sports. The disciplines include, but are not limited to, Wing Chun, ~~kickboxing~~, Tae kwon
 45.5 do, savate, karate, ~~Muay Thai~~, sanshou, Jiu Jitsu, judo, ninjitsu, kung fu, Brazilian Jiu Jitsu,
 45.6 wrestling, grappling, tai chi, and other weaponless martial arts disciplines.

45.7 **EFFECTIVE DATE.** This section is effective January 1, 2024.

45.8 Sec. 5. Minnesota Statutes 2022, section 341.21, is amended by adding a subdivision to
 45.9 read:

45.10 Subd. 4i. **Kickboxing.** "Kickboxing" means the act of attack and defense with the fists
 45.11 using padded gloves and bare feet.

45.12 **EFFECTIVE DATE.** This section is effective January 1, 2024.

45.13 Sec. 6. Minnesota Statutes 2022, section 341.21, subdivision 7, is amended to read:

45.14 Subd. 7. **Tough person contest.** "Tough person contest," including contests marketed
 45.15 as tough man or tough woman contests, means a ~~contest of two-minute rounds consisting~~
 45.16 ~~of not more than four rounds between two or more individuals who use their hands, or their~~
 45.17 ~~feet, or both in any manner. Tough person contest includes kickboxing and other recognized~~
 45.18 ~~martial art contest~~ boxing match or similar contest where each combatant wears headgear
 45.19 and gloves that weigh at least 12 ounces.

45.20 Sec. 7. Minnesota Statutes 2022, section 341.221, is amended to read:

45.21 **341.221 ADVISORY COUNCIL.**

45.22 (a) The commissioner must appoint a Combative Sports Advisory Council to advise the
 45.23 commissioner on the administration of duties under this chapter.

45.24 (b) The council shall have ~~nine~~ five members appointed by the commissioner. ~~One~~
 45.25 ~~member must be a retired judge of the Minnesota District Court, Minnesota Court of Appeals,~~
 45.26 ~~Minnesota Supreme Court, the United States District Court for the District of Minnesota,~~
 45.27 ~~or the Eighth Circuit Court of Appeals. At least four~~ All five members must have knowledge
 45.28 ~~of the boxing industry. At least four members must have knowledge of the mixed martial~~
 45.29 ~~arts industry~~ combative sports. The commissioner shall make serious efforts to appoint
 45.30 qualified women to serve on the council.

46.1 ~~(e) Council members shall serve terms of four years with the terms ending on the first~~
 46.2 ~~Monday in January.~~

46.3 ~~(d)~~ (c) The council shall annually elect from its membership a chair.

46.4 (e) (d) Meetings shall be convened by the commissioner, or by the chair with the approval
 46.5 of the commissioner.

46.6 ~~(f) The commissioner shall designate two of the members to serve until the first Monday~~
 46.7 ~~in January 2013; two members to serve until the first Monday in January 2014; two members~~
 46.8 ~~to serve until the first Monday in January 2015; and three members to serve until the first~~
 46.9 ~~Monday in January 2016.~~

46.10 (e) Appointments to the council and the terms of council members are governed by
 46.11 sections 15.059 and 15.0597.

46.12 ~~(g)~~ (f) Removal of members, filling of vacancies, and compensation of members shall
 46.13 be as provided in section 15.059.

46.14 (g) Meetings convened for the purpose of advising the commissioner on issues related
 46.15 to a challenge filed under section 341.345 are exempt from the open meeting requirements
 46.16 of chapter 13D.

46.17 Sec. 8. Minnesota Statutes 2022, section 341.25, is amended to read:

46.18 **341.25 RULES.**

46.19 (a) The commissioner may adopt rules that include standards for the physical examination
 46.20 and condition of combatants and referees.

46.21 (b) The commissioner may adopt other rules necessary to carry out the purposes of this
 46.22 chapter, including, but not limited to, the conduct of all combative sport contests and their
 46.23 manner, supervision, time, and place.

46.24 ~~(e) The commissioner must adopt unified rules for mixed martial arts contests.~~

46.25 ~~(d) The commissioner may adopt the rules of the Association of Boxing Commissions,~~
 46.26 ~~with amendments.~~

46.27 ~~(e)~~ (c) The most recent version of the Unified Rules of Mixed Martial Arts, as
 46.28 promulgated by the Association of Boxing Commissions ~~and amended August 2, 2016, are,~~
 46.29 is incorporated by reference and made a part of this chapter except as qualified by this
 46.30 chapter and Minnesota Rules, chapter 2202. In the event of a conflict between this chapter
 46.31 and the Unified Rules, this chapter must govern.

47.1 (d) The most recent version of the Unified Rules of Boxing, as promulgated by the
 47.2 Association of Boxing Commissions, is incorporated by reference and made a part of this
 47.3 chapter except as qualified by this chapter and Minnesota Rules, chapter 2201. In the event
 47.4 of a conflict between this chapter and the Unified Rules, this chapter must govern.

47.5 (e) The most recent version of the Unified Rules of Kickboxing, as promulgated by the
 47.6 Association of Boxing Commissions, is incorporated by reference and made a part of this
 47.7 chapter except as qualified by this chapter and any applicable Minnesota Rules. In the event
 47.8 of a conflict between this chapter and the Unified Rules, this chapter must govern.

47.9 **EFFECTIVE DATE.** This section is effective January 1, 2024.

47.10 Sec. 9. Minnesota Statutes 2022, section 341.27, is amended to read:

47.11 **341.27 COMMISSIONER DUTIES.**

47.12 The commissioner shall:

47.13 (1) issue, deny, renew, suspend, or revoke licenses;

47.14 (2) make and maintain records of its acts and proceedings including the issuance, denial,
 47.15 renewal, suspension, or revocation of licenses;

47.16 (3) keep public records of the council open to inspection at all reasonable times;

47.17 (4) develop rules to be implemented under this chapter;

47.18 (5) conform to the rules adopted under this chapter;

47.19 (6) develop policies and procedures for regulating boxing, kickboxing, and mixed martial
 47.20 arts;

47.21 (7) approve regulatory bodies to oversee martial arts and amateur boxing contests under
 47.22 section 341.28, subdivision 5;

47.23 ~~(7)~~ (8) immediately suspend an individual license for a medical condition, including but
 47.24 not limited to a medical condition resulting from an injury sustained during a match, bout,
 47.25 or contest that has been confirmed by the ringside physician. The medical suspension must
 47.26 be lifted after the commissioner receives written information from a physician licensed in
 47.27 the home state of the licensee indicating that the combatant may resume competition, and
 47.28 any other information that the commissioner may by rule require. Medical suspensions are
 47.29 not subject to section 326B.082 or the contested case procedures provided in sections 14.57
 47.30 to 14.69; and

48.1 ~~(8)~~ (9) immediately suspend an individual combatant license for a mandatory rest period,
 48.2 which must commence at the conclusion of every combative sports contest in which the
 48.3 license holder competes and does not receive a medical suspension. A rest suspension must
 48.4 automatically lift after 14 calendar days from the date the combative sports contest passed
 48.5 without notice or additional proceedings. Rest suspensions are not subject to section 326B.082
 48.6 or the contested case procedures provided in sections 14.57 to 14.69.

48.7 **EFFECTIVE DATE.** This section is effective January 1, 2024.

48.8 Sec. 10. Minnesota Statutes 2022, section 341.28, subdivision 2, is amended to read:

48.9 Subd. 2. **Regulatory authority; tough person contests.** All professional and amateur
 48.10 tough person contests are subject to this chapter. All tough person contests are subject to
 48.11 the most recent version of the Unified Rules of Boxing, as promulgated by the Association
 48.12 of Boxing Commissions rules. Every contestant in a tough person contest shall have a
 48.13 physical examination prior to their bouts. Every contestant in a tough person contest shall
 48.14 wear headgear and padded gloves that weigh at least 12 ounces. ~~All tough person bouts are~~
 48.15 ~~limited to two-minute rounds and a maximum of four total rounds.~~ Officials at all tough
 48.16 person contests shall be licensed under this chapter.

48.17 Sec. 11. Minnesota Statutes 2022, section 341.28, subdivision 3, is amended to read:

48.18 Subd. 3. **Regulatory authority; mixed martial arts contests; ~~similar sporting~~**
 48.19 **events.** All professional and amateur mixed martial arts contests, ~~martial arts contests except~~
 48.20 ~~amateur contests regulated by the Minnesota State High School League (MSHSL), recognized~~
 48.21 ~~martial arts studios and schools in Minnesota, and recognized national martial arts~~
 48.22 ~~organizations holding contests between students, ultimate fight contests, and similar sporting~~
 48.23 ~~events~~ are subject to this chapter and all officials at these events must be licensed under this
 48.24 chapter.

48.25 **EFFECTIVE DATE.** This section is effective January 1, 2024.

48.26 Sec. 12. Minnesota Statutes 2022, section 341.28, is amended by adding a subdivision to
 48.27 read:

48.28 Subd. 4. **Regulatory authority; kickboxing contests.** All professional and amateur
 48.29 kickboxing contests are subject to this chapter and all officials at these events must be
 48.30 licensed under this chapter.

48.31 **EFFECTIVE DATE.** This section is effective January 1, 2024.

49.1 Sec. 13. Minnesota Statutes 2022, section 341.28, is amended by adding a subdivision to
49.2 read:

49.3 Subd. 5. **Regulatory authority; martial arts and amateur boxing.** (a) Unless this
49.4 chapter specifically states otherwise, contests or exhibitions for martial arts and amateur
49.5 boxing are exempt from the requirements of this chapter and officials at these events are
49.6 not required to be licensed under this chapter.

49.7 (b) Martial arts and amateur boxing contests, unless subject to the exceptions set forth
49.8 in subdivision 6, must be regulated by a nationally recognized organization approved by
49.9 the commissioner. The organization must have a set of written standards, procedures, or
49.10 rules used to sanction the combative sports it oversees.

49.11 (c) Any regulatory body overseeing a martial arts or amateur boxing event must submit
49.12 bout results to the commissioner within 72 hours after the event. If the regulatory body
49.13 issues suspensions, the regulatory body must submit to the commissioner a list of any
49.14 suspensions resulting from the event within 72 hours after the event. Regulatory bodies that
49.15 oversee combative sports or martial arts contests under subdivision 6 are not subject to this
49.16 paragraph.

49.17 **EFFECTIVE DATE.** This section is effective January 1, 2024.

49.18 Sec. 14. Minnesota Statutes 2022, section 341.28, is amended by adding a subdivision to
49.19 read:

49.20 Subd. 6. **Regulatory authority; certain students.** Combative sports or martial arts
49.21 contests regulated by the Minnesota State High School League, National Collegiate Athletic
49.22 Association, National Junior Collegiate Athletic Association, National Association of
49.23 Intercollegiate Athletics, or any similar organization that governs interscholastic athletics
49.24 are not subject to this chapter and officials at these events are not required to be licensed
49.25 under this chapter.

49.26 **EFFECTIVE DATE.** This section is effective January 1, 2024.

49.27 Sec. 15. Minnesota Statutes 2022, section 341.30, subdivision 4, is amended to read:

49.28 Subd. 4. **Prelicensure requirements.** (a) Before the commissioner issues a promoter's
49.29 license to an individual, corporation, or other business entity, the applicant shall, ~~a minimum~~
49.30 ~~of six weeks before the combative sport contest is scheduled to occur,~~ complete a licensing
49.31 application on the Office of Combative Sports website or on forms ~~furnished or approved~~
49.32 prescribed by the commissioner and shall:

50.1 ~~(1) provide the commissioner with a copy of any agreement between a combatant and~~
 50.2 ~~the applicant that binds the applicant to pay the combatant a certain fixed fee or percentage~~
 50.3 ~~of the gate receipts;~~

50.4 ~~(2)~~ (1) show on the licensing application the owner or owners of the applicant entity and
 50.5 the percentage of interest held by each owner holding a 25 percent or more interest in the
 50.6 applicant;

50.7 ~~(3)~~ (2) provide the commissioner with a copy of the latest financial statement of the
 50.8 applicant;

50.9 ~~(4) provide the commissioner with a copy or other proof acceptable to the commissioner~~
 50.10 ~~of the insurance contract or policy required by this chapter;~~

50.11 ~~(5)~~ (3) provide proof, where applicable, of authorization to do business in the state of
 50.12 Minnesota; and

50.13 ~~(6)~~ (4) deposit with the commissioner a ~~cash bond or~~ surety bond in an amount set by
 50.14 the commissioner, which must not be less than \$10,000. The bond shall be executed in favor
 50.15 of this state and shall be conditioned on the faithful performance by the promoter of the
 50.16 promoter's obligations under this chapter and the rules adopted under it.

50.17 (b) Before the commissioner issues a license to a combatant, the applicant shall:

50.18 (1) submit to the commissioner the results of a current medical ~~examination~~ examinations
 50.19 on forms ~~furnished or approved~~ prescribed by the commissioner that state that the combatant
 50.20 is cleared to participate in a combative sport contest. The medical examination must include
 50.21 an ophthalmological and neurological examination, and documentation of test results for
 50.22 HBV, HCV, and HIV, and any other blood test as the commissioner by rule may require.
 50.23 ~~The ophthalmological examination must be designed to detect any retinal defects or other~~
 50.24 ~~damage or condition of the eye that could be aggravated by combative sports. The~~
 50.25 ~~neurological examination must include an electroencephalogram or medically superior test~~
 50.26 ~~if the combatant has been knocked unconscious in a previous contest. The commissioner~~
 50.27 ~~may also order an electroencephalogram or other appropriate neurological or physical~~
 50.28 ~~examination before any contest if it determines that the examination is desirable to protect~~
 50.29 ~~the health of the combatant. The commissioner shall not issue a license to an applicant~~
 50.30 ~~submitting positive test results for HBV, HCV, or HIV;~~ The applicant must undergo and
 50.31 submit the results of the following medical examinations, which do not exempt a combatant
 50.32 from the requirements in section 341.33:

51.1 (i) a physical examination performed by a licensed medical doctor, doctor of osteopathic
 51.2 medicine, advance practice nurse practitioner, or a physician assistant. Physical examinations
 51.3 are valid for one year from the date of the exam;

51.4 (ii) an ophthalmological examination performed by an ophthalmologist or optometrist
 51.5 that includes dilation designed to detect any retinal defects or other damage or a condition
 51.6 of the eye that could be aggravated by combative sports. Ophthalmological examinations
 51.7 are valid for one year from the date of the exam;

51.8 (iii) blood work results for HBsAg (Hepatitis B surface antigen), HCV (Hepatitis C
 51.9 antibody), and HIV. Blood work results are good for one year from the date blood was
 51.10 drawn. The commissioner shall not issue a license to an applicant submitting positive test
 51.11 results for HBsAg, HCV, or HIV; and

51.12 (iv) other appropriate neurological or physical examinations before any contest, if the
 51.13 commissioner determines that the examination is desirable to protect the health of the
 51.14 combatant;

51.15 (2) complete a licensing application on the Office of Combative Sports website or on
 51.16 forms ~~furnished or approved~~ prescribed by the commissioner; and

51.17 (3) provide proof that the applicant is 18 years of age. Acceptable proof is a photo driver's
 51.18 license, state photo identification card, passport, or birth certificate combined with additional
 51.19 photo identification.

51.20 (c) Before the commissioner issues a license to a referee, judge, or timekeeper, the
 51.21 applicant must submit proof of qualifications that may include certified training from the
 51.22 Association of Boxing Commissions, licensure with other regulatory bodies, professional
 51.23 references, or a log of bouts worked.

51.24 (d) Before the commissioner issues a license to a ringside physician, the applicant must
 51.25 submit proof that they are licensed to practice medicine in the state of Minnesota and in
 51.26 good standing.

51.27 Sec. 16. Minnesota Statutes 2022, section 341.32, subdivision 2, is amended to read:

51.28 Subd. 2. **Expiration and application.** Licenses issued on or after January 1, 2023, shall
 51.29 expire annually on December 31 one year after the date of issuance. A license may be
 51.30 applied for each year by filing an application for licensure and satisfying all licensure
 51.31 requirements established in section 341.30, and submitting payment of the license fees
 51.32 established in section 341.321. An application for a license and renewal of a license must
 51.33 be on a form provided by the commissioner.

52.1 Sec. 17. Minnesota Statutes 2022, section 341.321, is amended to read:

52.2 **341.321 FEE SCHEDULE.**

52.3 (a) The fee schedule for professional and amateur licenses issued by the commissioner
52.4 is as follows:

52.5 (1) referees, \$25;

52.6 (2) promoters, \$700;

52.7 (3) judges and knockdown judges, \$25;

52.8 (4) trainers and seconds, ~~\$80~~ \$40;

52.9 (5) timekeepers, \$25;

52.10 (6) professional combatants, \$70;

52.11 (7) amateur combatants, ~~\$50~~ \$35; and

52.12 (8) ringside physicians, \$25.

52.13 ~~License fees for promoters are due at least six weeks prior to the combative sport contest.~~

52.14 All ~~other~~ license fees shall be paid no later than the weigh-in prior to the contest. No license
52.15 may be issued until all prelicensure requirements in section 341.30 are satisfied and fees
52.16 are paid.

52.17 ~~(b) The commissioner shall establish a contest fee for each combative sport contest and~~
52.18 ~~shall consider the size and type of venue when establishing a contest fee. The~~ A promoter
52.19 or event organizer of an event regulated by the Department of Labor and Industry must pay,
52.20 per event, a combative sport contest fee is of \$1,500 per event or not more than four percent
52.21 of the gross ticket sales, whichever is greater, as determined by the commissioner when the
52.22 combative sport contest is scheduled. The fee must be paid as follows:

52.23 ~~(c) A professional or amateur combative sport contest fee is nonrefundable and shall be~~
52.24 ~~paid as follows:~~

52.25 (1) \$500 at the time the combative sport contest is scheduled; ~~and~~

52.26 (2) \$1,000 at the weigh-in prior to the contest;

52.27 (3) if four percent of the gross ticket sales is greater than \$1,500, the balance is due to
52.28 the commissioner within 14 days of the completed contest; and

52.29 (4) the value of all complimentary tickets distributed for an event, to the extent they
52.30 exceed five percent of total event attendance, counts toward gross tickets sales for the

53.1 purposes of determining a combative sports contest fee. For purposes of this clause, the
 53.2 lowest advertised ticket price shall be used to calculate the value of complimentary tickets.

53.3 ~~If four percent of the gross ticket sales is greater than \$1,500, the balance is due to the~~
 53.4 ~~commissioner within seven days of the completed contest.~~

53.5 ~~(d) The commissioner may establish the maximum number of complimentary tickets~~
 53.6 ~~allowed for each event by rule.~~

53.7 ~~(e)~~ (c) All fees and penalties collected by the commissioner must be deposited in the
 53.8 commissioner account in the special revenue fund.

53.9 EFFECTIVE DATE. This section is effective July 1, 2023, except that the amendments
 53.10 to paragraph (b) are effective for combative sports contests scheduled to occur on or after
 53.11 January 1, 2024.

53.12 Sec. 18. [341.322] PAYMENT SCHEDULE.

53.13 The commissioner may establish a schedule of payments to be paid by a promoter to
 53.14 referees, judges and knockdown judges, timekeepers, and ringside physicians.

53.15 Sec. 19. [341.323] EVENT APPROVAL.

53.16 Subdivision 1. Preapproval documentation. Before the commissioner approves a
 53.17 combative sports contest, the promoter shall provide the commissioner, at least six weeks
 53.18 before the combative sport contest is scheduled to occur, information about the time, date,
 53.19 and location of the contest and at least 72 hours before the combative sport contest is
 53.20 scheduled to occur:

53.21 (1) a copy of any agreement between a combatant and the promoter that binds the
 53.22 promoter to pay the combatant a certain fixed fee or percentage of the gate receipts;

53.23 (2) a copy or other proof acceptable to the commissioner of the insurance contract or
 53.24 policy required by this chapter;

53.25 (3) proof acceptable to the commissioner that the promoter will provide, at the cost of
 53.26 the promoter, at least one uniformed security guard or uniformed off-duty member of law
 53.27 enforcement to provide security at any event regulated by the Department of Labor and
 53.28 Industry. The commissioner may require a promoter to take additional security measures
 53.29 to ensure the safety of participants and spectators at an event; and

53.30 (4) proof acceptable to the commissioner that the promoter will provide an ambulance
 53.31 service as required by section 341.324.

54.1 Subd. 2. **Proper licensure.** Before the commissioner approves a combative sport contest,
 54.2 the commissioner must ensure that the promoter is properly licensed under this chapter.
 54.3 The promoter must maintain proper licensure from the time it schedules a combative sports
 54.4 contest through the date of the contest.

54.5 Subd. 3. **Discretion.** Nothing in this section limits the commissioner's discretion in
 54.6 deciding whether to approve a combative sport contest or event.

54.7 Sec. 20. **[341.324] AMBULANCE.**

54.8 A promoter must ensure, at the cost of the promoter, that a licensed ambulance service
 54.9 with two emergency medical technicians is on the premises during a combative sports
 54.10 contest.

54.11 Sec. 21. Minnesota Statutes 2022, section 341.33, is amended to read:

54.12 **341.33 PHYSICAL EXAMINATION REQUIRED; FEES.**

54.13 **Subdivision 1. Examination by physician.** All combatants must be examined by a
 54.14 physician licensed by this state within 36 hours before entering the ring, and the examining
 54.15 physician shall immediately file with the commissioner a written report of the examination.
 54.16 The physician's examination may report on the condition of the combatant's heart and general
 54.17 physical and general neurological condition. The physician's report may record the condition
 54.18 of the combatant's nervous system and brain as required by the commissioner. The physician
 54.19 may prohibit the combatant from entering the ring if, in the physician's professional opinion,
 54.20 it is in the best interest of the combatant's health. The cost of the examination is payable by
 54.21 the promoter conducting the contest or exhibition.

54.22 **Subd. 2. Attendance of physician.** A promoter holding or sponsoring a combative sport
 54.23 contest shall have in attendance a physician licensed by ~~this state~~ Minnesota. ~~The~~
 54.24 ~~commissioner may establish a schedule of fees to be paid to each attending physician by~~
 54.25 ~~the promoter holding or sponsoring the contest.~~

54.26 Sec. 22. **[341.331] PROHIBITED PERFORMANCE ENHANCING SUBSTANCES**
 54.27 **AND TESTING.**

54.28 **Subdivision 1. Performance enhancing substances and masking agents prohibited.** All
 54.29 combatants are prohibited from using the substances listed in the following classes contained
 54.30 in the World Anti-Doping Code published by the World Anti-Doping Agency, unless a
 54.31 combatant meets an applicable exception set forth therein:

- 55.1 (1) S0, nonapproved substances;
55.2 (2) S1, anabolic agents;
55.3 (3) S2, peptide hormones, growth factors, and related substances and mimetics;
55.4 (4) S3, beta-2 agonists;
55.5 (5) S4, hormone and metabolic modulators; and
55.6 (6) S5, diuretics and masking agents.

55.7 Subd. 2. **Testing.** The commissioner may administer drug testing to discover violations
55.8 of subdivision 1 as follows:

55.9 (a) The commissioner may require a combatant to submit to a drug test to determine if
55.10 substances are present in the combatant's system in violation of subdivision 1. This testing
55.11 may occur at any time after the official weigh-in, on the day of the contest in which the
55.12 combatant is participating, or within 24 hours of competing in a combative sports contest
55.13 in a manner prescribed by the commissioner. The commissioner may require testing based
55.14 on reasonable cause or random selection. Grounds for reasonable cause includes observing
55.15 or receiving credible information that a combatant has used prohibited performance enhancing
55.16 drugs. If testing is based on random selection, both combatants competing in a selected bout
55.17 shall submit to a drug test.

55.18 (b) Specimens may include urine, hair samples, or blood. Specimens shall be tested at
55.19 a facility acceptable to the commissioner. Results of all drug tests shall be submitted directly
55.20 to the commissioner.

55.21 (c) The promoter shall pay the costs relating to drug testing combatants. Any requests
55.22 for follow-up or additional testing must be paid by the combatant.

55.23 Subd. 3. **Discipline.** (a) If a combatant fails to provide a sample for drug testing when
55.24 required, and the request is made before a bout, the combatant shall not be allowed to
55.25 compete in the bout. If the request is made after a bout, and the combatant fails to provide
55.26 a sample for drug testing, the combatant shall be subject to disciplinary action under section
55.27 341.29.

55.28 (b) If a combatant's specimen tests positive for any prohibited substances, the combatant
55.29 shall be subject to disciplinary action under section 341.29.

55.30 (c) A combatant who is disciplined and was the winner of a bout shall be disqualified
55.31 and the decision shall be changed to no contest. The results of a bout shall remain unchanged
55.32 if a combatant who is disciplined was the loser of the bout.

56.1 **EFFECTIVE DATE.** This section is effective January 1, 2024.

56.2 Sec. 23. **[341.345] CHALLENGING THE OUTCOME OF A COMBATIVE SPORT**
56.3 **CONTEST.**

56.4 Subdivision 1. **Challenge.** (a) If a combatant disagrees with the outcome of a combative
56.5 sport contest regulated by the Department of Labor and Industry in which the combatant
56.6 participated, the combatant may challenge the outcome.

56.7 (b) If a third party makes a challenge on behalf of a combatant, the third party must
56.8 provide written confirmation that they are authorized to make the challenge on behalf of
56.9 the combatant. The written confirmation must contain the combatant's signature and must
56.10 be submitted with the challenge.

56.11 Subd. 2. **Form.** A challenge must be submitted on a form prescribed by the commissioner,
56.12 set forth all relevant facts and the basis for the challenge, and state what remedy is being
56.13 sought. A combatant may submit photos, videos, documents, or any other evidence the
56.14 combatant would like the commissioner to consider in connection to the challenge. A
56.15 combatant may challenge the outcome of a contest only if it is alleged that:

56.16 (1) the referee made an incorrect call or missed a rule violation that directly affected the
56.17 outcome of the contest;

56.18 (2) there was collusion amongst officials to affect the outcome of the contest; or

56.19 (3) scores were miscalculated.

56.20 Subd. 3. **Timing.** A challenge must be submitted within ten days of the contest.

56.21 (a) For purposes of this subdivision, the day of the contest shall not count toward the
56.22 ten-day period. If the tenth day falls on a Saturday, Sunday, or legal holiday, then a combatant
56.23 shall have until the next day that is not a Saturday, Sunday, or legal holiday to submit a
56.24 challenge.

56.25 (b) The challenge must be submitted to the commissioner at the address, fax number,
56.26 or email address designated on the commissioner's website. The date on which a challenge
56.27 is submitted by mail shall be the postmark date on the envelope in which the challenge is
56.28 mailed. If the challenge is faxed or emailed, it must be received by the commissioner by
56.29 4:30 p.m. Central Time on the day the challenge is due.

56.30 Subd. 4. **Opponent's response.** If the requirements of subdivisions 1 to 3 are met, the
56.31 commissioner shall send a complete copy of the challenge documents, along with any
56.32 supporting materials submitted, to the opposing combatant by mail, fax, or email. The

57.1 opposing combatant has 14 days from the date the commissioner sends the challenge and
 57.2 supporting materials to submit a response to the commissioner. Additional response time
 57.3 is not added when the commissioner sends the challenge to the opposing combatant by mail.
 57.4 The opposing combatant may submit photos, videos, documents, or any other evidence the
 57.5 opposing combatant would like the commissioner to consider in connection to the challenge.
 57.6 The response must be submitted to the commissioner at the address, fax number, or email
 57.7 address designated on the commissioner's website. The date on which a response is submitted
 57.8 by mail is the postmark date on the envelope in which the response is mailed. If the response
 57.9 is faxed or emailed, it must be received by the commissioner by 4:30 p.m. Central Time on
 57.10 the day the response is due.

57.11 Subd. 5. **Licensed official review.** The commissioner may, if the commissioner
 57.12 determines it would be helpful in resolving the issues raised in the challenge, send a complete
 57.13 copy of the challenge or response, along with any supporting materials submitted, to any
 57.14 licensed official involved in the combative sport contest at issue by mail, fax, or email and
 57.15 request the official's views on the issues raised in the challenge.

57.16 Subd. 6. **Order.** The commissioner shall issue an order on the challenge within 60 days
 57.17 after receiving the opposing combatant's response. If the opposing combatant does not
 57.18 submit a response, the commissioner shall issue an order on the challenge within 75 days
 57.19 after receiving the challenge.

57.20 Subd. 7. **Nonacceptance.** If the requirements of subdivisions 1 through 3 are not met,
 57.21 the commissioner must not accept the challenge and may send correspondence to the person
 57.22 who submitted the challenge stating the reasons for nonacceptance of the challenge. A
 57.23 combatant has no further appeal rights if the combatant's challenge is not accepted by the
 57.24 commissioner.

57.25 Subd. 8. **Administrative hearing.** After the commissioner issues an order under
 57.26 subdivision 6, each combatant under section 326B.082, subdivision 8, has 30 days after
 57.27 service of the order to submit a request for hearing before an administrative law judge.

57.28 Sec. 24. Minnesota Statutes 2022, section 341.355, is amended to read:

57.29 **341.355 CIVIL PENALTIES.**

57.30 When the commissioner finds that a person has violated one or more provisions of any
 57.31 statute, rule, or order that the commissioner is empowered to regulate, enforce, or issue, the
 57.32 commissioner may impose, for each violation, a civil penalty of up to \$10,000 for each
 57.33 violation, or a civil penalty that deprives the person of any economic advantage gained by

58.1 the violation, or both. The commissioner may also impose these penalties against a person
 58.2 who has violated section 341.28, subdivision 5, paragraph (b) or (c).

58.3 **EFFECTIVE DATE.** This section is effective January 1, 2024.

58.4 **ARTICLE 5**

58.5 **MEAT AND POULTRY PROCESSING**

58.6 Section 1. **[179.87] TITLE.**

58.7 Sections 179.87 to 179.8757 may be titled the "Safe Workplaces for Meat and Poultry
 58.8 Processing Workers Act."

58.9 Sec. 2. **[179.871] DEFINITIONS.**

58.10 Subdivision 1. **Definitions.** For purposes of sections 179.87 to 179.8757, the terms in
 58.11 this section have the meanings given.

58.12 Subd. 2. **Authorized employee representative.** "Authorized employee representative"
 58.13 has the meaning given in section 182.651, subdivision 22.

58.14 Subd. 3. **Commissioner.** "Commissioner" means the commissioner of labor and industry
 58.15 or the commissioner's designee.

58.16 Subd. 4. **Coordinator.** "Coordinator" means the meatpacking industry worker rights
 58.17 coordinator or the coordinator's designee.

58.18 Subd. 5. **Meat-processing worker.** "Meat-processing worker" or "worker" means any
 58.19 individual who a meat-processing employer suffers or permits to work directly in contact
 58.20 with raw meatpacking products in a meatpacking operation, including independent contractors
 58.21 and persons performing work for an employer through a temporary service or staffing
 58.22 agency. Workers in a meatpacking operation who inspect or package meatpacking products
 58.23 and workers who clean, maintain, or sanitize equipment or surfaces are included in the
 58.24 definition of a meat-processing worker. Meat-processing worker does not include a federal,
 58.25 state, or local government inspector.

58.26 Subd. 6. **Meatpacking operation.** "Meatpacking operation" or "meat-processing
 58.27 employer" means a meatpacking or poultry processing site with 100 or more employees in
 58.28 Minnesota and a North American Industrial Classification system (NAICS) code of 311611
 58.29 to 311615, excluding NAICS code 311613. Meatpacking operation or meat-processing
 58.30 employer does not mean a grocery store, butcher shop, meat market, deli, restaurant, or

59.1 other business preparing meatpacking products for immediate consumption or for sale in a
 59.2 retail establishment or otherwise directly to an end-consumer.

59.3 Subd. 7. **Meatpacking products.** "Meatpacking products" means meat food products
 59.4 and poultry food products as defined in section 31A.02, subdivision 10.

59.5 **Sec. 3. [179.8715] WORKER RIGHTS COORDINATOR.**

59.6 (a) The commissioner must appoint a meatpacking industry worker rights coordinator
 59.7 in the Department of Labor and Industry and provide the coordinator with necessary office
 59.8 space, furniture, equipment, supplies, and assistance.

59.9 (b) The commissioner must enforce sections 179.87 to 179.8757, including inspecting,
 59.10 reviewing, and recommending improvements to the practices and procedures of meatpacking
 59.11 operations in Minnesota. A meat-processing employer must grant the commissioner full
 59.12 access to all meatpacking operations in this state at any time that meatpacking products are
 59.13 being processed or meat-processing workers are on the job.

59.14 (c) No later than December 1 each year, beginning December 1, 2024, the coordinator
 59.15 must submit a report to the governor and the chairs and ranking minority members of the
 59.16 legislative committees with jurisdiction over labor. The report must include recommendations
 59.17 to promote better treatment of meat-processing workers. The coordinator shall also post the
 59.18 report on the Department of Labor and Industry's website.

59.19 **Sec. 4. [179.872] REFUSAL TO WORK UNDER DANGEROUS CONDITIONS.**

59.20 A meat-processing worker has the right to refuse to work under dangerous conditions
 59.21 in accordance with section 182.654, subdivision 11. Pursuant to section 182.654, subdivision
 59.22 11, the worker shall continue to receive pay and shall not be subject to discrimination.

59.23 **Sec. 5. [179.875] ENFORCEMENT AND COMPLIANCE.**

59.24 Subdivision 1. **Administrative enforcement.** The commissioner, either on the
 59.25 commissioner's initiative or in response to a complaint, may inspect a meatpacking operation
 59.26 and subpoena records and witnesses as provided in sections 175.20, 177.27, and 182.659.
 59.27 If a meat-processing employer does not comply with the commissioner's inspection, the
 59.28 commissioner may seek relief as provided in this section or chapter 175 or 182.

59.29 Subd. 2. **Compliance authority.** The commissioner may issue a compliance order under
 59.30 section 177.27, subdivision 4, requiring an employer to comply with sections 179.8755,
 59.31 paragraphs (b) and (c); 179.8756, subdivisions 1 to 3 and 4, paragraphs (f) and (g); and

60.1 179.8757. The commissioner also has authority, pursuant to section 182.662, subdivision
60.2 1, to issue a stop-work or business-closure order when there is a condition or practice that
60.3 could result in death or serious physical harm.

60.4 Subd. 3. **Private civil action.** If a meat-processing employer does not comply with a
60.5 provision in sections 179.87 to 179.8757, an aggrieved worker, authorized employee
60.6 representative, or other person may bring a civil action in a court of competent jurisdiction
60.7 within three years of an alleged violation and, upon prevailing, must be awarded the relief
60.8 provided in this section. Pursuing administrative relief is not a prerequisite for bringing a
60.9 civil action.

60.10 Subd. 4. **Other government enforcement.** The attorney general may enforce sections
60.11 179.87 to 179.8757 under section 8.31.

60.12 Subd. 5. **Relief.** (a) In a civil action or administrative proceeding brought to enforce
60.13 sections 179.87 to 179.8757, the court or commissioner must order relief as provided in this
60.14 subdivision.

60.15 (b) For any violation of sections 179.87 to 179.8757:

60.16 (1) an injunction to order compliance and restrain continued violations;

60.17 (2) payment to a prevailing worker by a meat-processing employer of reasonable costs,
60.18 disbursements, and attorney fees; and

60.19 (3) a civil penalty payable to the state of not less than \$100 per day per worker affected
60.20 by the meat-processing employer's noncompliance with sections 179.87 to 179.8757.

60.21 (c) Any worker who brings a complaint under sections 179.87 to 179.8757 and suffers
60.22 retaliation is entitled to treble damages in addition to lost pay and recovery of attorney fees
60.23 and costs.

60.24 (d) Any company who is found to have retaliated against a meat-processing worker must
60.25 pay a fine of up to \$10,000 to the commissioner, in addition to other penalties available
60.26 under the law.

60.27 Subd. 6. **Whistleblower enforcement; penalty distribution.** (a) The relief provided in
60.28 this section may be recovered through a private civil action brought on behalf of the
60.29 commissioner in a court of competent jurisdiction by another individual, including an
60.30 authorized employee representative, pursuant to this subdivision.

60.31 (b) The individual must give written notice to the coordinator of the specific provision
60.32 or provisions of sections 179.87 to 179.8757 alleged to have been violated. The individual

61.1 or representative organization may commence a civil action under this subdivision if no
 61.2 enforcement action is taken by the commissioner within 30 days.

61.3 (c) Civil penalties recovered pursuant to this subdivision must be distributed as follows:

61.4 (1) 70 percent to the commissioner for enforcement of sections 179.87 to 179.8757; and

61.5 (2) 30 percent to the individual or authorized employee representative.

61.6 (d) The right to bring an action under this subdivision shall not be impaired by private
 61.7 contract. A public enforcement action must be tried promptly, without regard to concurrent
 61.8 adjudication of a private claim for the same alleged violation.

61.9 **Sec. 6. [179.8755] RETALIATION AGAINST EMPLOYEES AND**
 61.10 **WHISTLEBLOWERS PROHIBITED.**

61.11 (a) Pursuant to section 182.669, no meat-processing employer or other person may
 61.12 discharge or discriminate against a worker because the worker has raised a concern about
 61.13 a meatpacking operation's health and safety practices to the employer or otherwise exercised
 61.14 any right authorized under sections 182.65 to 182.674.

61.15 (b) No meat-processing employer or other person may attempt to require any worker to
 61.16 sign a contract or other agreement that would limit or prevent the worker from disclosing
 61.17 information about workplace health and safety practices or hazards, or to otherwise abide
 61.18 by a workplace policy that would limit or prevent such disclosures. Any such agreements
 61.19 or policies are hereby void and unenforceable as contrary to the public policy of this state.
 61.20 An employer's attempt to impose such a contract, agreement, or policy shall constitute an
 61.21 adverse action enforceable under section 179.875.

61.22 (c) Reporting or threatening to report a meat-processing worker's suspected citizenship
 61.23 or immigration status, or the suspected citizenship or immigration status of a family member
 61.24 of the worker, to a federal, state, or local agency because the worker exercises a right under
 61.25 sections 179.87 to 179.8757 constitutes an adverse action for purposes of establishing a
 61.26 violation of that worker's rights. For purposes of this paragraph, "family member" means a
 61.27 spouse, parent, sibling, child, uncle, aunt, niece, nephew, cousin, grandparent, or grandchild
 61.28 related by blood, adoption, marriage, or domestic partnership.

61.29 **Sec. 7. [179.8756] MEATPACKING WORKER CHRONIC INJURIES AND**
 61.30 **WORKPLACE SAFETY.**

61.31 Subdivision 1. **Facility committee.** (a) The meat-processing employer's ergonomics
 61.32 program under section 182.677, subdivision 2, must be developed and implemented by a

62.1 committee of individuals who are knowledgeable of the tasks and work processes performed
62.2 by workers at the employer's facility. The committee must include:

62.3 (1) a certified professional ergonomist;

62.4 (2) a licensed, board-certified physician, with preference given to a physician who has
62.5 specialized experience and training in occupational medicine; and

62.6 (3) at least three workers employed in the employer's facility who have completed a
62.7 general industry outreach course approved by the commissioner, one of whom must be an
62.8 authorized employee representative if the employer is party to a collective bargaining
62.9 agreement.

62.10 (b) If it is not practicable for a certified professional ergonomist or a licensed,
62.11 board-certified physician to be a member of the committee required by paragraph (a), the
62.12 meatpacking employer must have their safe-worker program reviewed by a certified
62.13 professional ergonomist and a licensed, board-certified physician prior to implementation
62.14 of the program and annually thereafter.

62.15 Subd. 2. **New task and annual safety training.** (a) Meat-processing employers must
62.16 provide every worker who is assigned a new task if the worker has no previous work
62.17 experience with training on how to safely perform the task, the ergonomic and other hazards
62.18 associated with the task, and training on the early signs and symptoms of musculoskeletal
62.19 injuries and the procedures for reporting them. The employer must give a worker an
62.20 opportunity within 30 days of receiving the new task training to receive refresher training
62.21 on the topics covered in the new task training. The employer must provide this training in
62.22 a language and with vocabulary that the employee can understand.

62.23 (b) Meat-processing employers must provide each worker with no less than eight hours
62.24 of safety training each year. This annual training must address health and safety topics that
62.25 are relevant to the establishment and the worker's job assignment, such as cuts, lacerations,
62.26 amputations, machine guarding, biological hazards, lockout/tagout, hazard communication,
62.27 ergonomic hazards, and personal protective equipment. At least two of the eight hours of
62.28 annual training must be on topics related to the facility's ergonomic injury prevention
62.29 program, including the assessment of surveillance data, the ergonomic hazard prevention
62.30 and control plan, and the early signs and symptoms of musculoskeletal disorders and the
62.31 procedures for reporting them. The employer must provide this training in a language and
62.32 with vocabulary that the employee can understand.

62.33 Subd. 3. **Medical services and qualifications.** (a) Meat-processing employers must
62.34 ensure that:

63.1 (1) all first-aid providers, medical assistants, nurses, and physicians engaged by the
63.2 employer are licensed and perform their duties within the scope of their licensed practice;

63.3 (2) medical management of musculoskeletal disorders is under direct supervision of a
63.4 licensed physician specializing in occupational medicine who will advise on best practices
63.5 for management and prevention of work-related musculoskeletal disorders; and

63.6 (3) medical management of musculoskeletal injuries follows the most current version
63.7 of the American College of Occupational and Environmental Medicine practice guidelines.

63.8 (b) The coordinator may compile, analyze, and publish annually, either in summary or
63.9 detailed form, all reports or information obtained under sections 179.87 to 179.8757,
63.10 including information about ergonomics programs, and may cooperate with the United
63.11 States Department of Labor in obtaining national summaries of occupational deaths, injuries,
63.12 and illnesses. The coordinator and authorized employee representative must preserve the
63.13 anonymity of each employee with respect to whom medical reports or information is obtained.

63.14 (c) Meat-processing employers must not institute or maintain any program, policy, or
63.15 practice that discourages employees from reporting injuries, hazards, or safety standards
63.16 violations.

63.17 Subd. 4. **Pandemic protections.** (a) This subdivision applies during a peacetime public
63.18 health emergency declared under section 12.31, subdivision 2, that involves airborne
63.19 transmission.

63.20 (b) Meat-processing employers must maintain a radius of space around and between
63.21 each worker according to the Centers for Disease Control and Prevention guidelines unless
63.22 a nonporous barrier separates the workers. An employer may accomplish such distancing
63.23 by increasing physical space between workstations, slowing production speeds, staggering
63.24 shifts and breaks, adjusting shift size, or a combination thereof. The employer must
63.25 reconfigure common or congregate spaces to allow for such distancing, including lunch
63.26 rooms, break rooms, and locker rooms. The employer must reinforce social distancing by
63.27 allowing workers to maintain six feet of distance along with the use of nonporous barriers.

63.28 (c) Meat-processing employers must provide employees with face masks and must make
63.29 face shields available on request. Face masks, including replacement face masks, and face
63.30 shields must be provided at no cost to the employee. All persons present at the meatpacking
63.31 operation must wear face masks in the facility except in those parts of the facility where
63.32 infection risk is low because workers work in isolation.

64.1 (d) Meat-processing employers must provide all meat-processing workers with the ability
64.2 to frequently and routinely sanitize their hands with either hand-washing or hand-sanitizing
64.3 stations. The employer must ensure that restrooms have running hot and cold water and
64.4 paper towels and are in sanitary condition. The employer must provide gloves to those who
64.5 request them.

64.6 (e) Meat-processing employers must clean and regularly disinfect all frequently touched
64.7 surfaces in the workplace, such as workstations, training rooms, machinery controls, tools,
64.8 protective garments, eating surfaces, bathrooms, showers, and other similar areas. Employers
64.9 must install and maintain ventilation systems that ensure unidirectional air flow, outdoor
64.10 air, and filtration in both production areas and common areas such as cafeterias and locker
64.11 rooms.

64.12 (f) Meat-processing employers must disseminate all required communications, notices,
64.13 and any published materials regarding these protections in English, Spanish, and other
64.14 languages as required for employees to understand the communication.

64.15 (g) Consistent with sections 177.253 and 177.254, meat-processing employers must
64.16 provide adequate break time for workers to use the bathroom, wash their hands, and don
64.17 and doff protective equipment. Nothing in this subdivision relieves an employer of its
64.18 obligation to comply with federal and state wage and hour laws.

64.19 (h) Meat-processing employers must provide sufficient personal protective equipment
64.20 for each employee for each shift, plus replacements, at no cost to the employee.
64.21 Meat-processing employers must provide training in proper use of personal protective
64.22 equipment, safety procedures, and sanitation.

64.23 (i) Meat-processing employers must record all injuries and illnesses in the facility and
64.24 make these records available upon request to the health and safety committee. The name,
64.25 contact information, and occupation of an employee, and any other information that would
64.26 reveal the identity of an employee, must be removed. The redacted records must only include,
64.27 to the extent it would not reveal the identity of an employee, the location where the employee
64.28 worked, the date of the injury or visit, a description of the medical treatment or first aid
64.29 provided, and a description of the injury suffered. The employer also must make its records
64.30 available to the commissioner, and where there is a collective bargaining agreement, to the
64.31 authorized bargaining representative.

64.32 (j) Except for paragraphs (f) and (g), this subdivision shall be enforced by the
64.33 commissioner under sections 182.66 and 182.661. A violation of this subdivision is subject

65.1 to the penalties provided under section 182.666. Paragraphs (f) and (g) are enforceable by
 65.2 the commissioner as described in section 179.875, subdivision 2.

65.3 (k) The entirety of this subdivision may also be enforced as described in section 179.875,
 65.4 subdivisions 3 to 6.

65.5 **EFFECTIVE DATE.** This section is effective January 1, 2024, except subdivision 4,
 65.6 which is effective July 1, 2023.

65.7 Sec. 8. **[179.8757] NOTIFICATION REQUIRED.**

65.8 (a) Meat-processing employers must provide written information and notifications about
 65.9 employee rights under section 179.86 and sections 179.87 to 179.8757 to workers in their
 65.10 language of fluency at least annually. If a worker is unable to understand written information
 65.11 and notifications, the employer must provide such information and notices orally in the
 65.12 worker's language of fluency.

65.13 (b) The coordinator must notify covered employers of the provisions of sections 179.87
 65.14 to 179.8757 and any recent updates at least annually.

65.15 (c) The coordinator must place information explaining sections 179.87 to 179.8757 on
 65.16 the Department of Labor and Industry's website in at least English, Spanish, and any other
 65.17 language that at least ten percent of meat-processing workers communicate in fluently. The
 65.18 coordinator must also make the information accessible to persons with impaired visual
 65.19 acuity.

65.20 **EFFECTIVE DATE.** This section is effective January 1, 2024.

65.21 Sec. 9. Minnesota Statutes 2022, section 182.654, subdivision 11, is amended to read:

65.22 Subd. 11. **Refusal to work under dangerous conditions.** An employee acting in good
 65.23 faith has the right to refuse to work under conditions which the employee reasonably believes
 65.24 present an imminent danger of death or serious physical harm to the employee.

65.25 A reasonable belief of imminent danger of death or serious physical harm includes but
 65.26 is not limited to a reasonable belief of the employee that the employee has been assigned
 65.27 to work in an unsafe or unhealthful manner with a hazardous substance, harmful physical
 65.28 agent or infectious agent.

65.29 An employer may not discriminate against an employee for a good faith refusal to
 65.30 perform assigned tasks if the employee has requested that the employer correct the hazardous
 65.31 conditions but the conditions remain uncorrected.

66.1 An employee who has refused in good faith to perform assigned tasks and who has not
 66.2 been reassigned to other tasks by the employer shall, in addition to retaining a right to
 66.3 continued employment, receive pay for the tasks which would have been performed if (1)
 66.4 the employee requests the commissioner to inspect and determine the nature of the hazardous
 66.5 condition, and (2) the commissioner determines that the employee, by performing the
 66.6 assigned tasks, would have been placed in imminent danger of death or serious physical
 66.7 harm.

66.8 Additionally, an administrative law judge may order, in addition to the relief found in
 66.9 section 182.669:

66.10 (1) reinstatement of the worker to the same position held before any adverse personnel
 66.11 action or to an equivalent position; reinstatement of full fringe benefits and seniority rights;
 66.12 compensation for unpaid wages, benefits, and other remuneration; or front pay in lieu of
 66.13 reinstatement; and

66.14 (2) compensatory damages payable to the aggrieved worker equal to the greater of \$5,000
 66.15 or twice the actual damages, including unpaid wages, benefits, and other remuneration and
 66.16 punitive damages.

66.17 ARTICLE 6

66.18 COVENANTS NOT TO COMPETE

66.19 Section 1. **[181.988] COVENANTS NOT TO COMPETE VOID IN EMPLOYMENT**
 66.20 **AGREEMENTS; SUBSTANTIVE PROTECTIONS OF MINNESOTA LAW APPLY.**

66.21 Subdivision 1. **Definitions.** (a) "Covenant not to compete" means an agreement between
 66.22 an employee and employer that restricts the employee, after termination of the employment,
 66.23 from performing:

66.24 (1) work for another employer for a specified period of time;

66.25 (2) work in a specified geographical area; or

66.26 (3) work for another employer in a capacity that is similar to the employee's work for
 66.27 the employer that is party to the agreement.

66.28 A covenant not to compete does not include a nondisclosure agreement, or agreement
 66.29 designed to protect trade secrets or confidential information. A covenant not to compete
 66.30 does not include a nonsolicitation agreement, or agreement restricting the ability to use
 66.31 client or contact lists, or solicit customers of the employer.

67.1 (b) "Employer" means any individual, partnership, association, corporation, business,
 67.2 trust, or any person or group of persons acting directly or indirectly in the interest of an
 67.3 employer in relation to an employee.

67.4 (c) "Employee" as used in this section means any individual who performs services for
 67.5 an employer, including independent contractors.

67.6 (d) "Independent contractor" means any individual whose employment is governed by
 67.7 a contract and whose compensation is not reported to the Internal Revenue Service on a
 67.8 W-2 form. For purposes of this section, independent contractor also includes any corporation,
 67.9 limited liability corporation, partnership, or other corporate entity when an employer requires
 67.10 an individual to form such an organization for purposes of entering into a contract for
 67.11 services as a condition of receiving compensation under an independent contractor agreement.

67.12 Subd. 2. **Covenants not to compete void and unenforceable.** (a) Any covenant not to
 67.13 compete contained in a contract or agreement is void and unenforceable.

67.14 (b) Notwithstanding paragraph (a), a covenant not to compete is valid and enforceable
 67.15 if:

67.16 (1) the covenant not to compete is agreed upon during the sale of a business. The person
 67.17 selling the business and the partners, members, or shareholders, and the buyer of the business
 67.18 may agree on a temporary and geographically restricted covenant not to compete that will
 67.19 prohibit the seller of the business from carrying on a similar business within a reasonable
 67.20 geographic area and for a reasonable length of time; or

67.21 (2) the covenant not to compete is agreed upon in anticipation of the dissolution of a
 67.22 business. The partners, members, or shareholders, upon or in anticipation of a dissolution
 67.23 of a partnership, limited liability company, or corporation may agree that all or any number
 67.24 of the parties will not carry on a similar business within a reasonable geographic area where
 67.25 the business has been transacted.

67.26 (c) Nothing in this subdivision shall be construed to render void or unenforceable any
 67.27 other provisions in a contract or agreement containing a void or unenforceable covenant
 67.28 not to compete.

67.29 (d) In addition to injunctive relief and any other remedies available, a court may award
 67.30 an employee who is enforcing rights under this section reasonable attorney fees.

67.31 Subd. 3. **Choice of law; venue.** (a) An employer must not require an employee who
 67.32 primarily resides and works in Minnesota, as a condition of employment, to agree to a
 67.33 provision in an agreement or contract that would do either of the following:

68.1 (1) require the employee to adjudicate outside of Minnesota a claim arising in Minnesota;
 68.2 or

68.3 (2) deprive the employee of the substantive protection of Minnesota law with respect to
 68.4 a controversy arising in Minnesota.

68.5 (b) Any provision of a contract or agreement that violates paragraph (a) is voidable at
 68.6 any time by the employee and if a provision is rendered void at the request of the employee,
 68.7 the matter shall be adjudicated in Minnesota and Minnesota law shall govern the dispute.

68.8 (c) In addition to injunctive relief and any other remedies available, a court may award
 68.9 an employee who is enforcing rights under this section reasonable attorney fees.

68.10 (d) For purposes of this section, adjudication includes litigation and arbitration.

68.11 (e) This subdivision applies only to claims arising under this section.

68.12 **EFFECTIVE DATE.** This section is effective July 1, 2023, and applies to contracts
 68.13 and agreements entered into on or after that date.

68.14 **ARTICLE 7**

68.15 **BUILDING AND CONSTRUCTION CONTRACTS**

68.16 Section 1. Minnesota Statutes 2022, section 15.71, is amended by adding a subdivision
 68.17 to read:

68.18 Subd. 1a. **Indemnification agreement.** "Indemnification agreement" means an agreement
 68.19 by the promisor to indemnify, defend, or hold harmless the promisee against liability or
 68.20 claims of liability for damages arising out of bodily injury to persons or out of physical
 68.21 damage to tangible or real property.

68.22 Sec. 2. Minnesota Statutes 2022, section 15.71, is amended by adding a subdivision to
 68.23 read:

68.24 Subd. 1b. **Promisee.** "Promisee" includes that party's independent contractors, agents,
 68.25 employees, or indemnitees.

68.26 Sec. 3. Minnesota Statutes 2022, section 15.72, is amended by adding a subdivision to
 68.27 read:

68.28 Subd. 3. **Unenforceability of certain agreements.** (a) An indemnification agreement
 68.29 contained in, or executed in connection with, a contract for a public improvement is
 68.30 unenforceable except to the extent that:

69.1 (1) the underlying injury or damage is attributable to the negligent or otherwise wrongful
 69.2 act or omission, including breach of a specific contractual duty, of the promisor or the
 69.3 promisor's independent contractors, agents, employees, or delegates; or

69.4 (2) an owner, a responsible party, or a governmental entity agrees to indemnify a
 69.5 contractor directly or through another contractor with respect to strict liability under
 69.6 environmental laws.

69.7 (b) A provision in a public building or construction contract that requires a party to
 69.8 provide insurance coverage to one or more other parties, including third parties, for the
 69.9 negligence or intentional acts or omissions of any of those other parties, including third
 69.10 parties, is against public policy and is void and unenforceable.

69.11 (c) Paragraph (b) does not affect the validity of a provision that requires a party to provide
 69.12 or obtain workers' compensation insurance, construction performance or payment bonds,
 69.13 builder's risk policies, owner or contractor-controlled insurance programs or policies, or
 69.14 project-specific insurance for claims arising out of the promisor's negligent acts or omissions
 69.15 or the negligent acts or omissions of the promisor's independent contractors, agents,
 69.16 employees, or delegates.

69.17 (d) Paragraph (b) does not affect the validity of a provision that requires the promisor
 69.18 to provide or obtain insurance coverage for the promisee's vicarious liability, or liability
 69.19 imposed by warranty, arising out of the acts or omissions of the promisor.

69.20 (e) Paragraph (b) does not apply to building and construction contracts for work within
 69.21 50 feet of public or private railroads, or railroads regulated by the Federal Railroad
 69.22 Administration.

69.23 Sec. 4. Minnesota Statutes 2022, section 337.01, subdivision 3, is amended to read:

69.24 Subd. 3. **Indemnification agreement.** "Indemnification agreement" means an agreement
 69.25 by the promisor to indemnify, defend, or hold harmless the promisee against liability or
 69.26 claims of liability for damages arising out of bodily injury to persons or out of physical
 69.27 damage to tangible or real property.

69.28 Sec. 5. Minnesota Statutes 2022, section 337.05, subdivision 1, is amended to read:

69.29 Subdivision 1. **Agreements valid.** (a) Except as otherwise provided in paragraph (b),
 69.30 sections 337.01 to 337.05 do not affect the validity of agreements whereby a promisor agrees
 69.31 to provide specific insurance coverage for the benefit of others.

70.1 (b) A provision that requires a party to provide insurance coverage to one or more other
 70.2 parties, including third parties, for the negligence or intentional acts or omissions of any of
 70.3 those other parties, including third parties, is against public policy and is void and
 70.4 unenforceable.

70.5 (c) Paragraph (b) does not affect the validity of a provision that requires a party to provide
 70.6 or obtain workers' compensation insurance, construction performance or payment bonds,
 70.7 ~~or project-specific insurance, including, without limitation, builder's risk policies or owner~~
 70.8 ~~or contractor-controlled insurance programs or policies~~ builder's risk policies, owner or
 70.9 contractor-controlled insurance programs or policies, or project-specific insurance for claims
 70.10 arising out of the promisor's negligent acts or omissions or the negligent acts or omissions
 70.11 of the promisor's independent contractors, agents, employees, or delegates.

70.12 (d) Paragraph (b) does not affect the validity of a provision that requires the promisor
 70.13 to provide or obtain insurance coverage for the promisee's vicarious liability, or liability
 70.14 imposed by warranty, arising out of the acts or omissions of the promisor.

70.15 (e) Paragraph (b) does not apply to building and construction contracts for work within
 70.16 50 feet of public or private railroads, or railroads regulated by the Federal Railroad
 70.17 Administration.

70.18 Sec. 6. **EFFECTIVE DATE.**

70.19 Sections 1 to 5 are effective the day following final enactment and apply to agreements
 70.20 entered into on or after that date.

70.21 **ARTICLE 8**

70.22 **PUBLIC EMPLOYMENT RELATIONS BOARD**

70.23 Section 1. Minnesota Statutes 2022, section 13.43, subdivision 6, is amended to read:

70.24 Subd. 6. **Access by labor organizations, Bureau of Mediation Services, Public**
 70.25 **Employment Relations Board.** Personnel data may be disseminated to labor organizations
 70.26 and the Public Employment Relations Board to the extent that the responsible authority
 70.27 determines that the dissemination is necessary to conduct elections, notify employees of
 70.28 fair share fee assessments, and implement the provisions of chapters 179 and 179A. Personnel
 70.29 data shall be disseminated to labor organizations, the Public Employment Relations Board,
 70.30 ~~and to~~ the Bureau of Mediation Services to the extent the dissemination is ordered or
 70.31 authorized by the commissioner of the Bureau of Mediation Services or the Public
 70.32 Employment Relations Board or its employees or agents.

71.1 **Sec. 2. [13.7909] PUBLIC EMPLOYMENT RELATIONS BOARD DATA.**

71.2 Subdivision 1. **Definition.** For purposes of this section, "board" means the Public
 71.3 Employment Relations Board.

71.4 Subd. 2. **Charge and complaint data.** (a) Except as provided in paragraphs (b) and (c),
 71.5 all data maintained by the board about a charge of unfair labor practices and appeals of
 71.6 determinations of the commissioner under section 179A.12, subdivision 11, are classified
 71.7 as protected nonpublic data or confidential data prior to being admitted into evidence at a
 71.8 hearing conducted pursuant to section 179A.13. Data that are admitted into evidence at a
 71.9 hearing conducted pursuant to section 179A.13 are public unless subject to a protective
 71.10 order as determined by the board or a hearing officer.

71.11 (b) Statements by individuals that are provided to the board are private data on
 71.12 individuals, as defined by section 13.02, subdivision 12, prior to being admitted into evidence
 71.13 at a hearing conducted pursuant to section 179A.13, and become public once admitted into
 71.14 evidence.

71.15 (c) The following data are public at all times:

71.16 (1) the filing date of unfair labor practice charges;

71.17 (2) the status of unfair labor practice charges as an original or amended charge;

71.18 (3) the names and job classifications of charging parties and charged parties;

71.19 (4) the provisions of law alleged to have been violated in unfair labor practice charges;

71.20 (5) the complaint issued by the board; and

71.21 (6) unless subject to a protective order:

71.22 (i) the full and complete record of an evidentiary hearing before a hearing officer,

71.23 including the hearing transcript, exhibits admitted into evidence, and posthearing briefs;

71.24 (ii) recommended decisions and orders of hearing officers pursuant to section 179A.13,
 71.25 subdivision 1, paragraph (i);

71.26 (iii) exceptions to the hearing officer's recommended decision and order filed with the
 71.27 board pursuant to section 179A.13, subdivision 1, paragraph (k);

71.28 (iv) party and nonparty briefs filed with the board; and

71.29 (v) decisions and orders issued by the board.

71.30 (d) The board may make any data classified as private, protected nonpublic, or
 71.31 confidential pursuant to this subdivision accessible to any person or party if the access will

72.1 aid the implementation of chapters 179 and 179A or ensure due process protection of the
 72.2 parties.

72.3 Sec. 3. Minnesota Statutes 2022, section 179A.041, is amended by adding a subdivision
 72.4 to read:

72.5 Subd. 10. **Open Meeting Law; exceptions.** Chapter 13D does not apply to meetings of
 72.6 the board when it is deliberating on the merits of unfair labor practice charges under sections
 72.7 179.11, 179.12, and 179A.13; reviewing a recommended decision and order of a hearing
 72.8 officer under section 179A.13; or reviewing decisions of the commissioner of the Bureau
 72.9 of Mediation Services relating to unfair labor practices under section 179A.12, subdivision
 72.10 11.

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

72.12 **ARTICLE 9**

72.13 **WAREHOUSE WORKERS**

72.14 Section 1. **[182.6526] WAREHOUSE DISTRIBUTION WORKER SAFETY.**

72.15 Subdivision 1. **Definitions.** (a) The terms defined in this subdivision have the meanings
 72.16 given.

72.17 (b) "Aggregated employee work speed data" means a compilation of employee work
 72.18 speed data for multiple employees, in summary form, assembled in full or in another form
 72.19 such that the data cannot be identified with any individual.

72.20 (c) "Commissioner" means the commissioner of labor and industry.

72.21 (d)(1) Except as provided in clause (2), "employee" means an employee who works at
 72.22 a warehouse distribution center.

72.23 (2) For the purposes of subdivisions 2, 3, and 4 only, "employee" means a nonexempt
 72.24 employee performing warehouse work occurring on the property of a warehouse distribution
 72.25 center and does not include a nonexempt employee performing solely manufacturing,
 72.26 administrative, sales, accounting, human resources, or driving work at or to and from a
 72.27 warehouse distribution center.

72.28 (e) "Employee work speed data" means information an employer collects, stores, analyzes,
 72.29 or interprets relating to an individual employee's performance of a quota, including but not
 72.30 limited to quantities of tasks performed, quantities of items or materials handled or produced,
 72.31 rates or speeds of tasks performed, measurements or metrics of employee performance in

73.1 relation to a quota, and time categorized as performing tasks or not performing tasks.

73.2 Employee work speed data does not include itemized earnings statements pursuant to chapter
 73.3 181, except for any content of those records that includes employee work speed data as
 73.4 defined in this paragraph.

73.5 (f) "Employer" means a person who directly or indirectly, or through an agent or any
 73.6 other person, including through the services of a third-party employer, temporary service,
 73.7 or staffing agency or similar entity, employs or exercises control over the wages, hours, or
 73.8 working conditions of 250 or more employees at a single warehouse distribution center or
 73.9 1,000 or more employees at one or more warehouse distribution centers in the state. For
 73.10 purposes of this paragraph, all employees of an employer's unitary business, as defined in
 73.11 section 290.17, subdivision 4, shall be counted in determining the number of employees
 73.12 employed at a single warehouse distribution center or at one or more warehouse distribution
 73.13 centers in the state.

73.14 (g) "Warehouse distribution center" means an establishment as defined by any of the
 73.15 following North American Industry Classification System (NAICS) codes:

73.16 (1) 493110 for General Warehousing and Storage;

73.17 (2) 423 for Merchant Wholesalers, Durable Goods;

73.18 (3) 424 for Merchant Wholesalers, Nondurable Goods;

73.19 (4) 454110 for Electronic Shopping and Mail-Order Houses; and

73.20 (5) 492110 for Couriers and Express Delivery Services.

73.21 (h) "Quota" means a work standard under which:

73.22 (1) an employee or group of employees is assigned or required to perform at a specified
 73.23 productivity speed, or perform a quantified number of tasks, or handle or produce a quantified
 73.24 amount of material, or perform without a certain number of errors or defects, as measured
 73.25 at the individual or group level within a defined time period; or

73.26 (2) an employee's actions are categorized and measured between time performing tasks
 73.27 and not performing tasks, and the employee's failure to complete a task performance standard
 73.28 may have an adverse impact on the employee's continued employment.

73.29 Subd. 2. **Written description required.** (a) Each employer shall provide to each
 73.30 employee a written description of each quota to which the employee is subject and how it
 73.31 is measured, including the quantified number of tasks to be performed or materials to be
 73.32 produced or handled or the limit on time categorized as not performing tasks, within the

74.1 defined time period, and any potential adverse employment action that could result from
74.2 failure to meet the quota.

74.3 (b) The written description must be understandable in plain language and in the language
74.4 identified by each employee as the primary language of that employee.

74.5 (c) The written description must be provided:

74.6 (1) upon hire or within 30 days of the effective date of this section; and

74.7 (2) no fewer than one working day prior to the effective date of any increase of an
74.8 existing quota and no later than the time of implementation for any decrease of an existing
74.9 quota.

74.10 (d) An employer shall not take adverse employment action against an employee for
74.11 failure to meet a quota that has not been disclosed to the employee.

74.12 Subd. 3. **Breaks.** An employee shall not be required to meet a quota that prevents
74.13 compliance with meal or rest or prayer periods; use of restroom facilities, including
74.14 reasonable travel time to and from restroom facilities as provided under section 177.253,
74.15 subdivision 1; or occupational health and safety standards under this chapter or Minnesota
74.16 Rules, chapter 5205. An employer shall not take adverse employment action against an
74.17 employee for failure to meet a quota that does not allow a worker to comply with meal or
74.18 rest or prayer periods or occupational health and safety standards under this chapter.

74.19 Subd. 4. **Employee work speed data.** (a) Employees have the right to request orally or
74.20 in writing from their direct supervisor or another representative designated by the employer,
74.21 and the employer shall provide within four business days: (1) a written description of each
74.22 quota to which the employee is subject; (2) a copy of the most recent 90 days of the
74.23 employee's own personal employee work speed data; and (3) a copy of the most recent 90
74.24 days of aggregated employee work speed data for similar employees at the same work site.
74.25 The written description of each quota must meet the requirements of subdivision 2, paragraph
74.26 (b), and the employee work speed data must be provided in a manner understandable to the
74.27 employee. An employee may make a request under this paragraph no more than four times
74.28 per year.

74.29 (b) If an employer disciplines an employee for failure to meet a quota, the employer
74.30 must, at the time of discipline, provide the employee with a written copy of the most recent
74.31 90 days of the employee's own personal employee work speed data. If an employer dismisses
74.32 an employee for any reason, they must, at the time of firing, provide the employee with a
74.33 written copy of the most recent 90 days of the employee's own personal employee work

75.1 speed data. An employer shall not retaliate against an employee for requesting data under
 75.2 this subdivision. Discipline means taking a formal action, documented in writing, and does
 75.3 not mean conversations surrounding performance improvement or training. An employer
 75.4 must formally document any disciplinary action.

75.5 Subd. 5. **High rates of injury.** If a particular work site or employer is found to have an
 75.6 employee incidence rate in a given year, based on data reported to the federal Occupational
 75.7 Safety and Health Administration, of at least 30 percent higher than that year's average
 75.8 incidence rate for the relevant NAICS codes, the commissioner shall open an investigation
 75.9 of violations under this section. The employer must also hold its safety committee meetings
 75.10 as provided under section 182.676 monthly until, for two consecutive years, the work site
 75.11 or employer does not have an employee incidence rate 30 percent higher than the average
 75.12 yearly incidence rate for the relevant NAICS code.

75.13 Subd. 6. **Enforcement.** (a) Subdivisions 2, paragraphs (a) to (c), 4, and 5 shall be enforced
 75.14 by the commissioner under sections 182.66, 182.661, and 182.669. A violation of this section
 75.15 is subject to the penalties provided under sections 182.666 and 182.669.

75.16 (b) A current or former employee aggrieved by a violation of this section may bring a
 75.17 civil cause of action for damages and injunctive relief to obtain compliance with this section;
 75.18 may receive other equitable relief as determined by a court, including reinstatement with
 75.19 back pay; and may, upon prevailing in the action, recover costs and reasonable attorney
 75.20 fees in that action. A cause of action under this section must be commenced within one year
 75.21 of the date of the violation.

75.22 (c) Nothing in this section shall be construed to prevent local enforcement of occupational
 75.23 health and safety standards that are more restrictive than this section.

75.24 **EFFECTIVE DATE.** This section is effective August 1, 2023.

75.25 **ARTICLE 10**

75.26 **CONSTRUCTION WORKER WAGE PROTECTIONS**

75.27 Section 1. Minnesota Statutes 2022, section 177.27, subdivision 1, is amended to read:

75.28 Subdivision 1. **Examination of records.** The commissioner may enter during reasonable
 75.29 office hours or upon request and inspect the place of business or employment of any employer
 75.30 of employees working in the state, to examine and inspect books, registers, payrolls, and
 75.31 other records of any employer that in any way relate to wages, hours, and other conditions
 75.32 of employment of any employees. The commissioner may transcribe any or all of the books,
 75.33 registers, payrolls, and other records as the commissioner deems necessary or appropriate

76.1 and may question the employees to ascertain compliance with sections 177.21 to 177.435
76.2 and 181.165. The commissioner may investigate wage claims or complaints by an employee
76.3 against an employer if the failure to pay a wage may violate Minnesota law or an order or
76.4 rule of the department.

76.5 Sec. 2. Minnesota Statutes 2022, section 177.27, subdivision 4, is amended to read:

76.6 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
76.7 employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,
76.8 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.165, 181.172, paragraph (a) or (d),
76.9 181.275, subdivision 2a, 181.722, 181.79, and 181.939 to 181.943, or with any rule
76.10 promulgated under section 177.28. The commissioner shall issue an order requiring an
76.11 employer to comply with sections 177.41 to 177.435 or 181.165 if the violation is repeated.
76.12 For purposes of this subdivision only, a violation is repeated if at any time during the two
76.13 years that preceded the date of violation, the commissioner issued an order to the employer
76.14 for violation of sections 177.41 to 177.435 or 181.165 and the order is final or the
76.15 commissioner and the employer have entered into a settlement agreement that required the
76.16 employer to pay back wages that were required by sections 177.41 to 177.435. The
76.17 department shall serve the order upon the employer or the employer's authorized
76.18 representative in person or by certified mail at the employer's place of business. An employer
76.19 who wishes to contest the order must file written notice of objection to the order with the
76.20 commissioner within 15 calendar days after being served with the order. A contested case
76.21 proceeding must then be held in accordance with sections 14.57 to 14.69 or 181.165. If,
76.22 within 15 calendar days after being served with the order, the employer fails to file a written
76.23 notice of objection with the commissioner, the order becomes a final order of the
76.24 commissioner. For the purposes of this subdivision, an employer includes a contractor that
76.25 has assumed a subcontractor's liability within the meaning of section 181.165.

76.26 Sec. 3. Minnesota Statutes 2022, section 177.27, subdivision 8, is amended to read:

76.27 Subd. 8. **Court actions; suits brought by private parties.** An employee may bring a
76.28 civil action seeking redress for a violation or violations of sections 177.21 to 177.44 and
76.29 181.165 directly to district court. An employer who pays an employee less than the wages
76.30 and overtime compensation to which the employee is entitled under sections 177.21 to
76.31 177.44 or a contractor that has assumed a subcontractor's liability as required by section
76.32 181.165, is liable to the employee for the full amount of the wages, gratuities, and overtime
76.33 compensation, less any amount the employer or contractor is able to establish was actually
76.34 paid to the employee and for an additional equal amount as liquidated damages. In addition,

77.1 in an action under this subdivision the employee may seek damages and other appropriate
 77.2 relief provided by subdivision 7 and otherwise provided by law. An agreement between the
 77.3 employee and the employer to work for less than the applicable wage is not a defense to
 77.4 the action.

77.5 Sec. 4. Minnesota Statutes 2022, section 177.27, subdivision 9, is amended to read:

77.6 Subd. 9. **District court jurisdiction.** Any action brought under subdivision 8 may be
 77.7 filed in the district court of the county wherein a violation or violations of sections 177.21
 77.8 to 177.44 or 181.165 are alleged to have been committed, where the respondent resides or
 77.9 has a principal place of business, or any other court of competent jurisdiction. The action
 77.10 may be brought by one or more employees.

77.11 Sec. 5. Minnesota Statutes 2022, section 177.27, subdivision 10, is amended to read:

77.12 Subd. 10. **Attorney fees and costs.** In any action brought pursuant to subdivision 8, the
 77.13 court shall order an employer who is found to have committed a violation or violations of
 77.14 sections 177.21 to 177.44 or 181.165 to pay to the employee or employees reasonable costs,
 77.15 disbursements, witness fees, and attorney fees.

77.16 Sec. 6. **[181.165] WAGE PROTECTION; CONSTRUCTION WORKERS.**

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

77.19 (b) "Claimant" means any person claiming unpaid wages, fringe benefits, penalties, or
 77.20 resulting liquidated damages that are owed as required by law, including any applicable
 77.21 statute, regulation, rule, ordinance, government resolution or policy, contract, or other legal
 77.22 authority.

77.23 (c) "Commissioner" refers to the commissioner of labor and industry.

77.24 (d) "Construction contract" means a written or oral agreement for the construction,
 77.25 reconstruction, erection, alteration, remodeling, repairing, maintenance, moving, or
 77.26 demolition of any building, structure, or improvement, or relating to the excavation of or
 77.27 development or improvement to land. For purposes of this section, a construction contract
 77.28 shall not include a home improvement contract for the performance of a home improvement
 77.29 between a home improvement contractor and the owner of an owner-occupied dwelling,
 77.30 and a home construction contract for one- or two-family dwelling units except where such
 77.31 contract or contracts results in the construction of more than ten one- or two-family
 77.32 owner-occupied dwellings at one project site annually.

78.1 (e) "Contractor" means any person, firm, partnership, corporation, association, company,
78.2 organization, or other entity, including a construction manager, general or prime contractor,
78.3 joint venture, or any combination thereof, along with their successors, heirs, and assigns,
78.4 which enters into a construction contract with an owner. An owner shall be deemed a
78.5 contractor and liable as such under this section if said owner has entered into a construction
78.6 contract with more than one contractor or subcontractor on any construction site.

78.7 (f) "Owner" means any person, firm, partnership, corporation, association, company,
78.8 organization, or other entity, or a combination of any thereof, with an ownership interest,
78.9 whether the interest or estate is in fee, as vendee under a contract to purchase, as lessee or
78.10 another interest or estate less than fee that causes a building, structure, or improvement,
78.11 new or existing, to be constructed, reconstructed, erected, altered, remodeled, repaired,
78.12 maintained, moved, or demolished or that causes land to be excavated or otherwise developed
78.13 or improved.

78.14 (g) "Subcontractor" means any person, firm, partnership, corporation, company,
78.15 association, organization or other entity, or any combination thereof, that is a party to a
78.16 contract with a contractor or party to a contract with the contractor's subcontractors at any
78.17 tier to perform any portion of work within the scope of the contractor's construction contract
78.18 with the owner, including where the subcontractor has no direct privity of contract with the
78.19 contractor. When the owner is deemed a contractor, subcontractor also includes the owner's
78.20 contractors.

78.21 Subd. 2. Assumption of liability. (a) A contractor entering into a construction contract
78.22 shall assume and is liable for any unpaid wages, fringe benefits, penalties, and resulting
78.23 liquidated damages owed to a claimant or third party acting on the claimant's behalf by a
78.24 subcontractor at any tier acting under, by, or for the contractor or its subcontractors for the
78.25 claimant's performance of labor.

78.26 (b) A contractor or any other person shall not evade or commit any act that negates the
78.27 requirements of this section. No agreement by an employee or subcontractor to indemnify
78.28 a contractor or otherwise release or transfer liability assigned to a contractor under this
78.29 section shall be valid. However, if a contractor has satisfied unpaid wage claims of an
78.30 employee and incurred fees and costs in doing so, such contractor may then pursue actual
78.31 and liquidated damages from any subcontractor who caused the contractor to incur those
78.32 damages.

79.1 (c) A contractor shall not evade liability under this section by claiming that a person is
79.2 an independent contractor rather than an employee of a subcontractor unless the person
79.3 meets the criteria required by section 181.723, subdivision 4.

79.4 Subd. 3. **Enforcement.** (a) In the case of a complaint filed with the commissioner under
79.5 section 177.27, subdivision 1, or a private civil action by an employee under section 177.27,
79.6 subdivision 8, such employee may designate any person, organization, or collective
79.7 bargaining agent authorized to file a complaint with the commissioner or in court pursuant
79.8 to this section to make a wage claim on the claimant's behalf.

79.9 (b) In the case of an action against a subcontractor, the contractor shall be jointly and
79.10 severally liable for any unpaid wages, benefits, penalties, and any other remedies available
79.11 pursuant to this section.

79.12 (c) Claims shall be brought consistent with section 541.07, clause (5), for the initiation
79.13 of such claim under this section in a court of competent jurisdiction or the filing of a
79.14 complaint with the commissioner or attorney general. The provisions of this section do not
79.15 diminish, impair, or otherwise infringe on any other right of an employee to bring an action
79.16 or file a complaint against any employer.

79.17 Subd. 4. **Payroll records; data.** (a) Within 15 days of a request by a contractor to a
79.18 subcontractor, the subcontractor, and any other subcontractors hired under contract to the
79.19 subcontractor shall provide payroll records, which, at minimum, contain all lawfully required
79.20 information for all workers providing labor on the project. The payroll records shall contain
79.21 sufficient information to apprise the contractor or subcontractor of such subcontractor's
79.22 payment of wages and fringe benefit contributions to a third party on the workers' behalf.
79.23 Payroll records shall be marked or redacted to an extent only to prevent disclosure of the
79.24 employee's Social Security number.

79.25 (b) Within 15 days of a request of a contractor or a contractor's subcontractor, any
79.26 subcontractor that performs any portion of work within the scope of the contractor's
79.27 construction contract with an owner shall provide:

79.28 (1) the names of all employees and independent contractors of the subcontractor on the
79.29 project, including the names of all those designated as independent contractors and, when
79.30 applicable, the name of the contractor's subcontractor with whom the subcontractor is under
79.31 contract;

79.32 (2) the anticipated contract start date;

79.33 (3) the scheduled duration of work;

80.1 (4) when applicable, local unions with which such subcontractor is a signatory contractor;
 80.2 and

80.3 (5) the name and telephone number of a contact for the subcontractor.

80.4 (c) Unless otherwise required by law, a contractor or subcontractor shall not disclose an
 80.5 individual's personal identifying information to the general public, except that the contractor
 80.6 or subcontractor can confirm that the individual works for them and provide the individual's
 80.7 full name.

80.8 Subd. 5. **Payments to contractors and subcontractors.** Nothing in this section shall
 80.9 alter the owner's obligation to pay a contractor, or a contractor's obligation to pay a
 80.10 subcontractor as set forth in section 337.10, except as expressly permitted by this section.

80.11 Subd. 6. **Exemptions.** (a) Nothing in this section shall be deemed to diminish the rights,
 80.12 privileges, or remedies of any employee under any collective bargaining agreement. This
 80.13 section shall not apply to any contractor or subcontractor that is a signatory to a bona fide
 80.14 collective bargaining agreement with a building and construction trade labor organization
 80.15 that: (1) contains a grievance procedure that may be used to recover unpaid wages on behalf
 80.16 of employees covered by the agreement; and (2) provides for collection of unpaid
 80.17 contributions to fringe benefit trust funds established pursuant to United States Code, title
 80.18 29, section 186(c)(5)-(6), by or on behalf of such trust funds.

80.19 (b) This section does not apply to work for which prevailing wage rates apply under
 80.20 sections 177.41 to 177.44.

80.21 Sec. 7. Minnesota Statutes 2022, section 181.171, subdivision 4, is amended to read:

80.22 Subd. 4. **Employer; definition.** "Employer" means any person having one or more
 80.23 employees in Minnesota and includes the state or a contractor that has assumed a
 80.24 subcontractor's liability within the meaning of section 181.165 and any political subdivision
 80.25 of the state. This definition applies to this section and sections 181.02, 181.03, 181.031,
 80.26 181.032, 181.06, 181.063, 181.10, 181.101, 181.13, 181.14, and 181.16.

80.27 Sec. 8. **EFFECTIVE DATE.**

80.28 Sections 1 to 7 are effective August 1, 2023, and apply to contracts or agreements entered
 80.29 into, renewed, modified, or amended on or after that date.

81.1

ARTICLE 11

81.2

MISCELLANEOUS

81.3 Section 1. Minnesota Statutes 2022, section 13.43, subdivision 6, is amended to read:

81.4 Subd. 6. **Access by labor organizations.** (a) Personnel data ~~may~~ must be disseminated
 81.5 to labor organizations to the extent that the responsible authority determines that the
 81.6 dissemination is necessary to conduct elections, notify employees of fair share fee
 81.7 assessments, investigate and process grievances, and implement the provisions of chapters
 81.8 179 and 179A. Personnel data shall be disseminated to labor organizations and to the Bureau
 81.9 of Mediation Services to the extent the dissemination is ordered or authorized by the
 81.10 commissioner of the Bureau of Mediation Services. Employee Social Security numbers are
 81.11 not necessary to implement the provisions of chapters 179 and 179A.

81.12 (b) Personnel data described under section 179A.07, subdivision 8, must be disseminated
 81.13 to an exclusive representative under the terms of that subdivision.

81.14 (c) An employer who disseminates personnel data to a labor organization pursuant to
 81.15 this subdivision shall not be subject to liability under section 13.08. Nothing in this paragraph
 81.16 shall impair or limit any remedies available under section 325E.61.

81.17 (d) The home addresses, nonemployer issued phone numbers and email addresses, dates
 81.18 of birth, and emails or other communications between exclusive representatives and their
 81.19 members, prospective members, and nonmembers are private data on individuals.

81.20 Sec. 2. **[16A.1335] EMPLOYEE SALARIES AND BENEFITS IN EVENT OF STATE**
 81.21 **GOVERNMENT SHUTDOWN.**

81.22 Subdivision 1. **Definition.** As used in this section, "government shutdown" means that,
 81.23 as of July 1 of an odd-numbered year, legislation appropriating money for the general
 81.24 operations of (1) an executive agency, (2) an office or department of the legislature, including
 81.25 each house of the legislature and the Legislative Coordinating Commission, or (3) a judicial
 81.26 branch agency or department, including a court, has not been enacted for the biennium
 81.27 beginning July 1 of that year.

81.28 Subd. 2. **Payment required.** Notwithstanding section 16A.17, subdivision 8, state
 81.29 employees must be provided payment for lost salary and benefits resulting from their absence
 81.30 from work during a government shutdown. An employee is eligible for a payment under
 81.31 this section only upon the employee's return to work.

82.1 Subd. 3. **Appropriation; limitation.** (a) In the event of a government shutdown, the
 82.2 amount necessary to pay the salary and benefits of employees of any impacted agency,
 82.3 office, or department is appropriated beginning on that July 1 to that agency, office, or
 82.4 department. The appropriation is made from the fund or funds from which an appropriation
 82.5 was made in the previous fiscal year for salary and benefits paid to each affected employee.

82.6 (b) Amounts appropriated under this subdivision may not exceed the amount or amounts
 82.7 appropriated for general operations of the affected agency, office, or department in the
 82.8 previous fiscal year.

82.9 Subd. 4. **Certification of amount for employees in the legislative and judicial**
 82.10 **branches.** By June 25 of an odd-numbered year, if a government shutdown appears
 82.11 imminent, the director of the Legislative Coordinating Commission, the chief clerk of the
 82.12 house of representatives, the secretary of the senate, and the chief clerk of the supreme court
 82.13 must each certify to the commissioner of management and budget the amount needed for
 82.14 salaries and benefits for each fiscal year of the next biennium, and the commissioner of
 82.15 management and budget shall make the certified amount available on July 1 of that year or
 82.16 on another schedule that permits payment of all salary and benefit obligations required by
 82.17 this section in a timely manner.

82.18 Subd. 5. **Subsequent appropriations.** A subsequent appropriation to the agency, office,
 82.19 or department for regular operations for a biennium in which this section has been applied
 82.20 may only supersede and replace the appropriation provided by subdivision 3 by express
 82.21 reference to this section.

82.22 Sec. 3. Minnesota Statutes 2022, section 120A.414, subdivision 2, is amended to read:

82.23 Subd. 2. **Plan.** A school board, including the board of a charter school, may adopt an
 82.24 e-learning day plan after consulting meeting and negotiating with the exclusive representative
 82.25 of the teachers. ~~A~~ If a charter school's teachers are not represented by an exclusive
 82.26 representative, the charter school may adopt an e-learning day plan after consulting with
 82.27 its teachers. The plan must include accommodations for students without Internet access at
 82.28 home and for digital device access for families without the technology or an insufficient
 82.29 amount of technology for the number of children in the household. A school's e-learning
 82.30 day plan must provide accessible options for students with disabilities under chapter 125A.

83.1 Sec. 4. Minnesota Statutes 2022, section 122A.181, subdivision 5, is amended to read:

83.2 Subd. 5. **Limitations on license.** (a) A Tier 1 license is limited to the content matter
83.3 indicated on the application for the initial Tier 1 license under subdivision 1, clause (2), and
83.4 limited to the district or charter school that requested the initial Tier 1 license.

83.5 (b) A Tier 1 license does not bring an individual within the definition of a teacher for
83.6 purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, clause (a).

83.7 ~~(c) A Tier 1 license does not bring an individual within the definition of a teacher under~~
83.8 ~~section 179A.03, subdivision 18.~~

83.9 Sec. 5. Minnesota Statutes 2022, section 122A.26, subdivision 2, is amended to read:

83.10 Subd. 2. **Exceptions.** (a) A person who teaches in a community education program
83.11 ~~which~~ that qualifies for aid pursuant to section 124D.52 shall continue to meet licensure
83.12 requirements as a teacher. A person who teaches in an early childhood and family education
83.13 program ~~which~~ that is offered through a community education program and which qualifies
83.14 for community education aid pursuant to section 124D.20 or early childhood and family
83.15 education aid pursuant to section 124D.135 shall continue to meet licensure requirements
83.16 as a teacher. A person who teaches in a community education course ~~which~~ that is offered
83.17 for credit for graduation to persons under 18 years of age shall continue to meet licensure
83.18 requirements as a teacher.

83.19 (b) A person who teaches a driver training course ~~which~~ that is offered through a
83.20 community education program to persons under 18 years of age shall be licensed by the
83.21 Professional Educator Licensing and Standards Board or be subject to section 171.35. A
83.22 license ~~which~~ that is required for an instructor in a community education program pursuant
83.23 to this ~~subdivision~~ paragraph shall not be construed to bring an individual within the
83.24 definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41,
83.25 subdivision 1, ~~clause~~ paragraph (a).

83.26 **EFFECTIVE DATE.** This section is effective for the 2023-2024 school year and later.

83.27 Sec. 6. Minnesota Statutes 2022, section 122A.40, subdivision 5, is amended to read:

83.28 Subd. 5. **Probationary period.** (a) The first three consecutive years of a teacher's first
83.29 teaching experience in Minnesota in a single district is deemed to be a probationary period
83.30 of employment, and, the probationary period in each district in which the teacher is thereafter
83.31 employed shall be one year. The school board must adopt a plan for written evaluation of
83.32 teachers during the probationary period that is consistent with subdivision 8. Evaluation

84.1 must occur at least three times periodically throughout each school year for a teacher
84.2 performing services during that school year; the first evaluation must occur within the first
84.3 90 days of teaching service. Days devoted to parent-teacher conferences, teachers' workshops,
84.4 and other staff development opportunities and days on which a teacher is absent from school
84.5 must not be included in determining the number of school days on which a teacher performs
84.6 services. Except as otherwise provided in paragraph (b), during the probationary period any
84.7 annual contract with any teacher may or may not be renewed as the school board shall see
84.8 fit. However, the board must give any such teacher whose contract it declines to renew for
84.9 the following school year written notice to that effect before July 1. If the teacher requests
84.10 reasons for any nonrenewal of a teaching contract, the board must give the teacher its reason
84.11 in writing, including a statement that appropriate supervision was furnished describing the
84.12 nature and the extent of such supervision furnished the teacher during the employment by
84.13 the board, within ten days after receiving such request. The school board may, after a hearing
84.14 held upon due notice, discharge a teacher during the probationary period for cause, effective
84.15 immediately, under section 122A.44.

84.16 (b) A board must discharge a probationary teacher, effective immediately, upon receipt
84.17 of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has
84.18 been revoked due to a conviction for child abuse or sexual abuse.

84.19 (c) A probationary teacher whose first three years of consecutive employment are
84.20 interrupted for active military service and who promptly resumes teaching consistent with
84.21 federal reemployment timelines for uniformed service personnel under United States Code,
84.22 title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes
84.23 of paragraph (a).

84.24 (d) A probationary teacher whose first three years of consecutive employment are
84.25 interrupted for maternity, paternity, or medical leave and who resumes teaching within 12
84.26 months of when the leave began is considered to have a consecutive teaching experience
84.27 for purposes of paragraph (a) if the probationary teacher completes a combined total of
84.28 three years of teaching service immediately before and after the leave.

84.29 (e) A probationary teacher must complete at least ~~120~~ 90 days of teaching service each
84.30 year during the probationary period. Days devoted to parent-teacher conferences, teachers'
84.31 workshops, and other staff development opportunities and days on which a teacher is absent
84.32 from school do not count as days of teaching service under this paragraph.

85.1 Sec. 7. Minnesota Statutes 2022, section 122A.41, subdivision 2, is amended to read:

85.2 Subd. 2. **Probationary period; discharge or demotion.** (a) ~~All teachers in the public~~
85.3 ~~schools in cities of the first class during the first three years of consecutive employment~~
85.4 ~~shall be deemed to be in a probationary period of employment during which period any~~
85.5 ~~annual contract with any teacher may, or may not, be renewed as the school board, after~~
85.6 ~~consulting with the peer review committee charged with evaluating the probationary teachers~~
85.7 ~~under subdivision 3, shall see fit. The first three consecutive years of a teacher's first teaching~~
85.8 experience in Minnesota in a single district is deemed to be a probationary period of
85.9 employment, and the probationary period in each district in which the teacher is thereafter
85.10 employed shall be one year. The school site management team or the school board if there
85.11 is no school site management team, shall adopt a plan for a written evaluation of teachers
85.12 during the probationary period according to subdivisions 3 and 5. Evaluation by the peer
85.13 review committee charged with evaluating probationary teachers under subdivision 3 shall
85.14 occur at least three times periodically throughout each school year for a teacher performing
85.15 services during that school year; the first evaluation must occur within the first 90 days of
85.16 teaching service. Days devoted to parent-teacher conferences, teachers' workshops, and
85.17 other staff development opportunities and days on which a teacher is absent from school
85.18 shall not be included in determining the number of school days on which a teacher performs
85.19 services. The school board may, during such probationary period, discharge or demote a
85.20 teacher for any of the causes as specified in this code. A written statement of the cause of
85.21 such discharge or demotion shall be given to the teacher by the school board at least 30
85.22 days before such removal or demotion shall become effective, and the teacher so notified
85.23 shall have no right of appeal therefrom.

85.24 (b) A probationary teacher whose first three years of consecutive employment are
85.25 interrupted for active military service and who promptly resumes teaching consistent with
85.26 federal reemployment timelines for uniformed service personnel under United States Code,
85.27 title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes
85.28 of paragraph (a).

85.29 (c) A probationary teacher whose first three years of consecutive employment are
85.30 interrupted for maternity, paternity, or medical leave and who resumes teaching within 12
85.31 months of when the leave began is considered to have a consecutive teaching experience
85.32 for purposes of paragraph (a) if the probationary teacher completes a combined total of
85.33 three years of teaching service immediately before and after the leave.

85.34 (d) A probationary teacher must complete at least ~~120~~ 90 days of teaching service each
85.35 year during the probationary period. Days devoted to parent-teacher conferences, teachers'

86.1 workshops, and other staff development opportunities and days on which a teacher is absent
86.2 from school do not count as days of teaching service under this paragraph.

86.3 Sec. 8. Minnesota Statutes 2022, section 177.27, subdivision 4, as amended by Laws 2023,
86.4 chapter 30, section 1, is amended to read:

86.5 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
86.6 employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,
86.7 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d), 181.275,
86.8 subdivision 2a, 181.722, 181.79, 181.939 to 181.943, ~~and 181.987, or 181.991,~~ and with
86.9 any rule promulgated under section 177.28. The commissioner shall issue an order requiring
86.10 an employer to comply with sections 177.41 to 177.435 or 181.987 if the violation is repeated.
86.11 For purposes of this subdivision only, a violation is repeated if at any time during the two
86.12 years that preceded the date of violation, the commissioner issued an order to the employer
86.13 for violation of sections 177.41 to 177.435 or 181.987 and the order is final or the
86.14 commissioner and the employer have entered into a settlement agreement that required the
86.15 employer to pay back wages that were required by sections 177.41 to 177.435. The
86.16 department shall serve the order upon the employer or the employer's authorized
86.17 representative in person or by certified mail at the employer's place of business. An employer
86.18 who wishes to contest the order must file written notice of objection to the order with the
86.19 commissioner within 15 calendar days after being served with the order. A contested case
86.20 proceeding must then be held in accordance with sections 14.57 to 14.69. If, within 15
86.21 calendar days after being served with the order, the employer fails to file a written notice
86.22 of objection with the commissioner, the order becomes a final order of the commissioner.

86.23 **EFFECTIVE DATE.** This section is effective the day following final enactment and
86.24 applies to franchise agreements entered into or amended on or after that date.

86.25 Sec. 9. Minnesota Statutes 2022, section 177.42, subdivision 2, is amended to read:

86.26 Subd. 2. **Project.** "Project" means demolition, erection, construction, remodeling, or
86.27 repairing of a public building, facility, or other public work financed in whole or part by
86.28 state funds. Project also includes demolition, erection, construction, remodeling, or repairing
86.29 of a building, facility, or public work when the acquisition of property, predesign, design,
86.30 or demolition is financed in whole or part by state funds.

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

87.1 Sec. 10. Minnesota Statutes 2022, section 179A.03, subdivision 14, is amended to read:

87.2 Subd. 14. **Public employee or employee.** (a) "Public employee" or "employee" means
87.3 any person appointed or employed by a public employer except:

87.4 (1) elected public officials;

87.5 (2) election officers;

87.6 (3) commissioned or enlisted personnel of the Minnesota National Guard;

87.7 (4) emergency employees who are employed for emergency work caused by natural
87.8 disaster;

87.9 (5) part-time employees whose service does not exceed the lesser of 14 hours per week
87.10 or 35 percent of the normal work week in the employee's appropriate unit;

87.11 (6) employees whose positions are basically temporary or seasonal in character and: (i)
87.12 are not for more than 67 working days in any calendar year; ~~or~~ (ii) are not working for a
87.13 Minnesota school district or charter school; or (iii) are not for more than 100 working days
87.14 in any calendar year and the employees are under the age of 22, are full-time students
87.15 enrolled in a nonprofit or public educational institution prior to being hired by the employer,
87.16 and have indicated, either in an application for employment or by being enrolled at an
87.17 educational institution for the next academic year or term, an intention to continue as students
87.18 during or after their temporary employment;

87.19 (7) employees providing services for not more than two consecutive quarters to the
87.20 Board of Trustees of the Minnesota State Colleges and Universities under the terms of a
87.21 professional or technical services contract as defined in section 16C.08, subdivision 1;

87.22 (8) employees of charitable hospitals as defined by section 179.35, subdivision 3, except
87.23 that employees of charitable hospitals as defined by section 179.35, subdivision 3, are public
87.24 employees for purposes of sections 179A.051, 179A.052, and 179A.13;

87.25 (9) full-time undergraduate students employed by the school which they attend under a
87.26 work-study program or in connection with the receipt of financial aid, irrespective of number
87.27 of hours of service per week;

87.28 (10) an individual who is employed for less than 300 hours in a fiscal year as an instructor
87.29 in an adult vocational education program;

87.30 ~~(11) an individual hired by the Board of Trustees of the Minnesota State Colleges and~~
87.31 ~~Universities to teach one course for three or fewer credits for one semester in a year;~~

87.32 ~~(12)~~ (11) with respect to court employees:

88.1 (i) personal secretaries to judges;

88.2 (ii) law clerks;

88.3 (iii) managerial employees;

88.4 (iv) confidential employees; and

88.5 (v) supervisory employees; or

88.6 ~~(13)~~ (12) with respect to employees of Hennepin Healthcare System, Inc., managerial,
88.7 supervisory, and confidential employees.

88.8 (b) The following individuals are public employees regardless of the exclusions of
88.9 paragraph (a), clauses (5) ~~and (6)~~ to (7):

88.10 (1) an employee hired by a school district or the Board of Trustees of the Minnesota
88.11 State Colleges and Universities except at the university established in the Twin Cities
88.12 metropolitan area under section 136F.10 or for community services or community education
88.13 instruction offered on a noncredit basis: (i) to replace an absent teacher or faculty member
88.14 who is a public employee, where the replacement employee is employed more than 30
88.15 working days as a replacement for that teacher or faculty member; or (ii) to take a teaching
88.16 position created due to increased enrollment, curriculum expansion, courses which are a
88.17 part of the curriculum whether offered annually or not, or other appropriate reasons;

88.18 (2) an employee hired for a position under paragraph (a), clause (6), item (i), if that same
88.19 position has already been filled under paragraph (a), clause (6), item (i), in the same calendar
88.20 year and the cumulative number of days worked in that same position by all employees
88.21 exceeds 67 calendar days in that year. For the purpose of this paragraph, "same position"
88.22 includes a substantially equivalent position if it is not the same position solely due to a
88.23 change in the classification or title of the position; ~~and~~

88.24 (3) an early childhood family education teacher employed by a school district; and

88.25 (4) an individual hired by the Board of Trustees of the Minnesota State Colleges and
88.26 Universities as the instructor of record to teach (i) one class for more than three credits in
88.27 a fiscal year, or (ii) two or more credit-bearing classes in a fiscal year.

88.28 Sec. 11. Minnesota Statutes 2022, section 179A.03, subdivision 18, is amended to read:

88.29 Subd. 18. **Teacher.** "Teacher" means any public employee other than a superintendent
88.30 or assistant superintendent, principal, assistant principal, or a supervisory or confidential
88.31 employee, employed by a school district:

89.1 (1) in a position for which the person must be licensed by the Professional Educator
89.2 Licensing and Standards Board or the commissioner of education; ~~or~~

89.3 (2) in a position as a physical therapist, occupational therapist, art therapist, music
89.4 therapist, or audiologist; or

89.5 (3) in a position creating and delivering instruction to children in a preschool, school
89.6 readiness, school readiness plus, or prekindergarten program or other school district or
89.7 charter school-based early education program, except that an employee in a bargaining unit
89.8 certified before January 1, 2023, may remain in a bargaining unit that does not include
89.9 teachers unless an exclusive representative files a petition for a unit clarification or to transfer
89.10 exclusive representative status.

89.11 **EFFECTIVE DATE.** This section is effective July 1, 2023.

89.12 Sec. 12. Minnesota Statutes 2022, section 179A.03, subdivision 19, is amended to read:

89.13 Subd. 19. **Terms and conditions of employment.** "Terms and conditions of employment"
89.14 means the hours of employment, the compensation therefor including fringe benefits except
89.15 retirement contributions or benefits other than employer payment of, or contributions to,
89.16 premiums for group insurance coverage of retired employees or severance pay, staffing
89.17 ratios, and the employer's personnel policies affecting the working conditions of the
89.18 employees. In the case of professional employees the term does not mean educational
89.19 policies of a school district. "Terms and conditions of employment" is subject to section
89.20 179A.07. In the case of school employees, "terms and conditions of employment" includes
89.21 adult-to-student ratios in classrooms, student testing, and student-to-personnel ratios.

89.22 Sec. 13. Minnesota Statutes 2022, section 179A.06, subdivision 6, is amended to read:

89.23 Subd. 6. ~~Dues checkoff~~ **Payroll deduction, authorization, and remittance.** (a) Public
89.24 employees have the right to request and be allowed dues checkoff payroll deduction for the
89.25 exclusive representative. ~~In the absence of an exclusive representative, public employees~~
89.26 ~~have the right to request and be allowed dues checkoff for the organization of their choice.~~
89.27 and the political fund associated with the exclusive representative and registered pursuant
89.28 to section 10A.12. A public employer must rely on a certification from any exclusive
89.29 representative requesting remittance of a deduction that the organization has and will maintain
89.30 an authorization, signed by the public employee from whose salary or wages the deduction
89.31 is to be made, which may include an electronic signature by the public employee as defined
89.32 in section 325L.02, paragraph (h). An exclusive representative making such certification
89.33 must not be required to provide the public employer a copy of the authorization unless a

90.1 dispute arises about the existence or terms of the authorization. The exclusive representative
 90.2 must indemnify the public employer for any successful claims made by the employee for
 90.3 unauthorized deductions in reliance on the certification.

90.4 (b) A dues deduction authorization remains in effect until the employer receives notice
 90.5 from the exclusive representative that a public employee has changed or canceled their
 90.6 authorization in writing in accordance with the terms of the original authorizing document,
 90.7 and a public employer must rely on information from the exclusive representative receiving
 90.8 remittance of the deduction regarding whether the deductions have been properly changed
 90.9 or canceled. The exclusive representative must indemnify the public employer, including
 90.10 any reasonable attorney fees and litigation costs, for any successful claims made by the
 90.11 employee for unauthorized deductions made in reliance on such information.

90.12 (c) Deduction authorization under this section is independent from the public employee's
 90.13 membership status in the organization to which payment is remitted and is effective regardless
 90.14 of whether a collective bargaining agreement authorizes the deduction.

90.15 (d) Employers must commence deductions within 30 days of notice of authorization
 90.16 from the exclusive representative and must remit the deductions to the exclusive
 90.17 representative within 30 days of the deduction. The failure of an employer to comply with
 90.18 the provisions of this paragraph shall be an unfair labor practice under section 179A.13, the
 90.19 relief for which shall be reimbursement by the employer of deductions that should have
 90.20 been made or remitted based on a valid authorization given by the employee or employees.

90.21 (e) In the absence of an exclusive representative, public employees have the right to
 90.22 request and be allowed payroll deduction for the organization of their choice.

90.23 (f) Any dispute under this subdivision must be resolved through an unfair labor practice
 90.24 proceeding under section 179A.13.

90.25 Sec. 14. Minnesota Statutes 2022, section 179A.07, subdivision 1, is amended to read:

90.26 Subdivision 1. **Inherent managerial policy.** A public employer is not required to meet
 90.27 and negotiate on matters of inherent managerial policy. Matters of inherent managerial
 90.28 policy include, but are not limited to, such areas of discretion or policy as the functions and
 90.29 programs of the employer, its overall budget, utilization of technology, the organizational
 90.30 structure, selection of personnel, and direction ~~and the number~~ of personnel. No public
 90.31 employer shall sign an agreement which limits its right to select persons to serve as
 90.32 supervisory employees or state managers under section 43A.18, subdivision 3, or requires
 90.33 the use of seniority in their selection.

91.1 Sec. 15. Minnesota Statutes 2022, section 179A.07, subdivision 6, is amended to read:

91.2 Subd. 6. **Time off.** A public employer must afford reasonable time off to elected officers
 91.3 or appointed representatives of the exclusive representative to conduct the duties of the
 91.4 exclusive representative and must, upon request, provide for leaves of absence to elected
 91.5 or appointed officials of the exclusive representative, to elected or appointed officials of an
 91.6 affiliate of an exclusive representative, or to a full-time appointed official of an exclusive
 91.7 representative of teachers in another Minnesota school district.

91.8 Sec. 16. Minnesota Statutes 2022, section 179A.07, is amended by adding a subdivision
 91.9 to read:

91.10 Subd. 8. **Bargaining unit information.** (a) Within 20 calendar days from the date of
 91.11 hire of a bargaining unit employee, a public employer must provide the following contact
 91.12 information to an exclusive representative in an Excel file format or other format agreed to
 91.13 by the exclusive representative: name; job title; worksite location, including location within
 91.14 a facility when appropriate; home address; work telephone number; home and personal cell
 91.15 phone numbers on file with the public employer; date of hire; and work email address and
 91.16 personal email address on file with the public employer.

91.17 (b) Every 120 calendar days beginning on January 1, 2024, a public employer must
 91.18 provide to an exclusive representative in an Excel file or similar format agreed to by the
 91.19 exclusive representative the following information for all bargaining unit employees: name;
 91.20 job title; worksite location, including location within a facility when appropriate; home
 91.21 address; work telephone number; home and personal cell phone numbers on file with the
 91.22 public employer; date of hire; and work email address and personal email address on file
 91.23 with the public employer.

91.24 (c) A public employer must notify an exclusive representative within 20 calendar days
 91.25 of the separation of employment or transfer out of the bargaining unit of a bargaining unit
 91.26 employee.

91.27 Sec. 17. Minnesota Statutes 2022, section 179A.07, is amended by adding a subdivision
 91.28 to read:

91.29 Subd. 9. **Access.** (a) A public employer must allow an exclusive representative to meet
 91.30 in person with newly hired employees, without charge to the pay or leave time of the
 91.31 employees, for 30 minutes, within 30 calendar days from the date of hire, during new
 91.32 employee orientations or, if the employer does not conduct new employee orientations, at
 91.33 individual or group meetings. An exclusive representative shall receive no less than ten

92.1 days' notice in advance of an orientation, except that a shorter notice may be provided where
 92.2 there is an urgent need critical to the operations of the public employer that was not
 92.3 reasonably foreseeable. Notice of and attendance at new employee orientations and other
 92.4 meetings under this paragraph must be limited to the public employer, the employees, the
 92.5 exclusive representative, and any vendor contracted to provide a service for purposes of the
 92.6 meeting. Meetings may be held virtually or for longer than 30 minutes only by mutual
 92.7 agreement of the public employer and exclusive representative.

92.8 (b) A public employer must allow an exclusive representative to communicate with
 92.9 bargaining unit members using their employer-issued email addresses regarding collective
 92.10 bargaining, the administration of collective bargaining agreements, the investigation of
 92.11 grievances, other workplace-related complaints and issues, and internal matters involving
 92.12 the governance or business of the exclusive representative, consistent with the employer's
 92.13 generally applicable technology use policies.

92.14 (c) A public employer must allow an exclusive representative to meet with bargaining
 92.15 unit members in facilities owned or leased by the public employer regarding collective
 92.16 bargaining, the administration of collective bargaining agreements, grievances and other
 92.17 workplace-related complaints and issues, and internal matters involving the governance or
 92.18 business of the exclusive representative, provided the use does not interfere with
 92.19 governmental operations and the exclusive representative complies with worksite security
 92.20 protocols established by the public employer. Meetings conducted in government buildings
 92.21 pursuant to this paragraph must not be for the purpose of supporting or opposing any
 92.22 candidate for partisan political office or for the purpose of distributing literature or
 92.23 information regarding partisan elections. An exclusive representative conducting a meeting
 92.24 in a government building or other government facility pursuant to this subdivision may be
 92.25 charged for maintenance, security, and other costs related to the use of the government
 92.26 building or facility that would not otherwise be incurred by the government entity.

92.27 Sec. 18. Minnesota Statutes 2022, section 179A.12, is amended by adding a subdivision
 92.28 to read:

92.29 Subd. 2a. **Majority verification procedure.** (a) Notwithstanding any other provision
 92.30 of this section, an employee organization may file a petition with the commissioner requesting
 92.31 certification as the exclusive representative of an appropriate unit based on a verification
 92.32 that over 50 percent of the employees in the proposed appropriate unit wish to be represented
 92.33 by the petitioner. The commissioner shall require dated representation authorization

93.1 signatures of affected employees as verification of the employee organization's claim of
 93.2 majority status.

93.3 (b) Upon receipt of an employee organization's petition, accompanied by employee
 93.4 authorization signatures under this subdivision, the commissioner shall investigate the
 93.5 petition. If the commissioner determines that over 50 percent of the employees in an
 93.6 appropriate unit have provided authorization signatures designating the employee
 93.7 organization specified in the petition as their exclusive representative, the commissioner
 93.8 shall not order an election but shall certify the employee organization.

93.9 Sec. 19. Minnesota Statutes 2022, section 179A.12, subdivision 6, is amended to read:

93.10 Subd. 6. **Authorization signatures.** In determining the numerical status of an employee
 93.11 organization for purposes of this section, the commissioner shall require dated representation
 93.12 authorization signatures of affected employees as verification of the statements contained
 93.13 in the joint request or petitions. These authorization signatures shall be privileged and
 93.14 confidential information available to the commissioner only. Electronic signatures, as defined
 93.15 in section 325L.02, paragraph (h), shall be valid as authorization signatures. Authorization
 93.16 signatures shall be valid for a period of one year following the date of signature.

93.17 Sec. 20. Minnesota Statutes 2022, section 179A.12, subdivision 11, is amended to read:

93.18 Subd. 11. **Unfair labor practices.** If the commissioner finds that an unfair labor practice
 93.19 was committed by an employer or representative candidate or an employee or group of
 93.20 employees, and that the unfair labor practice affected the result of an election or majority
 93.21 verification procedure pursuant to subdivision 2a, or that procedural or other irregularities
 93.22 in the conduct of the election or majority verification procedure may have substantially
 93.23 affected its results, the commissioner may void the ~~election~~ result and order a new election
 93.24 or majority verification procedure.

93.25 Sec. 21. Minnesota Statutes 2022, section 181.03, subdivision 6, is amended to read:

93.26 Subd. 6. **Retaliation.** An employer ~~must~~ shall not discharge, discipline, penalize, interfere
 93.27 with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee
 93.28 for asserting rights or remedies under this section, sections 177.21 to 177.44, 181.01 to
 93.29 181.723, or 181.79, including, but not limited to, filing a complaint with the department or
 93.30 telling the employer of the employee's intention to file a complaint. In addition to any other
 93.31 remedies provided by law, an employer who violates this subdivision is liable for a civil
 93.32 penalty of not less than \$700 nor more than \$3,000 per violation.

94.1 **EFFECTIVE DATE.** This section is effective July 1, 2023.

94.2 Sec. 22. Minnesota Statutes 2022, section 181.06, subdivision 2, is amended to read:

94.3 Subd. 2. **Payroll deductions.** A written contract may be entered into between an employer
94.4 and an employee wherein the employee authorizes the employer to make payroll deductions
94.5 for the purpose of paying union dues, premiums of any life insurance, hospitalization and
94.6 surgical insurance, group accident and health insurance, group term life insurance, group
94.7 annuities or contributions to credit unions or a community chest fund, a local arts council,
94.8 a local science council or a local arts and science council, or Minnesota benefit association,
94.9 a federally or state registered political action committee, membership dues of a relief
94.10 association governed by sections 424A.091 to 424A.096 or Laws 2013, chapter 111, article
94.11 5, sections 31 to 42, contributions to a nonprofit organization that is tax exempt under section
94.12 501(c) of the Internal Revenue Code, or participation in any employee stock purchase plan
94.13 or savings plan for periods longer than 60 days, including gopher state bonds established
94.14 under section 16A.645. A private sector employer must make payroll deductions to a nonlabor
94.15 organization under this subdivision when requested by five or more employees.

94.16 **EFFECTIVE DATE.** This section is effective July 1, 2023.

94.17 Sec. 23. Minnesota Statutes 2022, section 181.172, is amended to read:

94.18 **181.172 WAGE DISCLOSURE PROTECTION.**

94.19 (a) An employer shall not:

94.20 (1) require nondisclosure by an employee of his or her wages as a condition of
94.21 employment;

94.22 (2) require an employee to sign a waiver or other document which purports to deny an
94.23 employee the right to disclose the employee's wages; or

94.24 (3) take any adverse employment action against an employee for disclosing the employee's
94.25 own wages or discussing another employee's wages which have been disclosed voluntarily.

94.26 (b) Nothing in this section shall be construed to:

94.27 (1) create an obligation on any employer or employee to disclose wages;

94.28 (2) permit an employee, without the written consent of the employer, to disclose
94.29 proprietary information, trade secret information, or information that is otherwise subject
94.30 to a legal privilege or protected by law;

95.1 (3) diminish any existing rights under the National Labor Relations Act under United
95.2 States Code, title 29; or

95.3 (4) permit the employee to disclose wage information of other employees to a competitor
95.4 of their employer.

95.5 (c) An employer that provides an employee handbook to its employees must include in
95.6 the handbook notice of employee rights and remedies under this section.

95.7 (d) An employer ~~may~~ shall not discharge, discipline, penalize, interfere with, threaten,
95.8 restrain, coerce, or otherwise retaliate or discriminate against an employee for asserting
95.9 rights or remedies under this section.

95.10 (e) An employee may bring a civil action against an employer for a violation of paragraph
95.11 (a) or (d). If a court finds that an employer has violated paragraph (a) or (d), the court may
95.12 order reinstatement, back pay, restoration of lost service credit, if appropriate, and the
95.13 expungement of any related adverse records of an employee who was the subject of the
95.14 violation.

95.15 **EFFECTIVE DATE.** This section is effective July 1, 2023.

95.16 Sec. 24. Minnesota Statutes 2022, section 181.275, subdivision 1, is amended to read:

95.17 Subdivision 1. **Definitions.** For purposes of this section, the following terms have the
95.18 meanings given them:

95.19 (1) "emergency" means a period when replacement staff are not able to report for duty
95.20 for the next shift or increased patient need, because of unusual, unpredictable, or unforeseen
95.21 circumstances such as, but not limited to, an act of terrorism, a disease outbreak, adverse
95.22 weather conditions, or natural disasters which impact continuity of patient care;

95.23 (2) "normal work period" means 12 or fewer consecutive hours consistent with a
95.24 predetermined work shift;

95.25 (3) "nurse" has the meaning given in section 148.171, subdivision 9, and includes nurses
95.26 employed by the state of Minnesota; and

95.27 (4) "taking action against" means discharging; disciplining; penalizing; interfering with;
95.28 threatening; restraining; coercing; reporting to the Board of Nursing; or otherwise retaliating
95.29 or discriminating against; ~~or penalizing~~ regarding compensation, terms, conditions, location,
95.30 or privileges of employment.

95.31 **EFFECTIVE DATE.** This section is effective July 1, 2023.

96.1 Sec. 25. [181.531] EMPLOYER-SPONSORED MEETINGS OR COMMUNICATION.

96.2 Subdivision 1. Prohibition. An employer or the employer's agent, representative, or
 96.3 designee must not discharge, discipline, or otherwise penalize or threaten to discharge,
 96.4 discipline, or otherwise penalize or take any adverse employment action against an employee:

96.5 (1) because the employee declines to attend or participate in an employer-sponsored
 96.6 meeting or declines to receive or listen to communications from the employer or the agent,
 96.7 representative, or designee of the employer if the meeting or communication is to
 96.8 communicate the opinion of the employer about religious or political matters;

96.9 (2) as a means of inducing an employee to attend or participate in meetings or receive
 96.10 or listen to communications described in clause (1); or

96.11 (3) because the employee, or a person acting on behalf of the employee, makes a
 96.12 good-faith report, orally or in writing, of a violation or a suspected violation of this section.

96.13 Subd. 2. Remedies. An aggrieved employee may bring a civil action to enforce this
 96.14 section no later than 90 days after the date of the alleged violation in the district court where
 96.15 the violation is alleged to have occurred or where the principal office of the employer is
 96.16 located. The court may award a prevailing employee all appropriate relief, including
 96.17 injunctive relief, reinstatement to the employee's former position or an equivalent position,
 96.18 back pay and reestablishment of any employee benefits, including seniority, to which the
 96.19 employee would otherwise have been eligible if the violation had not occurred and any
 96.20 other appropriate relief as deemed necessary by the court to make the employee whole. The
 96.21 court shall award a prevailing employee reasonable attorney fees and costs.

96.22 Subd. 3. Notice. Within 30 days of the effective date of this section, an employer subject
 96.23 to this section shall post and keep posted, a notice of employee rights under this section
 96.24 where employee notices are customarily placed.

96.25 Subd. 4. Scope. This section does not:

96.26 (1) prohibit communications of information that the employer is required by law to
 96.27 communicate, but only to the extent of the lawful requirement;

96.28 (2) limit the rights of an employer or its agent, representative, or designee to conduct
 96.29 meetings involving religious or political matters so long as attendance is wholly voluntary
 96.30 or to engage in communications so long as receipt or listening is wholly voluntary; or

96.31 (3) limit the rights of an employer or its agent, representative, or designee from
 96.32 communicating to its employees any information, or requiring employee attendance at

97.1 meetings and other events, that is necessary for the employees to perform their lawfully
 97.2 required job duties.

97.3 Subd. 5. **Definitions.** For the purposes of this section:

97.4 (1) "political matters" means matters relating to elections for political office, political
 97.5 parties, proposals to change legislation, proposals to change regulations, proposals to change
 97.6 public policy, and the decision to join or support any political party or political, civic,
 97.7 community, fraternal, or labor organization; and

97.8 (2) "religious matters" means matters relating to religious belief, affiliation, and practice
 97.9 and the decision to join or support any religious organization or association.

97.10 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to causes
 97.11 of action accruing on or after that date.

97.12 Sec. 26. Minnesota Statutes 2022, section 181.932, subdivision 1, is amended to read:

97.13 Subdivision 1. **Prohibited action.** An employer shall not discharge, discipline, penalize,
 97.14 interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against, ~~or~~
 97.15 ~~penalize~~ an employee regarding the employee's compensation, terms, conditions, location,
 97.16 or privileges of employment because:

97.17 (1) the employee, or a person acting on behalf of an employee, in good faith, reports a
 97.18 violation, suspected violation, or planned violation of any federal or state law or common
 97.19 law or rule adopted pursuant to law to an employer or to any governmental body or law
 97.20 enforcement official;

97.21 (2) the employee is requested by a public body or office to participate in an investigation,
 97.22 hearing, inquiry;

97.23 (3) the employee refuses an employer's order to perform an action that the employee
 97.24 has an objective basis in fact to believe violates any state or federal law or rule or regulation
 97.25 adopted pursuant to law, and the employee informs the employer that the order is being
 97.26 refused for that reason;

97.27 (4) the employee, in good faith, reports a situation in which the quality of health care
 97.28 services provided by a health care facility, organization, or health care provider violates a
 97.29 standard established by federal or state law or a professionally recognized national clinical
 97.30 or ethical standard and potentially places the public at risk of harm;

98.1 (5) a public employee communicates the findings of a scientific or technical study that
 98.2 the employee, in good faith, believes to be truthful and accurate, including reports to a
 98.3 governmental body or law enforcement official; or

98.4 (6) an employee in the classified service of state government communicates information
 98.5 that the employee, in good faith, believes to be truthful and accurate, and that relates to state
 98.6 services, including the financing of state services, to:

98.7 (i) a legislator or the legislative auditor; or

98.8 (ii) a constitutional officer.

98.9 The disclosures protected pursuant to this section do not authorize the disclosure of data
 98.10 otherwise protected by law.

98.11 **EFFECTIVE DATE.** This section is effective July 1, 2023.

98.12 Sec. 27. Minnesota Statutes 2022, section 181.939, is amended to read:

98.13 **181.939 NURSING MOTHERS, LACTATING EMPLOYEES, AND PREGNANCY**
 98.14 **ACCOMMODATIONS.**

98.15 Subdivision 1. **Nursing mothers and lactating employees.** (a) An employer must
 98.16 provide reasonable break times each day to an employee who needs to express ~~breast~~ milk
 98.17 ~~for her infant child during the twelve months following the birth of the child.~~ The break
 98.18 times ~~must, if possible,~~ may run concurrently with any break times already provided to the
 98.19 employee. ~~An employer is not required to provide break times under this section if to do so~~
 98.20 ~~would unduly disrupt the operations of the employer.~~ An employer shall not reduce an
 98.21 employee's compensation for time used for the purpose of expressing milk.

98.22 (b) The employer must make reasonable efforts to provide a clean, private, and secure
 98.23 room or other location, in close proximity to the work area, other than a bathroom or a toilet
 98.24 stall, that is shielded from view and free from intrusion from coworkers and the public and
 98.25 that includes access to an electrical outlet, where the employee can express milk in privacy.
 98.26 The employer would be held harmless if reasonable effort has been made.

98.27 (c) For the purposes of this subdivision, "employer" means a person or entity that employs
 98.28 one or more employees and includes the state and its political subdivisions.

98.29 (d) An employer shall not discharge, discipline, penalize, interfere with, threaten, restrain,
 98.30 coerce, or otherwise retaliate or discriminate against an employee for asserting rights or
 98.31 remedies under this subdivision.

99.1 Subd. 2. **Pregnancy accommodations.** (a) An employer must provide reasonable
99.2 accommodations to an employee for health conditions related to pregnancy or childbirth
99.3 upon request, with the advice of a licensed health care provider or certified doula, unless
99.4 the employer demonstrates that the accommodation would impose an undue hardship on
99.5 the operation of the employer's business. A pregnant employee shall not be required to
99.6 obtain the advice of a licensed health care provider or certified doula, nor may an employer
99.7 claim undue hardship for the following accommodations: (1) more frequent or longer
99.8 restroom, food, and water breaks; (2) seating; and (3) limits on lifting over 20 pounds. The
99.9 employee and employer shall engage in an interactive process with respect to an employee's
99.10 request for a reasonable accommodation. Reasonable accommodation may include but is
99.11 not limited to temporary transfer to a less strenuous or hazardous position, temporary leave
99.12 of absence, modification in work schedule or job assignments, seating, more frequent
99.13 restroom breaks or longer break periods, and limits to heavy lifting. Notwithstanding any
99.14 other provision of this subdivision, an employer shall not be required to create a new or
99.15 additional position in order to accommodate an employee pursuant to this subdivision and
99.16 shall not be required to discharge an employee, transfer another employee with greater
99.17 seniority, or promote an employee.

99.18 (b) Nothing in this subdivision shall be construed to affect any other provision of law
99.19 relating to sex discrimination or pregnancy or in any way diminish the coverage of pregnancy,
99.20 childbirth, or health conditions related to pregnancy or childbirth under any other provisions
99.21 of any other law.

99.22 (c) An employer shall not require an employee to take a leave or accept an
99.23 accommodation.

99.24 (d) An employer shall not discharge, discipline, penalize, interfere with, threaten, restrain,
99.25 coerce, or otherwise retaliate or discriminate against an employee for asserting rights or
99.26 remedies under this subdivision.

99.27 (e) For the purposes of this subdivision, "employer" means a person or entity that employs
99.28 ~~fifteen~~ one or more employees and includes the state and its political subdivisions.

99.29 Subd. 3. **Notice to employees.** An employer shall inform employees of their rights under
99.30 this section at the time of hire and when an employee makes an inquiry about or requests
99.31 parental leave. Information must be provided in English and the primary language of the
99.32 employee as identified by the employee. An employer that provides an employee handbook
99.33 to its employees must include in the handbook notice of employee rights and remedies under
99.34 this section. The commissioner shall make available to employers the text to be included

100.1 in the notice required by this section in English and the five most common languages spoken
 100.2 in Minnesota.

100.3 **EFFECTIVE DATE.** This section is effective July 1, 2023.

100.4 Sec. 28. Minnesota Statutes 2022, section 181.940, subdivision 2, is amended to read:

100.5 Subd. 2. **Employee.** "Employee" means a person who performs services for hire for an
 100.6 employer from whom a leave is requested under sections 181.940 to 181.944 ~~for:~~

100.7 ~~(1) at least 12 months preceding the request; and~~

100.8 ~~(2) for an average number of hours per week equal to one-half the full-time equivalent~~
 100.9 ~~position in the employee's job classification as defined by the employer's personnel policies~~
 100.10 ~~or practices or pursuant to the provisions of a collective bargaining agreement, during the~~
 100.11 ~~12-month period immediately preceding the leave.~~

100.12 Employee includes all individuals employed ~~at any site owned or operated~~ by the
 100.13 employer but does not include an independent contractor.

100.14 **EFFECTIVE DATE.** This section is effective July 1, 2023.

100.15 Sec. 29. Minnesota Statutes 2022, section 181.940, subdivision 3, is amended to read:

100.16 Subd. 3. **Employer.** "Employer" means a person or entity that employs ~~21~~ one or more
 100.17 employees ~~at at least one site, except that, for purposes of the school leave allowed under~~
 100.18 ~~section 181.9412, employer means a person or entity that employs one or more employees~~
 100.19 ~~in Minnesota. The term~~ and includes an individual, corporation, partnership, association,
 100.20 business, trust, nonprofit organization, group of persons, state, county, town, city, school
 100.21 district, or other governmental subdivision.

100.22 **EFFECTIVE DATE.** This section is effective July 1, 2023.

100.23 Sec. 30. Minnesota Statutes 2022, section 181.941, subdivision 3, is amended to read:

100.24 Subd. 3. **No employer retribution.** An employer shall not discharge, discipline, penalize,
 100.25 interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an
 100.26 employee for requesting or obtaining a leave of absence as provided by this section.

100.27 **EFFECTIVE DATE.** This section is effective July 1, 2023.

101.1 Sec. 31. Minnesota Statutes 2022, section 181.9413, is amended to read:

101.2 **181.9413 SICK LEAVE BENEFITS; CARE OF RELATIVES.**

101.3 (a) An employee may use personal sick leave benefits provided by the employer for
101.4 absences due to an illness of or injury to the employee's child, as defined in section 181.940,
101.5 subdivision 4, adult child, spouse, sibling, parent, mother-in-law, father-in-law, grandchild,
101.6 grandparent, or stepparent, for reasonable periods of time as the employee's attendance may
101.7 be necessary, on the same terms upon which the employee is able to use sick leave benefits
101.8 for the employee's own illness or injury. This section applies only to personal sick leave
101.9 benefits payable to the employee from the employer's general assets.

101.10 (b) An employee may use sick leave as allowed under this section for safety leave,
101.11 whether or not the employee's employer allows use of sick leave for that purpose for such
101.12 reasonable periods of time as may be necessary. Safety leave may be used for assistance to
101.13 the employee or assistance to the relatives described in paragraph (a). For the purpose of
101.14 this section, "safety leave" is leave for the purpose of providing or receiving assistance
101.15 because of sexual assault, domestic abuse, or harassment or stalking. For the purpose of
101.16 this paragraph:

101.17 (1) "domestic abuse" has the meaning given in section 518B.01;

101.18 (2) "sexual assault" means an act that constitutes a violation under sections 609.342 to
101.19 609.3453 or 609.352; and

101.20 (3) "harass" and "stalking" have the meanings given in section 609.749.

101.21 (c) An employer may limit the use of safety leave as described in paragraph (b) or
101.22 personal sick leave benefits provided by the employer for absences due to an illness of or
101.23 injury to the employee's adult child, spouse, sibling, parent, mother-in-law, father-in-law,
101.24 grandchild, grandparent, or stepparent to no less than 160 hours in any 12-month period.
101.25 This paragraph does not apply to absences due to the illness or injury of a child, as defined
101.26 in section 181.940, subdivision 4.

101.27 (d) For purposes of this section, "personal sick leave benefits" means time accrued and
101.28 available to an employee to be used as a result of absence from work due to personal illness
101.29 or injury, but does not include short-term or long-term disability or other salary continuation
101.30 benefits.

101.31 (e) For the purpose of this section, "child" includes a stepchild and a biological, adopted,
101.32 and foster child.

102.1 (f) For the purpose of this section, "grandchild" includes a step-grandchild, and a
 102.2 biological, adopted, and foster grandchild.

102.3 (g) This section does not prevent an employer from providing greater sick leave benefits
 102.4 than are provided for under this section.

102.5 (h) An employer shall not discharge, discipline, penalize, interfere with, threaten, restrain,
 102.6 coerce, or otherwise retaliate or discriminate against an employee for requesting or obtaining
 102.7 a leave of absence under this section.

102.8 **EFFECTIVE DATE.** This section is effective July 1, 2023.

102.9 Sec. 32. Minnesota Statutes 2022, section 181.942, is amended to read:

102.10 **181.942 REINSTATEMENT AFTER LEAVE.**

102.11 Subdivision 1. **Comparable position.** (a) An employee returning from a leave of absence
 102.12 under section 181.939 or 181.941 is entitled to return to employment in the employee's
 102.13 former position or in a position of comparable duties, number of hours, and pay. An employee
 102.14 returning from a leave of absence longer than one month must notify a supervisor at least
 102.15 two weeks prior to return from leave. An employee returning from a leave under section
 102.16 181.9412 or 181.9413 is entitled to return to employment in the employee's former position.

102.17 (b) If, during a leave under sections ~~181.940~~ 181.939 to 181.944, the employer
 102.18 experiences a layoff and the employee would have lost a position had the employee not
 102.19 been on leave, pursuant to the good faith operation of a bona fide layoff and recall system,
 102.20 including a system under a collective bargaining agreement, the employee is not entitled to
 102.21 reinstatement in the former or comparable position. In such circumstances, the employee
 102.22 retains all rights under the layoff and recall system, including a system under a collective
 102.23 bargaining agreement, as if the employee had not taken the leave.

102.24 Subd. 2. **Pay; benefits; on return.** An employee returning from a leave of absence
 102.25 under sections ~~181.940~~ 181.939 to 181.944 is entitled to return to employment at the same
 102.26 rate of pay the employee had been receiving when the leave commenced, plus any automatic
 102.27 adjustments in the employee's pay scale that occurred during leave period. The employee
 102.28 returning from a leave is entitled to retain all accrued preleave benefits of employment and
 102.29 seniority, as if there had been no interruption in service; provided that nothing in sections
 102.30 ~~181.940~~ 181.939 to 181.944 prevents the accrual of benefits or seniority during the leave
 102.31 pursuant to a collective bargaining or other agreement between the employer and employees.

103.1 Subd. 3. **Part-time return.** An employee, by agreement with the employer, may return
 103.2 to work part time during the leave period without forfeiting the right to return to employment
 103.3 at the end of the leave period, as provided in sections ~~181.940~~ 181.939 to 181.944.

103.4 **EFFECTIVE DATE.** This section is effective July 1, 2023.

103.5 Sec. 33. Minnesota Statutes 2022, section 181.9436, is amended to read:

103.6 **181.9436 POSTING OF LAW.**

103.7 The Division of Labor Standards and Apprenticeship shall develop, with the assistance
 103.8 of interested business and community organizations, an educational poster stating employees'
 103.9 rights under sections ~~181.940~~ 181.939 to 181.9436. The department shall make the poster
 103.10 available, upon request, to employers for posting on the employer's premises.

103.11 **EFFECTIVE DATE.** This section is effective July 1, 2023.

103.12 Sec. 34. Minnesota Statutes 2022, section 181.945, subdivision 3, is amended to read:

103.13 Subd. 3. **No employer sanctions.** An employer shall not discharge, discipline, penalize,
 103.14 interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an
 103.15 employee for requesting or obtaining a leave of absence as provided by this section.

103.16 **EFFECTIVE DATE.** This section is effective July 1, 2023.

103.17 Sec. 35. Minnesota Statutes 2022, section 181.9456, subdivision 3, is amended to read:

103.18 Subd. 3. **No employer sanctions.** An employer shall not discharge, discipline, penalize,
 103.19 interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an
 103.20 employee for requesting or obtaining a leave of absence as provided by this section.

103.21 **EFFECTIVE DATE.** This section is effective July 1, 2023.

103.22 Sec. 36. Minnesota Statutes 2022, section 181.956, subdivision 5, is amended to read:

103.23 Subd. 5. **Retaliation prohibited.** An employer ~~may~~ shall not discharge, discipline,
 103.24 penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate
 103.25 against an employee for asserting rights and remedies provided in sections 181.950 to
 103.26 181.954.

103.27 **EFFECTIVE DATE.** This section is effective July 1, 2023.

104.1 Sec. 37. Minnesota Statutes 2022, section 181.964, is amended to read:

104.2 **181.964 RETALIATION PROHIBITED.**

104.3 An employer ~~may~~ shall not discharge, discipline, penalize, interfere with, threaten,
104.4 restrain, coerce, or otherwise retaliate or discriminate against an employee for asserting
104.5 rights or remedies provided in sections 181.960 to 181.965.

104.6 **EFFECTIVE DATE.** This section is effective July 1, 2023.

104.7 Sec. 38. **[181.991] RESTRICTIVE FRANCHISE AGREEMENTS PROHIBITED.**

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

104.10 (b) "Employee" means an individual employed by an employer and includes independent
104.11 contractors.

104.12 (c) "Employer" has the meaning given in section 177.23, subdivision 6.

104.13 (d) "Franchise," "franchisee," and "franchisor" have the meanings given in section
104.14 80C.01, subdivisions 4 to 6.

104.15 **Subd. 2. Prohibition on restrictive franchise agreements.** (a) No franchisor may
104.16 restrict, restrain, or prohibit in any way a franchisee from soliciting or hiring an employee
104.17 of a franchisee of the same franchisor.

104.18 (b) No franchisor may restrict, restrain, or prohibit in any way a franchisee from soliciting
104.19 or hiring an employee of the franchisor.

104.20 (c) Any provision of an existing contract that violates paragraph (a) or (b) is void and
104.21 unenforceable. When a provision in an existing contract violates this section, the franchisee
104.22 must provide notice to their employees of this law.

104.23 **Subd. 3. Franchise agreement amendment.** Notwithstanding any law to the contrary,
104.24 no later than one year from the effective date of this section, franchisors shall:

104.25 (1) amend existing franchise agreements to remove any restrictive employment provision
104.26 that violates subdivision 2; or

104.27 (2) sign a memorandum of understanding with each franchisee that provides that any
104.28 contract provisions that violate subdivision 2 in any way are void and unenforceable, and
104.29 provides notice to the franchisee of their rights and obligations under this section.

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

105.1 Sec. 39. Minnesota Statutes 2022, section 182.659, subdivision 1, is amended to read:

105.2 Subdivision 1. **Authority to inspect.** In order to carry out the purposes of this chapter,
105.3 the commissioner, upon presenting appropriate credentials to the owner, operator, or agent
105.4 in charge, is authorized to enter without delay and at reasonable times any place of
105.5 employment; and to inspect and investigate during regular working hours and at other
105.6 reasonable times, and within reasonable limits and in a reasonable manner, any such place
105.7 of employment and all pertinent conditions, structures, machines, apparatus, devices,
105.8 equipment, and materials therein, and to question privately any such employer, owner,
105.9 operator, agent or employee. An employer or its representatives, including but not limited
105.10 to its management, attorneys, or consultants, may not be present for any employee interview.

105.11 Sec. 40. Minnesota Statutes 2022, section 182.659, subdivision 8, is amended to read:

105.12 Subd. 8. **Protection from subpoena; data.** Neither the commissioner nor any current
105.13 or former employee of the department, ~~including those employees of the Department of~~
105.14 ~~Health providing services to the Department of Labor and Industry, pursuant to section~~
105.15 ~~182.67, subdivision 1,~~ is subject to subpoena for purposes of inquiry into any occupational
105.16 safety and health inspection except in enforcement proceedings brought under this chapter.
105.17 Data that identify individuals who provide data to the department as part of an investigation
105.18 conducted under this chapter shall be private.

105.19 Sec. 41. Minnesota Statutes 2022, section 182.66, is amended by adding a subdivision to
105.20 read:

105.21 Subd. 4. **Classification of citation data.** Notwithstanding section 13.39, subdivision 2,
105.22 the data in a written citation is classified as public data 20 days after the employer has
105.23 received the citation. All data in the citation is public, including but not limited to the
105.24 employer's name, the employer's business address, and the address of the worksite; the date
105.25 or dates of inspection; the date the citation was issued; the provision of the act, standard,
105.26 rule, or order alleged to have been violated; the severity level of the citation; the description
105.27 of the nature of the violation; the proposed abatement date; the proposed penalty; and any
105.28 abatement guidelines. If a notice of contest is filed contesting any part of a citation pursuant
105.29 to section 182.661, subdivision 3, the date that the notice was filed shall also be classified
105.30 as public data 20 days after the employer has received the citation. When citation data is
105.31 requested, the department must also provide any final settlement agreement or order
105.32 amending or withdrawing the citation.

106.1 Sec. 42. Minnesota Statutes 2022, section 182.661, is amended by adding a subdivision
 106.2 to read:

106.3 Subd. 3c. **Contestation of time for correction of a violation.** (a) Where an employer
 106.4 contests the period of time fixed for correction of a violation that is not a serious, willful,
 106.5 or repeat violation, the period of time shall not run until the order of the commissioner
 106.6 becomes final.

106.7 (b) Where an employer or employee contests the period of time fixed for correction of
 106.8 a violation that is a serious, willful, or repeat violation, the commissioner may refer the
 106.9 matter to the office of administrative hearings for an expedited contested case hearing solely
 106.10 on the reasonableness of the time fixed for correction. The administrative law judge may
 106.11 order the employer to correct the violation pending final resolution of the cited violations
 106.12 on the merits.

106.13 Sec. 43. Minnesota Statutes 2022, section 182.676, is amended to read:

106.14 **182.676 SAFETY COMMITTEES.**

106.15 (a) Every public or private employer of more than 25 employees shall establish and
 106.16 administer a joint labor-management safety committee.

106.17 (b) Every public or private employer of 25 or fewer employees shall establish and
 106.18 administer a safety committee if: it is subject to the requirements of section 182.653,
 106.19 subdivision 8.

106.20 ~~(1) the employer has a lost workday cases incidence rate in the top ten percent of all~~
 106.21 ~~rates for employers in the same industry; or~~

106.22 ~~(2) the workers' compensation premium classification assigned to the greatest portion~~
 106.23 ~~of the payroll for the employer has a pure premium rate as reported by the Workers'~~
 106.24 ~~Compensation Rating Association in the top 25 percent of premium rates for all classes.~~

106.25 (c) A safety committee must hold regularly scheduled meetings unless otherwise provided
 106.26 in a collective bargaining agreement.

106.27 (d) Employee safety committee members must be selected by employees. An employer
 106.28 that fails to establish or administer a safety committee as required by this section may be
 106.29 cited by the commissioner. A citation is punishable as a serious violation under section
 106.30 182.666.

106.31 The commissioner may adopt rules necessary to implement this section.

107.1 Sec. 44. Minnesota Statutes 2022, section 326B.093, subdivision 4, is amended to read:

107.2 Subd. 4. **Examination results.** If the applicant receives a passing score on the
107.3 examination and meets all other requirements for licensure, the commissioner must approve
107.4 the application and notify the applicant of the approval within 60 days of the date of the
107.5 passing score. The applicant must, within 180 days after the notification of approval, pay
107.6 the license fee. Upon receipt of the license fee, the commissioner must issue the license. If
107.7 the applicant does not pay the license fee within 180 days after the notification of approval,
107.8 the commissioner will rescind the approval and must deny the application. If the applicant
107.9 does not receive a passing score on the examination, the commissioner must deny the
107.10 application. If the application is denied because of the applicant's failure to receive a passing
107.11 score on the examination, then the applicant cannot submit a new application for the license
107.12 until at least 30 days after the ~~notification date of denial~~ the failed examination.

107.13 Sec. 45. Minnesota Statutes 2022, section 326B.106, is amended by adding a subdivision
107.14 to read:

107.15 Subd. 16. **Refrigerants designated as acceptable for use.** No provision of the code or
107.16 appendix chapter of the code may prohibit or otherwise limit the use of a refrigerant
107.17 designated as acceptable for use in accordance with United States Code, title 42, section
107.18 7671k, provided any equipment containing the refrigerant is listed and installed in full
107.19 compliance with all applicable requirements, safety standards, and use conditions imposed
107.20 pursuant to such a designation or as otherwise required by law.

107.21 Sec. 46. Minnesota Statutes 2022, section 326B.163, subdivision 5, is amended to read:

107.22 Subd. 5. **Elevator.** As used in this chapter, "elevator" means moving walks and vertical
107.23 transportation devices such as escalators, passenger elevators, freight elevators, dumbwaiters,
107.24 hand-powered elevators, endless belt lifts, and ~~wheelchair~~ platform lifts. Elevator does not
107.25 include external temporary material lifts or temporary construction personnel elevators at
107.26 sites of construction of new or remodeled buildings.

107.27 Sec. 47. Minnesota Statutes 2022, section 326B.163, is amended by adding a subdivision
107.28 to read:

107.29 Subd. 5a. **Platform lift.** As used in this chapter, "platform lift" means a powered hoisting
107.30 and lowering device designed to transport mobility-impaired persons on a guided platform.

108.1 Sec. 48. Minnesota Statutes 2022, section 326B.164, subdivision 13, is amended to read:

108.2 Subd. 13. **Exemption from licensing.** (a) Employees of a licensed elevator contractor
108.3 or licensed limited elevator contractor are not required to hold or obtain a license under this
108.4 section or be provided with direct supervision by a licensed master elevator constructor,
108.5 licensed limited master elevator constructor, licensed elevator constructor, or licensed limited
108.6 elevator constructor to install, maintain, or repair platform lifts and stairway chairlifts.
108.7 Unlicensed employees performing elevator work under this exemption must comply with
108.8 subdivision 5. This exemption does not include the installation, maintenance, repair, or
108.9 replacement of electrical wiring for elevator equipment.

108.10 (b) Contractors or individuals shall not be required to hold or obtain a license under this
108.11 section when performing work on:

108.12 (1) conveyors, excluding vertical reciprocating conveyors;

108.13 (2) platform lifts not covered under section 326B.163, subdivision 5a; or

108.14 (3) dock levelers.

108.15 Sec. 49. Minnesota Statutes 2022, section 326B.31, subdivision 30, is amended to read:

108.16 Subd. 30. **Technology system contractor.** "Technology system contractor" means a
108.17 licensed contractor whose responsible licensed individual is a licensed power limited
108.18 technician or licensed master electrician.

108.19 Sec. 50. Minnesota Statutes 2022, section 326B.32, subdivision 1, is amended to read:

108.20 Subdivision 1. **Composition.** (a) The Board of Electricity shall consist of 12 members.
108.21 Eleven members shall be appointed by the governor with the advice and consent of the
108.22 senate and shall be voting members. Appointments of members by the governor shall be
108.23 made in accordance with section 15.066. If the senate votes to refuse to consent to an
108.24 appointment of a member made by the governor, the governor shall appoint a new member
108.25 with the advice and consent of the senate. One member shall be the commissioner of labor
108.26 and industry or the commissioner's designee, who shall be a voting member. Of the 11
108.27 appointed members, the composition shall be as follows:

108.28 (1) one member shall be an electrical inspector;

108.29 (2) two members shall be representatives of the electrical suppliers in rural areas;

108.30 (3) two members shall be master electricians, who shall be contractors;

108.31 (4) two members shall be journeyworker electricians;

109.1 (5) one member shall be a registered consulting electrical engineer;

109.2 (6) ~~two members~~ one member shall be a power limited technicians technician, who shall
 109.3 be a technology system contractors primarily engaged in the business of installing technology
 109.4 circuits or systems contractor; and

109.5 (7) one member shall be a power limited technician; and

109.6 ~~(7)~~ (8) one member shall be a public member as defined by section 214.02.

109.7 The electrical inspector shall be appointed to a term to end December 31, 2011. One of
 109.8 the rural electrical suppliers shall be appointed for a term to end December 31, 2011. The
 109.9 other rural electrical supplier shall be appointed for a term to end December 31, 2010. The
 109.10 consulting electrical engineer shall be appointed for a term to end December 31, 2011. One
 109.11 of the master electrician contractors shall be appointed for a term to end December 31, 2011.
 109.12 The other master electrician contractor shall be appointed for a term to end December 31,
 109.13 2010. One of the journeyworker electricians shall be appointed for a term to end December
 109.14 31, 2011. The other journeyworker electrician shall be appointed for a term to end December
 109.15 31, 2010. One of the power limited technicians shall be appointed for a term to end December
 109.16 31, 2011. The other power limited technician shall be appointed for a term to end December
 109.17 31, 2010. The public member shall be appointed for a term to end December 31, 2010.

109.18 (b) The consulting electrical engineer must possess a current Minnesota professional
 109.19 engineering license and maintain the license for the duration of the term on the board. All
 109.20 other appointed members, except for the public member and the representatives of electrical
 109.21 suppliers in rural areas, must possess a current electrical license issued by the Department
 109.22 of Labor and Industry and maintain that license for the duration of their terms. All appointed
 109.23 members must be residents of Minnesota at the time of and throughout the member's
 109.24 appointment. The term of any appointed member that does not maintain membership
 109.25 qualification status shall end on the date of the status change and the governor shall appoint
 109.26 a new member. It is the responsibility of the member to notify the board of their status
 109.27 change.

109.28 (c) For appointed members, except the initial terms designated in paragraph (a), each
 109.29 term shall be three years with the terms ending on December 31. Members appointed by
 109.30 the governor shall be limited to three consecutive terms. The governor shall, all or in part,
 109.31 reappoint the current members or appoint replacement members with the advice and consent
 109.32 of the senate. Midterm vacancies shall be filled for the remaining portion of the term.
 109.33 Vacancies occurring with less than six months time remaining in the term shall be filled for
 109.34 the existing term and the following three-year term. Members may serve until their successors

110.1 are appointed but in no case later than July 1 in a year in which the term expires unless
110.2 reappointed.

110.3 Sec. 51. Minnesota Statutes 2022, section 326B.36, subdivision 7, is amended to read:

110.4 Subd. 7. **Exemptions from inspections.** Installations, materials, or equipment shall not
110.5 be subject to inspection under sections 326B.31 to 326B.399:

110.6 (1) when owned or leased, operated and maintained by any employer whose maintenance
110.7 electricians are exempt from licensing under sections 326B.31 to 326B.399, while performing
110.8 electrical maintenance work only as defined by rule;

110.9 (2) when owned or leased, and operated and maintained by any electrical,
110.10 communications, or railway utility, cable communications company as defined in section
110.11 238.02, or telephone company as defined under section 237.01, in the exercise of its utility,
110.12 antenna, or telephone function; and

110.13 (i) are used exclusively for the generations, transformation, distribution, transmission,
110.14 load control, or metering of electric current, or the operation of railway signals, or the
110.15 transmission of intelligence, and do not have as a principal function the consumption or use
110.16 of electric current by or for the benefit of any person other than such utility, cable
110.17 communications company, or telephone company; and

110.18 (ii) are generally accessible only to employees of such utility, cable communications
110.19 company, or telephone company or persons acting under its control or direction; and

110.20 (iii) are not on the load side of the service point or point of entrance for communication
110.21 systems;

110.22 (3) when used in the street lighting operations of an electrical utility;

110.23 (4) when used as outdoor area lights which are owned and operated by an electrical
110.24 utility and which are connected directly to its distribution system and located upon the
110.25 utility's distribution poles, and which are generally accessible only to employees of such
110.26 utility or persons acting under its control or direction;

110.27 (5) when the installation, material, and equipment are in facilities subject to the
110.28 jurisdiction of the federal Mine Safety and Health Act; or

110.29 (6) when the installation, material, and equipment is part of an elevator installation for
110.30 which the elevator contractor, licensed under section 326B.164, is required to obtain a permit
110.31 from the authority having jurisdiction as provided by section 326B.184, and the inspection
110.32 has been or will be performed by an elevator inspector certified and licensed by the

111.1 department. This exemption shall apply only to installations, material, and equipment
 111.2 permitted or required to be connected on the load side of the disconnecting means required
 111.3 for elevator equipment under National Electrical Code Article 620, and elevator
 111.4 communications and alarm systems within the machine room, car, hoistway, or elevator
 111.5 lobby.

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

111.7 Sec. 52. Minnesota Statutes 2022, section 326B.36, is amended by adding a subdivision
 111.8 to read:

111.9 **Subd. 8. Electric utility exemptions; additional requirements.** For exemptions to
 111.10 inspections exclusively for load control allowed for electrical utilities under subdivision 7,
 111.11 clause (2), item (i), the exempted work must be:

111.12 (1) performed by a licensed electrician employed by a class A electrical contractor
 111.13 licensed under section 326B.33;

111.14 (2) for replacement or repair of existing equipment for an electric utility other than a
 111.15 public utility as defined in section 216B.02, subdivision 4, only; and

111.16 (3) completed on or before December 31, 2028.

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

111.18 Sec. 53. Minnesota Statutes 2022, section 326B.805, subdivision 6, is amended to read:

111.19 Subd. 6. **Exemptions.** The license requirement does not apply to:

111.20 (1) an employee of a licensee performing work for the licensee;

111.21 (2) a material person, manufacturer, or retailer furnishing finished products, materials,
 111.22 or articles of merchandise who does not install or attach the items;

111.23 (3) an owner of residential real estate who builds or improves ~~any structure on~~ residential
 111.24 real estate, if the ~~building or improving is performed by the owner's bona fide employees~~
 111.25 ~~or by individual owners personally.~~ owner occupies or will occupy the residential real estate
 111.26 for residential purposes, or will retain ownership for rental purposes upon completion of
 111.27 the building or improvement. This exemption does not apply to an owner who constructs
 111.28 or improves ~~property~~ residential real estate for purposes of resale or speculation if the
 111.29 ~~building or improving is performed by the owner's bona fide employees or by individual~~
 111.30 ~~owners personally.~~ A. An owner of residential building contractor or residential remodeler
 111.31 real estate will be presumed to be building or improving for purposes of speculation if the

112.1 ~~contractor or remodeler~~ owner constructs or improves more than one property within any
 112.2 24-month period, unless the properties will be retained by the owner for rental purposes;

112.3 (4) an architect or professional engineer engaging in professional practice as defined by
 112.4 section 326.02, subdivisions 2 and 3;

112.5 (5) a person whose total gross annual receipts for performing specialty skills for which
 112.6 licensure would be required under this section do not exceed \$15,000;

112.7 (6) a mechanical contractor;

112.8 (7) a plumber, electrician, or other person whose profession is otherwise subject to
 112.9 statewide licensing, when engaged in the activity which is the subject of that licensure;

112.10 (8) specialty contractors who provide only one special skill as defined in section
 112.11 326B.802;

112.12 (9) a school district, or a technical college governed under chapter 136F; and

112.13 (10) Habitat for Humanity and Builders Outreach Foundation, and their individual
 112.14 volunteers when engaged in activities on their behalf.

112.15 To qualify for the exemption in clause (5), a person must obtain a certificate of exemption
 112.16 from licensure from the commissioner. A certificate of exemption will be issued upon the
 112.17 applicant's filing with the commissioner, an affidavit stating that the applicant does not
 112.18 expect to exceed \$15,000 in gross annual receipts derived from performing services which
 112.19 require licensure under this section during the calendar year in which the affidavit is received.
 112.20 For the purposes of calculating fees under section 326B.092, a certificate of exemption is
 112.21 an entry level license. To renew the exemption in clause (5), the applicant must file an
 112.22 affidavit stating that the applicant did not exceed \$15,000 in gross annual receipts during
 112.23 the past calendar year. If a person, operating under the exemption in clause (5), exceeds
 112.24 \$15,000 in gross receipts during any calendar year, the person must immediately surrender
 112.25 the certificate of exemption and apply for the appropriate license. The person must remain
 112.26 licensed until such time as the person's gross annual receipts during a calendar year fall
 112.27 below \$15,000. The person may then apply for an exemption for the next calendar year.

112.28 Sec. 54. Minnesota Statutes 2022, section 326B.921, subdivision 8, is amended to read:

112.29 Subd. 8. **Reciprocity with other states.** ~~The commissioner may issue a temporary license~~
 112.30 ~~without examination, upon payment of the required fee, to nonresident applicants who are~~
 112.31 ~~licensed under the laws of a state having standards for licensing which the commissioner~~
 112.32 ~~determines are substantially equivalent to the standards of this state if the other state grants~~

113.1 ~~similar privileges to Minnesota residents duly licensed in this state. Applicants who receive~~
113.2 ~~a temporary license under this section may acquire an aggregate of 24 months of experience~~
113.3 ~~before they have to apply and pass the licensing examination. Applicants must register with~~
113.4 ~~the commissioner of labor and industry and the commissioner shall set a fee for a temporary~~
113.5 ~~license. Applicants have five years in which to comply with this section.~~

113.6 (a) The commissioner may enter into reciprocity agreements for personal licenses with
113.7 another state if approved by the board. Once approved by the board, the commissioner may
113.8 issue a personal license without requiring the applicant to pass an examination provided the
113.9 applicant:

113.10 (1) submits an application under this section;

113.11 (2) pays the application and examination fee and license fee required under section
113.12 326B.092; and

113.13 (3) holds a valid comparable license in the state participating in the agreement.

113.14 (b) Reciprocity agreements are subject to the following:

113.15 (1) the parties to the agreement must administer a statewide licensing program that
113.16 includes examination and qualifying experience or training comparable to Minnesota's
113.17 licensing program;

113.18 (2) the experience and training requirements under which an individual applicant qualified
113.19 for examination in the qualifying state must be deemed equal to or greater than required for
113.20 an applicant making application in Minnesota at the time the applicant acquired the license
113.21 in the qualifying state;

113.22 (3) the applicant must have acquired the license in the qualifying state through an
113.23 examination deemed equivalent to the same class of license examination in Minnesota;

113.24 (4) at the time of application, the applicant must hold a valid license in the qualifying
113.25 state and have held the license continuously for at least one year before making application
113.26 in Minnesota;

113.27 (5) an applicant is not eligible for a license under this subdivision if the applicant has
113.28 failed the same or greater class of license examination in Minnesota, or if the applicant's
113.29 license of the same or greater class has been revoked or suspended; and

113.30 (6) an applicant who has failed to renew a personal license for two years or more after
113.31 its expiration is not eligible for a license under this subdivision.

114.1 Sec. 55. Minnesota Statutes 2022, section 326B.925, subdivision 1, is amended to read:

114.2 Subdivision 1. **Composition.** (a) The Board of High Pressure Piping Systems shall
114.3 consist of 13 members. Twelve members shall be appointed by the governor with the advice
114.4 and consent of the senate and shall be voting members. Appointments of members by the
114.5 governor shall be made in accordance with section 15.066. If the senate votes to refuse to
114.6 consent to an appointment of a member made by the governor, the governor shall appoint
114.7 a new member with the advice and consent of the senate. One member shall be the
114.8 commissioner of labor and industry or the commissioner of labor and industry's designee,
114.9 who shall be a voting member. Of the 12 appointed members, the composition shall be as
114.10 follows:

114.11 (1) one member shall be a high pressure piping inspector;

114.12 (2) one member shall be a licensed mechanical engineer;

114.13 (3) one member shall be a representative of the high pressure piping industry;

114.14 (4) four members shall be master high pressure pipefitters engaged in the business of
114.15 high pressure piping, two from the metropolitan area and two from greater Minnesota;

114.16 (5) two members shall be journeyworker high pressure pipefitters ~~engaged in the business~~
114.17 ~~of high pressure piping systems installation~~, one from the metropolitan area and one from
114.18 greater Minnesota;

114.19 (6) one member shall be a representative of industrial companies that use high pressure
114.20 piping systems in their industrial process;

114.21 (7) one member shall be a representative from utility companies in Minnesota; and

114.22 (8) one member shall be a public member as defined by section 214.02.

114.23 The high pressure piping inspector shall be appointed for a term to end December 31,
114.24 2011. The professional mechanical engineer shall be appointed for a term to end December
114.25 31, 2010. The representative of the high pressure piping industry shall be appointed for a
114.26 term to end December 31, 2011. Two of the master high pressure pipefitters shall be
114.27 appointed for a term to end December 31, 2011. The other two master high pressure
114.28 pipefitters shall be appointed for a term to end December 31, 2010. One of the journeyworker
114.29 high pressure pipefitters shall be appointed for a term to end December 31, 2011. The other
114.30 journeyworker high pressure pipefitter shall be appointed for a term to end December 31,
114.31 2010. The one representative of industrial companies that use high pressure piping systems
114.32 in their industrial process shall be appointed for a term to end December 31, 2010. The one
114.33 representative of a utility company in Minnesota shall be appointed for a term to end

115.1 December 31, 2010. The public member shall be appointed for a term to end December 31,
115.2 2010.

115.3 (b) The licensed professional mechanical engineer must possess a current Minnesota
115.4 professional engineering license and maintain the license for the duration of their term. All
115.5 other appointed members, except for the representative of the piping industry, the
115.6 representative of industrial companies that use high pressure piping systems, the public
115.7 member, and the representative of public utility companies in Minnesota, must possess a
115.8 current high pressure piping license issued by the Department of Labor and Industry and
115.9 maintain that license for the duration of their term. All appointed members must be residents
115.10 of Minnesota at the time of and throughout the member's appointment. The term of any
115.11 appointed member that does not maintain membership qualification status shall end on the
115.12 date of status change and the governor shall appoint a new member. It is the responsibility
115.13 of the member to notify the board of the member's status change.

115.14 (c) For appointed members, except the initial terms designated in paragraph (a), each
115.15 term shall be three years with the terms ending on December 31. Members appointed by
115.16 the governor shall be limited to three consecutive terms. The governor shall, all or in part,
115.17 reappoint the current members or appoint replacement members with the advice and consent
115.18 of the senate. Midterm vacancies shall be filled for the remaining portion of the term.
115.19 Vacancies occurring with less than six months time remaining in the term shall be filled for
115.20 the existing term and the following three-year term. Members may serve until their successors
115.21 are appointed but in no case later than July 1 in a year in which the term expires unless
115.22 reappointed.

115.23 Sec. 56. Minnesota Statutes 2022, section 326B.988, is amended to read:

115.24 **326B.988 EXCEPTIONS.**

115.25 (a) The provisions of sections 326B.95 to 326B.998 shall not apply to:

115.26 (1) boilers and pressure vessels in buildings occupied solely for residence purposes with
115.27 accommodations for not more than five families;

115.28 (2) railroad locomotives operated by railroad companies for transportation purposes;

115.29 (3) air tanks installed on the right-of-way of railroads and used directly in the operation
115.30 of trains;

115.31 (4) boilers and pressure vessels under the direct jurisdiction of the United States;

- 116.1 (5) unfired pressure vessels having an internal or external working pressure not exceeding
116.2 15 psig with no limit on size;
- 116.3 (6) pressure vessels used for storage of compressed air not exceeding five cubic feet in
116.4 volume and equipped with an ASME code stamped safety valve set at a maximum of 100
116.5 psig;
- 116.6 (7) pressure vessels having an inside diameter not exceeding six inches;
- 116.7 (8) every vessel that contains water under pressure, including those containing air that
116.8 serves only as a cushion, whose design pressure does not exceed 300 psig and whose design
116.9 temperature does not exceed 210 degrees Fahrenheit;
- 116.10 (9) boiler or pressure vessels located on farms used solely for agricultural or horticultural
116.11 purposes; for purposes of this section, boilers used for mint oil extraction are considered
116.12 used for agricultural or horticultural purposes, provided that the owner or lessee complies
116.13 with the inspection requirements contained in section 326B.958;
- 116.14 (10) tanks or cylinders used for storage or transfer of liquefied petroleum gases;
- 116.15 (11) unfired pressure vessels in petroleum refineries;
- 116.16 (12) an air tank or pressure vessel which is an integral part of a passenger motor bus,
116.17 truck, or trailer;
- 116.18 (13) hot water heating and other hot liquid boilers not exceeding a heat input of 750,000
116.19 BTU per hour;
- 116.20 (14) hot water supply boilers ~~(water heaters)~~ not exceeding a heat input of ~~500,000~~
116.21 200,000 BTU per hour, ~~a water temperature of 210 degrees Fahrenheit, or potable water~~
116.22 heaters not exceeding a heat input of 200,000 BTU per hour or a nominal water capacity
116.23 of 120 gallons, or a pressure of 160 psig;
- 116.24 (15) a laundry and dry cleaning press not exceeding five cubic feet of steam volume;
- 116.25 (16) pressure vessels operated full of water or other liquid not materially more hazardous
116.26 than water, if the vessel's contents' temperature does not exceed 210 degrees Fahrenheit or
116.27 a pressure of 200 psig;
- 116.28 (17) steam-powered turbines at papermaking facilities which are powered by steam
116.29 generated by steam facilities at a remote location;
- 116.30 (18) manually fired boilers for model locomotive, boat, tractor, stationary engine, or
116.31 antique motor vehicles constructed or maintained only as a hobby for exhibition, educational
116.32 or historical purposes and not for commercial use, if the boilers have an inside diameter of

117.1 12 inches or less, or a grate area of two square feet or less, and are equipped with an ASME
117.2 stamped safety valve of adequate size, a water level indicator, and a pressure gauge;

117.3 (19) any pressure vessel used as an integral part of an electrical circuit breaker;

117.4 (20) pressure vessels used for the storage of refrigerant if they are built to ASME code
117.5 specifications, registered with the national board, and equipped with an ASME code-stamped
117.6 pressure-relieving device set no higher than the maximum allowable working pressure of
117.7 the vessel. This does not include pressure vessels used in ammonia refrigeration systems;

117.8 (21) pressure vessels used for the storage of oxygen, nitrogen, helium, carbon dioxide,
117.9 argon, nitrous oxide, or other medical gas, provided the vessel is constructed to ASME or
117.10 Minnesota Department of Transportation specifications and equipped with an ASME
117.11 code-stamped pressure-relieving device. The owner of the vessels shall perform annual
117.12 visual inspections and planned maintenance on these vessels to ensure vessel integrity;

117.13 (22) pressure vessels used for the storage of compressed air for self-contained breathing
117.14 apparatuses;

117.15 (23) hot water heating or other hot liquid boilers vented directly to the atmosphere; and

117.16 (24) pressure vessels used for the storage of compressed air not exceeding 1.5 cubic feet
117.17 (11.22 gallons) in volume with a maximum allowable working pressure of 600 psi or less.

117.18 (b) An engineer's license is not required for hot water supply boilers.

117.19 (c) An engineer's license and annual inspection by the department is not required for
117.20 boilers, steam cookers, steam kettles, steam sterilizers or other steam generators not exceeding
117.21 100,000 BTU per hour input, 25 kilowatt, and a pressure of 15 psig.

117.22 (d) Electric boilers not exceeding a maximum working pressure of 50 psig, maximum
117.23 of 30 kilowatt input or three horsepower rating shall be inspected as pressure vessels and
117.24 shall not require an engineer license to operate.

117.25 Sec. 57. **[327.30] SACRED COMMUNITIES AND MICRO-UNIT DWELLINGS.**

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

117.28 **(b) Chronically homeless"** means an individual who:

117.29 **(1) is homeless and lives or resides in a place not meant for human habitation, a safe**
117.30 **haven, or in an emergency shelter;**

118.1 (2) has been homeless and living or residing in a place not meant for human habitation,
118.2 a safe haven, or in an emergency shelter continuously for at least one year or on at least
118.3 four separate occasions in the last three years; and

118.4 (3) has an adult head of household, or a minor head-of-household if no adult is present
118.5 in the household, with a diagnosable substance use disorder, serious mental illness,
118.6 developmental disability, post-traumatic stress disorder, cognitive impairments resulting
118.7 from a brain injury, or chronic physical illness or disability, including the co-occurrence of
118.8 two or more of those conditions.

118.9 (c) "Designated volunteers" means persons who have not experienced homelessness and
118.10 have been approved by the religious institution to live in a sacred community as their sole
118.11 form of housing.

118.12 (d) "Extremely low income" means an income that is equal to or less than 30 percent of
118.13 the area median income, adjusted for family size, as estimated by the Department of Housing
118.14 and Urban Development.

118.15 (e) "Micro unit" means a mobile residential dwelling providing permanent housing
118.16 within a sacred community that meets the requirements of subdivision 4.

118.17 (f) "Religious institution" means a church, synagogue, mosque, or other religious
118.18 organization organized under chapter 315.

118.19 (g) "Sacred community" means a residential settlement established on or contiguous to
118.20 the grounds of a religious institution's primary worship location primarily for the purpose
118.21 of providing permanent housing for chronically homeless persons, extremely low-income
118.22 persons, and designated volunteers that meets the requirements of subdivision 3.

118.23 Subd. 2. **Dwelling in micro units in sacred communities authorized.** Religious
118.24 institutions are authorized to provide permanent housing to people who are chronically
118.25 homeless, extremely low-income, or designated volunteers, in sacred communities composed
118.26 of micro units subject to the provisions of this section. Each religious institution that has
118.27 sited a sacred community must annually certify to the local unit of government that it has
118.28 complied with the eligibility requirements for residents of a sacred community in this section.

118.29 Subd. 3. **Sacred community requirements.** (a) A sacred community must provide
118.30 residents of micro units access to water and electric utilities either by connecting the micro
118.31 units to the utilities that are serving the principal building on the lot or by other comparable
118.32 means, or by providing the residents access to permanent common kitchen facilities and
118.33 common facilities for toilet, bathing, and laundry with the number and type of fixtures

119.1 required for an R-2 boarding house under Minnesota Rules, part 1305.2902. Any units that
119.2 are plumbed shall not be included in determining the minimum number of fixtures required
119.3 for the common facilities.

119.4 (b) A sacred community under this section must:

119.5 (1) be appropriately insured;

119.6 (2) have between one-third and 40 percent of the micro units occupied by designated
119.7 volunteers; and

119.8 (3) provide the municipality with a written plan approved by the religious institution's
119.9 governing board that outlines:

119.10 (i) disposal of water and sewage from micro units if not plumbed;

119.11 (ii) septic tank drainage if plumbed units are not hooked up to the primary worship
119.12 location's system;

119.13 (iii) adequate parking, lighting, and access to units by emergency vehicles;

119.14 (iv) protocols for security and addressing conduct within the settlement; and

119.15 (v) safety protocols for severe weather.

119.16 (c) Unless the municipality has designated sacred communities meeting the requirements
119.17 of this section as permitted uses, a sacred community meeting the requirements of this
119.18 section shall be approved and regulated as a conditional use without the application of
119.19 additional standards not included in this section. When approved, additional permitting is
119.20 not required for individual micro units.

119.21 (d) Sacred communities are subject to the laws governing landlords and tenants under
119.22 chapter 504B.

119.23 Subd. 4. **Micro unit requirements.** (a) In order to be eligible to be placed within a
119.24 sacred community, a micro unit must be built to the requirements of the American National
119.25 Standards Institute (ANSI) Code 119.5, which includes standards for heating, electrical
119.26 systems, and fire and life safety. A micro unit must also meet the following technical
119.27 requirements:

119.28 (1) be no more than 400 gross square feet;

119.29 (2) be built on a permanent chassis and anchored to pin foundations with engineered
119.30 fasteners;

120.1 (3) have exterior materials that are compatible in composition, appearance, and durability
120.2 to the exterior materials used in standard residential construction;

120.3 (4) have a minimum insulation rating of R-20 in walls, R-30 in floors, and R-38 in
120.4 ceilings, as well as residential grade insulated doors and windows;

120.5 (5) have a dry, compostable, or plumbed toilet or other system meeting the requirements
120.6 of the Minnesota Pollution Control Agency, Chapters 7035, 7040, 7049, and 7080, or other
120.7 applicable rules;

120.8 (6) have either an electrical system that meets NFPA 70 NEC, section 551 or 552 as
120.9 applicable or a low voltage electrical system that meets ANSI/RVIA Low Voltage Standard,
120.10 current edition;

120.11 (7) have minimum wall framing with two inch by four inch wood or metal studs with
120.12 framing of 16 inches to 24 inches on center, or the equivalent in structural insulated panels,
120.13 with a floor load of 40 pounds per square foot and a roof live load of 42 pounds per square
120.14 foot; and

120.15 (8) have smoke and carbon monoxide detectors installed.

120.16 (b) All micro units, including their anchoring, must be inspected and certified for
120.17 compliance with these requirements by a licensed Minnesota professional engineer or
120.18 qualified third-party inspector for ANSI compliance accredited pursuant to either the
120.19 American Society for Testing and Materials Appendix E541 or ISO/IEC 17020.

120.20 (c) Micro units that connect to utilities such as water, sewer, gas, or electric, must obtain
120.21 any permits or inspections required by the municipality or utility company for that connection.

120.22 (d) Micro units must comply with municipal setback requirements established by
120.23 ordinance for manufactured homes. If a municipality does not have such an ordinance, micro
120.24 units must be set back on all sides by at least ten feet.

120.25 **EFFECTIVE DATE.** This section is effective January 1, 2024.

120.26 Sec. 58. Minnesota Statutes 2022, section 572B.17, is amended to read:

120.27 **572B.17 WITNESSES; SUBPOENAS; DEPOSITIONS; DISCOVERY.**

120.28 (a) An arbitrator may issue a subpoena for the attendance of a witness and for the
120.29 production of records and other evidence at any hearing and may administer oaths. A
120.30 subpoena must be served in the manner for service of subpoenas in a civil action and, upon
120.31 motion to the court by a party to the arbitration proceeding or the arbitrator, enforced in the
120.32 manner for enforcement of subpoenas in a civil action.

121.1 (b) On request of a party to or a witness in an arbitration proceeding, an arbitrator may
121.2 permit a deposition of any witness to provide testimony at the arbitration hearing, including
121.3 a witness who cannot be subpoenaed for or is unable to attend a hearing, to be taken under
121.4 conditions determined by the arbitrator for use as evidence in order to make the proceeding
121.5 fair, expeditious, and cost-effective.

121.6 (c) An arbitrator may permit such discovery as the arbitrator decides is appropriate in
121.7 the circumstances, taking into account the needs of the parties to the arbitration proceeding
121.8 and other affected persons and the desirability of making the proceeding fair, expeditious,
121.9 and cost-effective.

121.10 (d) If an arbitrator permits discovery under subsection (c), the arbitrator may order a
121.11 party to the arbitration proceeding to comply with the arbitrator's discovery-related orders,
121.12 including the issuance of a subpoena for the attendance of a witness and for the production
121.13 of records and other evidence at a discovery proceeding, and may take action against a party
121.14 to the arbitration proceeding who does not comply to the extent permitted by law as if the
121.15 controversy were the subject of a civil action in this state.

121.16 (e) An arbitrator may issue a protective order to prevent the disclosure of privileged
121.17 information, confidential information, trade secrets, data classified as nonpublic or private
121.18 pursuant to chapter 13, and other information protected from disclosure as if the controversy
121.19 were the subject of a civil action in this state.

121.20 (f) All laws compelling a person under subpoena to testify and all fees for attending a
121.21 judicial proceeding, a deposition, or a discovery proceeding as a witness apply to an
121.22 arbitration proceeding as if the controversy were the subject of a civil action under the laws
121.23 and rules of civil procedure of this state.

121.24 (g) The court may enforce a subpoena or discovery-related order for the attendance of
121.25 a witness within this state and for the production of records and other evidence issued by
121.26 an arbitrator in connection with an arbitration proceeding in another state upon conditions
121.27 determined by the court in order to make the arbitration proceeding fair, expeditious, and
121.28 cost-effective. A subpoena or discovery-related order issued by an arbitrator must be served
121.29 in the manner provided by law for service of subpoenas in a civil action in this state and,
121.30 upon motion to the court by a party to the arbitration proceeding or the arbitrator, enforced
121.31 in the manner provided by law for enforcement of subpoenas in a civil action in this state.

121.32 Sec. 59. **REPEALER.**

121.33 Minnesota Statutes 2022, section 179A.12, subdivision 2, is repealed.

122.1

ARTICLE 12

122.2

EARNED SICK AND SAFE TIME

122.3 Section 1. Minnesota Statutes 2022, section 181.032, is amended to read:

122.4 **181.032 REQUIRED STATEMENT OF EARNINGS BY EMPLOYER; NOTICE**
 122.5 **TO EMPLOYEE.**

122.6 (a) At the end of each pay period, the employer shall provide each employee an earnings
 122.7 statement, either in writing or by electronic means, covering that pay period. An employer
 122.8 who chooses to provide an earnings statement by electronic means must provide employee
 122.9 access to an employer-owned computer during an employee's regular working hours to
 122.10 review and print earnings statements.

122.11 (b) The earnings statement may be in any form determined by the employer but must
 122.12 include:

122.13 (1) the name of the employee;

122.14 (2) the rate or rates of pay and basis thereof, including whether the employee is paid by
 122.15 hour, shift, day, week, salary, piece, commission, or other method;

122.16 (3) allowances, if any, claimed pursuant to permitted meals and lodging;

122.17 (4) the total number of hours worked by the employee unless exempt from chapter 177;

122.18 (5) the total number of earned sick and safe time hours accrued and available for use
 122.19 under section 181.9446;

122.20 (6) the total number of earned sick and safe time hours used during the pay period under
 122.21 section 181.9447;

122.22 (7) the total amount of gross pay earned by the employee during that period;

122.23 ~~(6)~~ (8) a list of deductions made from the employee's pay;

122.24 ~~(7)~~ (9) the net amount of pay after all deductions are made;

122.25 ~~(8)~~ (10) the date on which the pay period ends;

122.26 ~~(9)~~ (11) the legal name of the employer and the operating name of the employer if
 122.27 different from the legal name;

122.28 ~~(10)~~ (12) the physical address of the employer's main office or principal place of business,
 122.29 and a mailing address if different; and

122.30 ~~(11)~~ (13) the telephone number of the employer.

123.1 (c) An employer must provide earnings statements to an employee in writing, rather
123.2 than by electronic means, if the employer has received at least 24 hours notice from an
123.3 employee that the employee would like to receive earnings statements in written form. Once
123.4 an employer has received notice from an employee that the employee would like to receive
123.5 earnings statements in written form, the employer must comply with that request on an
123.6 ongoing basis.

123.7 (d) At the start of employment, an employer shall provide each employee a written notice
123.8 containing the following information:

123.9 (1) the rate or rates of pay and basis thereof, including whether the employee is paid by
123.10 the hour, shift, day, week, salary, piece, commission, or other method, and the specific
123.11 application of any additional rates;

123.12 (2) allowances, if any, claimed pursuant to permitted meals and lodging;

123.13 (3) paid vacation, sick time, or other paid time-off accruals and terms of use;

123.14 (4) the employee's employment status and whether the employee is exempt from minimum
123.15 wage, overtime, and other provisions of chapter 177, and on what basis;

123.16 (5) a list of deductions that may be made from the employee's pay;

123.17 (6) the number of days in the pay period, the regularly scheduled pay day, and the pay
123.18 day on which the employee will receive the first payment of wages earned;

123.19 (7) the legal name of the employer and the operating name of the employer if different
123.20 from the legal name;

123.21 (8) the physical address of the employer's main office or principal place of business, and
123.22 a mailing address if different; and

123.23 (9) the telephone number of the employer.

123.24 (e) The employer must keep a copy of the notice under paragraph (d) signed by each
123.25 employee acknowledging receipt of the notice. The notice must be provided to each employee
123.26 in English. The English version of the notice must include text provided by the commissioner
123.27 that informs employees that they may request, by indicating on the form, the notice be
123.28 provided in a particular language. If requested, the employer shall provide the notice in the
123.29 language requested by the employee. The commissioner shall make available to employers
123.30 the text to be included in the English version of the notice required by this section and assist
123.31 employers with translation of the notice in the languages requested by their employees.

124.1 (f) An employer must provide the employee any written changes to the information
 124.2 contained in the notice under paragraph (d) prior to the date the changes take effect.

124.3 Sec. 2. Minnesota Statutes 2022, section 181.942, subdivision 1, is amended to read:

124.4 Subdivision 1. **Comparable position.** (a) An employee returning from a leave of absence
 124.5 under section 181.941 is entitled to return to employment in the employee's former position
 124.6 or in a position of comparable duties, number of hours, and pay. An employee returning
 124.7 from a leave of absence longer than one month must notify a supervisor at least two weeks
 124.8 prior to return from leave. An employee returning from a leave under section 181.9412 or
 124.9 ~~181.9413~~ sections 181.9445 to 181.9448 is entitled to return to employment in the employee's
 124.10 former position.

124.11 (b) If, during a leave under sections 181.940 to 181.944, the employer experiences a
 124.12 layoff and the employee would have lost a position had the employee not been on leave,
 124.13 pursuant to the good faith operation of a bona fide layoff and recall system, including a
 124.14 system under a collective bargaining agreement, the employee is not entitled to reinstatement
 124.15 in the former or comparable position. In such circumstances, the employee retains all rights
 124.16 under the layoff and recall system, including a system under a collective bargaining
 124.17 agreement, as if the employee had not taken the leave.

124.18 Sec. 3. Minnesota Statutes 2022, section 181.9436, is amended to read:

124.19 **181.9436 POSTING OF LAW.**

124.20 The Division of Labor Standards and Apprenticeship shall develop, with the assistance
 124.21 of interested business and community organizations, an educational poster stating employees'
 124.22 rights under sections 181.940 to ~~181.9436~~ 181.9448. The department shall make the poster
 124.23 available, upon request, to employers for posting on the employer's premises.

124.24 Sec. 4. **181.9445 DEFINITIONS.**

124.25 Subdivision 1. **Definitions.** For the purposes of section 177.50 and sections 181.9445
 124.26 to 181.9448, the terms defined in this section have the meanings given them.

124.27 Subd. 2. **Commissioner.** "Commissioner" means the commissioner of labor and industry
 124.28 or authorized designee or representative.

124.29 Subd. 3. **Domestic abuse.** "Domestic abuse" has the meaning given in section 518B.01.

124.30 Subd. 4. **Earned sick and safe time.** "Earned sick and safe time" means leave, including
 124.31 paid time off and other paid leave systems, that is paid at the same hourly rate as an employee

125.1 earns from employment that may be used for the same purposes and under the same
125.2 conditions as provided under section 181.9447, but in no case shall this hourly rate be less
125.3 than that provided under section 177.24 or an applicable local minimum wage.

125.4 Subd. 5. **Employee.** "Employee" means any person who is employed by an employer,
125.5 including temporary and part-time employees, who performs work for at least 80 hours in
125.6 a year for that employer in Minnesota. Employee does not include:

125.7 (1) an independent contractor; or

125.8 (2) an individual employed by an air carrier as a flight deck or cabin crew member who:

125.9 (i) is subject to United States Code, title 45, sections 181 to 188;

125.10 (ii) works less than a majority of their hours in Minnesota in a calendar year; and

125.11 (iii) is provided with paid leave equal to or exceeding the amounts in section 181.9446.

125.12 Subd. 6. **Employer.** "Employer" means a person who has one or more employees.

125.13 Employer includes an individual, a corporation, a partnership, an association, a business

125.14 trust, a nonprofit organization, a group of persons, the state of Minnesota, a county, town,

125.15 city, school district, or other governmental subdivision. In the case of an employee leasing

125.16 company or professional employer organization, the taxpaying employer, as described in

125.17 section 268.046, subdivision 1, remains the employer. In the case of an individual provider

125.18 within the meaning of section 256B.0711, subdivision 1, paragraph (d), the employer includes

125.19 any participant within the meaning of section 256B.0711, subdivision 1, paragraph (e), or

125.20 participant's representative within the meaning of section 256B.0711, subdivision 1,

125.21 paragraph (f). In the event that a temporary employee is supplied by a staffing agency,

125.22 absent a contractual agreement stating otherwise, that individual shall be an employee of

125.23 the staffing agency for all purposes of section 177.50 and sections 181.9445 to 181.9448.

125.24 Employer does not include the United States government.

125.25 Subd. 7. **Family member.** "Family member" means:

125.26 (1) an employee's:

125.27 (i) child, foster child, adult child, legal ward, child for whom the employee is legal

125.28 guardian, or child to whom the employee stands or stood in loco parentis;

125.29 (ii) spouse or registered domestic partner;

125.30 (iii) sibling, stepsibling, or foster sibling;

125.31 (iv) biological, adoptive, or foster parent, stepparent, or a person who stood in loco

125.32 parentis when the employee was a minor child;

- 126.1 (v) grandchild, foster grandchild, or stepgrandchild;
- 126.2 (vi) grandparent or stepgrandparent;
- 126.3 (vii) a child of a sibling of the employee;
- 126.4 (viii) a sibling of the parents of the employee; or
- 126.5 (ix) a child-in-law or sibling-in-law;
- 126.6 (2) any of the family members listed in clause (1) of a spouse or registered domestic
- 126.7 partner;
- 126.8 (3) any other individual related by blood or whose close association with the employee
- 126.9 is the equivalent of a family relationship; and
- 126.10 (4) up to one individual annually designated by the employee.

126.11 Subd. 8. **Health care professional.** "Health care professional" means any person licensed,

126.12 certified, or otherwise authorized under federal or state law to provide medical or emergency

126.13 services, including doctors, physician assistants, nurses, advanced practice registered nurses,

126.14 mental health professionals, and emergency room personnel.

126.15 Subd. 9. **Sexual assault.** "Sexual assault" means an act that constitutes a violation under

126.16 sections 609.342 to 609.3453 or 609.352.

126.17 Subd. 10. **Stalking.** "Stalking" has the meaning given in section 609.749.

126.18 Subd. 11. **Year.** "Year" means a regular and consecutive 12-month period, as determined

126.19 by an employer and clearly communicated to each employee of that employer.

126.20 **Sec. 5. [181.9446] ACCRUAL OF EARNED SICK AND SAFE TIME.**

126.21 (a) An employee accrues a minimum of one hour of earned sick and safe time for every

126.22 30 hours worked up to a maximum of 48 hours of earned sick and safe time in a year.

126.23 Employees may not accrue more than 48 hours of earned sick and safe time in a year unless

126.24 the employer agrees to a higher amount.

126.25 (b)(1) Except as provided in clause (2), employers must permit an employee to carry

126.26 over accrued but unused sick and safe time into the following year. The total amount of

126.27 accrued but unused earned sick and safe time for an employee must not exceed 80 hours at

126.28 any time, unless an employer agrees to a higher amount.

126.29 (2) In lieu of permitting the carryover of accrued but unused sick and safe time into the

126.30 following year as provided under clause (1), an employer may provide an employee with

126.31 earned sick and safe time for the year that meets or exceeds the requirements of this section

127.1 that is available for the employee's immediate use at the beginning of the subsequent year
 127.2 as follows: (i) 48 hours, if an employer pays an employee for accrued but unused sick and
 127.3 safe time at the end of a year at the same hourly rate as an employee earns from employment;
 127.4 or (ii) 80 hours, if an employer does not pay an employee for accrued but unused sick and
 127.5 safe time at the end of a year at the same or greater hourly rate as an employee earns from
 127.6 employment. In no case shall this hourly rate be less than that provided under section 177.24,
 127.7 or an applicable local minimum wage.

127.8 (c) Employees who are exempt from overtime requirements under United States Code,
 127.9 title 29, section 213(a)(1), as amended through the effective date of this section, are deemed
 127.10 to work 40 hours in each workweek for purposes of accruing earned sick and safe time,
 127.11 except that an employee whose normal workweek is less than 40 hours will accrue earned
 127.12 sick and safe time based on the normal workweek.

127.13 (d) Earned sick and safe time under this section begins to accrue at the commencement
 127.14 of employment of the employee.

127.15 (e) Employees may use earned sick and safe time as it is accrued.

127.16 **Sec. 6. [181.9447] USE OF EARNED SICK AND SAFE TIME.**

127.17 Subdivision 1. **Eligible use.** An employee may use accrued earned sick and safe time
 127.18 for:

127.19 (1) an employee's:

127.20 (i) mental or physical illness, injury, or other health condition;

127.21 (ii) need for medical diagnosis, care, or treatment of a mental or physical illness, injury,
 127.22 or health condition; or

127.23 (iii) need for preventive medical or health care;

127.24 (2) care of a family member:

127.25 (i) with a mental or physical illness, injury, or other health condition;

127.26 (ii) who needs medical diagnosis, care, or treatment of a mental or physical illness,
 127.27 injury, or other health condition; or

127.28 (iii) who needs preventive medical or health care;

127.29 (3) absence due to domestic abuse, sexual assault, or stalking of the employee or
 127.30 employee's family member, provided the absence is to:

128.1 (i) seek medical attention related to physical or psychological injury or disability caused
128.2 by domestic abuse, sexual assault, or stalking;

128.3 (ii) obtain services from a victim services organization;

128.4 (iii) obtain psychological or other counseling;

128.5 (iv) seek relocation or take steps to secure an existing home due to domestic abuse,
128.6 sexual assault, or stalking; or

128.7 (v) seek legal advice or take legal action, including preparing for or participating in any
128.8 civil or criminal legal proceeding related to or resulting from domestic abuse, sexual assault,
128.9 or stalking;

128.10 (4) closure of the employee's place of business due to weather or other public emergency
128.11 or an employee's need to care for a family member whose school or place of care has been
128.12 closed due to weather or other public emergency;

128.13 (5) the employee's inability to work or telework because the employee is: (i) prohibited
128.14 from working by the employer due to health concerns related to the potential transmission
128.15 of a communicable illness related to a public emergency; or (ii) seeking or awaiting the
128.16 results of a diagnostic test for, or a medical diagnosis of, a communicable disease related
128.17 to a public emergency and such employee has been exposed to a communicable disease or
128.18 the employee's employer has requested a test or diagnosis; and

128.19 (6) when it has been determined by the health authorities having jurisdiction or by a
128.20 health care professional that the presence of the employee or family member of the employee
128.21 in the community would jeopardize the health of others because of the exposure of the
128.22 employee or family member of the employee to a communicable disease, whether or not
128.23 the employee or family member has actually contracted the communicable disease.

128.24 For the purposes of this subdivision, a public emergency shall include a declared
128.25 emergency as defined in section 12.03 or a declared local emergency under section 12.29.

128.26 Subd. 2. **Notice.** An employer may require notice of the need for use of earned sick and
128.27 safe time as provided in this paragraph. If the need for use is foreseeable, an employer may
128.28 require advance notice of the intention to use earned sick and safe time but must not require
128.29 more than seven days' advance notice. If the need is unforeseeable, an employer may require
128.30 an employee to give notice of the need for earned sick and safe time as soon as practicable.
128.31 An employer that requires notice of the need to use earned sick and safe time in accordance
128.32 with this subdivision shall have a written policy containing reasonable procedures for
128.33 employees to provide notice of the need to use earned sick and safe time, and shall provide

129.1 a written copy of such policy to employees. If a copy of the written policy has not been
129.2 provided to an employee, an employer shall not deny the use of earned sick and safe time
129.3 to the employee on that basis.

129.4 Subd. 3. **Documentation.** (a) When an employee uses earned sick and safe time for
129.5 more than three consecutive days, an employer may require reasonable documentation that
129.6 the earned sick and safe time is covered by subdivision 1.

129.7 (b) For earned sick and safe time under subdivision 1, clauses (1), (2), (5), and (6),
129.8 reasonable documentation may include a signed statement by a health care professional
129.9 indicating the need for use of earned sick and safe time. However, if the employee or
129.10 employee's family member did not receive services from a health care professional, or if
129.11 documentation cannot be obtained from a health care professional in a reasonable time or
129.12 without added expense, then reasonable documentation for the purposes of this paragraph
129.13 may include a written statement from the employee indicating that the employee is using
129.14 or used earned sick and safe time for a qualifying purpose covered by subdivision 1, clause
129.15 (1), (2), (5), or (6).

129.16 (c) For earned sick and safe time under subdivision 1, clause (3), an employer must
129.17 accept a court record or documentation signed by a volunteer or employee of a victims
129.18 services organization, an attorney, a police officer, or an antiviolence counselor as reasonable
129.19 documentation.

129.20 (d) For earned sick and safe time to care for a family member under subdivision 1, clause
129.21 (4), an employer must accept as reasonable documentation a written statement from the
129.22 employee indicating that the employee is using or used earned sick and safe time for a
129.23 qualifying purpose as reasonable documentation.

129.24 (e) An employer must not require disclosure of details relating to domestic abuse, sexual
129.25 assault, or stalking or the details of an employee's or an employee's family member's medical
129.26 condition as related to an employee's request to use earned sick and safe time under this
129.27 section.

129.28 (f) Written statements by an employee may be written in the employee's first language
129.29 and need not be notarized or in any particular format.

129.30 Subd. 4. **Replacement worker.** An employer may not require, as a condition of an
129.31 employee using earned sick and safe time, that the employee seek or find a replacement
129.32 worker to cover the hours the employee uses as earned sick and safe time.

130.1 Subd. 5. **Increment of time used.** Earned sick and safe time may be used in the smallest
130.2 increment of time tracked by the employer's payroll system, provided such increment is not
130.3 more than four hours.

130.4 Subd. 6. **Retaliation prohibited.** (a) An employer shall not discharge, discipline, penalize,
130.5 interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against a
130.6 person because the person has exercised or attempted to exercise rights protected under this
130.7 act, including but not limited to because the person requested earned sick and safe time,
130.8 used earned sick and safe time, requested a statement of accrued sick and safe time, informed
130.9 any person of his or her potential rights under sections 181.9445 to 181.9448, made a
130.10 complaint or filed an action to enforce a right to earned sick and safe time under this section,
130.11 or is or was participating in any manner in an investigation, proceeding, or hearing under
130.12 this chapter.

130.13 (b) It shall be unlawful for an employer's absence control policy or attendance point
130.14 system to count earned sick and safe time taken under this act as an absence that may lead
130.15 to or result in retaliation or any other adverse action.

130.16 (c) It shall be unlawful for an employer or any other person to report or threaten to report
130.17 the actual or suspected citizenship or immigration status of a person or their family member
130.18 to a federal, state, or local agency for exercising or attempting to exercise any right protected
130.19 under this act.

130.20 (d) A person need not explicitly refer to this act or the rights enumerated herein to be
130.21 protected from retaliation.

130.22 Subd. 7. **Pay and benefits.** (a) During any use of earned sick and safe time, the employer
130.23 must maintain coverage under any group insurance policy, group subscriber contract, or
130.24 health care plan for the employee and any dependents, as if the employee was not using
130.25 earned sick and safe time, provided, however, that the employee must continue to pay any
130.26 employee share of the cost of such benefits.

130.27 (b) An employee returning from a leave under this section is entitled to return to
130.28 employment at the same rate of pay the employee had been receiving when the leave
130.29 commenced, plus any automatic adjustments in the employee's pay scale that occurred
130.30 during the leave period. The employee returning from a leave is entitled to retain all accrued
130.31 preleave benefits of employment and seniority as if there had been no interruption in service,
130.32 provided that nothing under this section prevents the accrual of benefits or seniority during
130.33 the leave pursuant to a collective bargaining or other agreement between the employer and
130.34 employees.

131.1 Subd. 8. Part-time return from leave. An employee, by agreement with the employer,
131.2 may return to work part time during the leave period without forfeiting the right to return
131.3 to employment at the end of the leave, as provided under this section.

131.4 Subd. 9. Notice and posting by employer. (a) Employers must give notice to all
131.5 employees that they are entitled to earned sick and safe time, including the amount of earned
131.6 sick and safe time, the accrual year for the employee, the terms of its use under this section,
131.7 and a copy of the written policy for providing notice as provided under subdivision 2; that
131.8 retaliation against employees who request or use earned sick and safe time is prohibited;
131.9 and that each employee has the right to file a complaint or bring a civil action if earned sick
131.10 and safe time is denied by the employer or the employee is retaliated against for requesting
131.11 or using earned sick and safe time.

131.12 (b) Employers must supply employees with a notice in English and the primary language
131.13 of the employee, as identified by the employee, that contains the information required in
131.14 paragraph (a) at commencement of employment or the effective date of this section,
131.15 whichever is later.

131.16 (c) The means used by the employer must be at least as effective as the following options
131.17 for providing notice:

131.18 (1) posting a copy of the notice at each location where employees perform work and
131.19 where the notice must be readily observed and easily reviewed by all employees performing
131.20 work;

131.21 (2) providing a paper or electronic copy of the notice to employees; or

131.22 (3) a conspicuous posting in a web-based or app-based platform through which an
131.23 employee performs work.

131.24 The notice must contain all information required under paragraph (a).

131.25 (d) An employer that provides an employee handbook to its employees must include in
131.26 the handbook notice of employee rights and remedies under this section.

131.27 (e) The Department of Labor and Industry shall prepare a uniform employee notice form
131.28 for employers to use that provides the notice information required under this section. The
131.29 commissioner shall prepare the uniform employee notice in the five most common languages
131.30 spoken in Minnesota. Upon the written request of an employer who is subject to this section,
131.31 the commissioner shall provide a copy of the uniform employee notice in any primary
131.32 language spoken by an employee in the employer's place of business. If the commissioner
131.33 does not provide the copy of the uniform employee notice in response to a request under

132.1 this paragraph, the employer who makes the request is not subject to a penalty for failing
132.2 to provide the required notice under this subdivision for violations that arise after the date
132.3 of the request.

132.4 Subd. 10. **Employer records.** (a) Employers shall retain accurate records documenting
132.5 hours worked by employees and earned sick and safe time taken and comply with all
132.6 requirements under section 177.30.

132.7 (b) An employer must allow an employee to inspect records required by this section and
132.8 relating to that employee at a reasonable time and place.

132.9 Subd. 11. **Confidentiality and nondisclosure.** (a) If, in conjunction with this section,
132.10 an employer possesses:

132.11 (1) health or medical information regarding an employee or an employee's family
132.12 member;

132.13 (2) information pertaining to domestic abuse, sexual assault, or stalking;

132.14 (3) information that the employee has requested or obtained leave under this section; or

132.15 (4) any written or oral statement, documentation, record, or corroborating evidence
132.16 provided by the employee or an employee's family member, the employer must treat such
132.17 information as confidential.

132.18 Information given by an employee may only be disclosed by an employer if the disclosure
132.19 is requested or consented to by the employee, when ordered by a court or administrative
132.20 agency, or when otherwise required by federal or state law.

132.21 (b) Records and documents relating to medical certifications, recertifications, or medical
132.22 histories of employees or family members of employees created for purposes of section
132.23 177.50 or sections 181.9445 to 181.9448 must be maintained as confidential medical records
132.24 separate from the usual personnel files. At the request of the employee, the employer must
132.25 destroy or return the records required by sections 181.9445 to 181.9448 that are older than
132.26 three years prior to the current calendar year.

132.27 (c) Employers may not discriminate against any employee based on records created for
132.28 the purposes of section 177.50 or sections 181.9445 to 181.9448.

132.29 Sec. 7. **[181.9448] EFFECT ON OTHER LAW OR POLICY.**

132.30 Subdivision 1. **No effect on more generous sick and safe time policies.** (a) Nothing
132.31 in sections 181.9445 to 181.9448 shall be construed to discourage employers from adopting
132.32 or retaining earned sick and safe time policies that meet or exceed, and do not otherwise

133.1 conflict with, the minimum standards and requirements provided in sections 181.9445 to
133.2 181.9448.

133.3 (b) Nothing in sections 181.9445 to 181.9448 shall be construed to limit the right of
133.4 parties to a collective bargaining agreement to bargain and agree with respect to earned sick
133.5 and safe time policies or to diminish the obligation of an employer to comply with any
133.6 contract, collective bargaining agreement, or any employment benefit program or plan that
133.7 meets or exceeds, and does not otherwise conflict with, the minimum standards and
133.8 requirements provided in this section.

133.9 (c) Nothing in sections 181.9445 to 181.9448 shall be construed to preempt, limit, or
133.10 otherwise affect the applicability of any other law, regulation, requirement, policy, or
133.11 standard that provides for a greater amount, accrual, or use by employees of paid sick and
133.12 safe time or that extends other protections to employees.

133.13 (d) Nothing in sections 181.9445 to 181.9448 shall be construed or applied so as to
133.14 create any power or duty in conflict with federal law.

133.15 (e) Employers who provide earned sick and safe time to their employees under a paid
133.16 time off policy or other paid leave policy that may be used for the same purposes and under
133.17 the same conditions as earned sick and safe time, and that meets or exceeds, and does not
133.18 otherwise conflict with, the minimum standards and requirements provided in sections
133.19 181.9445 to 181.9448 are not required to provide additional earned sick and safe time.

133.20 (f) The provisions of sections 181.9445 to 181.9448 may be waived by a collective
133.21 bargaining agreement with a bona fide building and construction trades labor organization
133.22 that has established itself as the collective bargaining representative for the affected building
133.23 and construction industry employees, provided that for such waiver to be valid, it shall
133.24 explicitly reference sections 181.9445 to 181.9448 and clearly and unambiguously waive
133.25 application of those sections to such employees.

133.26 (g) Sections 181.9445 to 181.9448 do not prohibit an employer from establishing a
133.27 policy whereby employees may donate unused accrued sick and safe time to another
133.28 employee.

133.29 (h) Sections 181.9445 to 181.9448 do not prohibit an employer from advancing sick and
133.30 safe time to an employee before accrual by the employee.

133.31 Subd. 2. **Termination; separation; transfer.** Sections 181.9445 to 181.9448 do not
133.32 require financial or other reimbursement to an employee from an employer upon the
133.33 employee's termination, resignation, retirement, or other separation from employment for

134.1 accrued earned sick and safe time that has not been used. If an employee is transferred to
 134.2 a separate division, entity, or location, but remains employed by the same employer, the
 134.3 employee is entitled to all earned sick and safe time accrued at the prior division, entity, or
 134.4 location and is entitled to use all earned sick and safe time as provided in sections 181.9445
 134.5 to 181.9448. When there is a separation from employment and the employee is rehired
 134.6 within 180 days of separation by the same employer, previously accrued earned sick and
 134.7 safe time that had not been used must be reinstated. An employee is entitled to use accrued
 134.8 earned sick and safe time and accrue additional earned sick and safe time at the
 134.9 commencement of reemployment.

134.10 Subd. 3. **Employer succession.** (a) When a different employer succeeds or takes the
 134.11 place of an existing employer, all employees of the original employer who remain employed
 134.12 by the successor employer are entitled to all earned sick and safe time accrued but not used
 134.13 when employed by the original employer, and are entitled to use all earned sick and safe
 134.14 time previously accrued but not used.

134.15 (b) If, at the time of transfer of the business, employees are terminated by the original
 134.16 employer and hired within 30 days by the successor employer following the transfer, those
 134.17 employees are entitled to all earned sick and safe time accrued but not used when employed
 134.18 by the original employer, and are entitled to use all earned sick and safe time previously
 134.19 accrued but not used.

134.20 **Sec. 8. REPEALER.**

134.21 Minnesota Statutes 2022, section 181.9413, is repealed.

134.22 **Sec. 9. EFFECTIVE DATE.**

134.23 This article is effective January 1, 2024.

134.24

ARTICLE 13

134.25

EARNED SICK AND SAFE TIME ENFORCEMENT

134.26 Section 1. Minnesota Statutes 2022, section 177.27, subdivision 2, is amended to read:

134.27 **Subd. 2. Submission of records; penalty.** The commissioner may require the employer
 134.28 of employees working in the state to submit to the commissioner photocopies, certified
 134.29 copies, or, if necessary, the originals of employment records which the commissioner deems
 134.30 necessary or appropriate. The records which may be required include full and correct
 134.31 statements in writing, including sworn statements by the employer, containing information

135.1 relating to wages, hours, names, addresses, and any other information pertaining to the
135.2 employer's employees and the conditions of their employment as the commissioner deems
135.3 necessary or appropriate.

135.4 The commissioner may require the records to be submitted by certified mail delivery
135.5 or, if necessary, by personal delivery by the employer or a representative of the employer,
135.6 as authorized by the employer in writing.

135.7 The commissioner may fine the employer up to ~~\$1,000~~ \$10,000 for each failure to submit
135.8 or deliver records as required by this section, ~~and up to \$5,000 for each repeated failure.~~
135.9 This penalty is in addition to any penalties provided under section 177.32, subdivision 1.
135.10 In determining the amount of a civil penalty under this subdivision, the appropriateness of
135.11 such penalty to the size of the employer's business and the gravity of the violation shall be
135.12 considered.

135.13 Sec. 2. Minnesota Statutes 2022, section 177.27, subdivision 4, as amended by Laws 2023,
135.14 chapter 30, section 1, is amended to read:

135.15 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
135.16 employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,
135.17 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d), 181.275,
135.18 subdivision 2a, 181.722, 181.79, 181.939 to 181.943, 181.9445 to 181.9448, and 181.987,
135.19 or with any rule promulgated under section 177.28. The commissioner shall issue an order
135.20 requiring an employer to comply with sections 177.41 to 177.435 or 181.987 if the violation
135.21 is repeated. For purposes of this subdivision only, a violation is repeated if at any time
135.22 during the two years that preceded the date of violation, the commissioner issued an order
135.23 to the employer for violation of sections 177.41 to 177.435 or 181.987 and the order is final
135.24 or the commissioner and the employer have entered into a settlement agreement that required
135.25 the employer to pay back wages that were required by sections 177.41 to 177.435. The
135.26 department shall serve the order upon the employer or the employer's authorized
135.27 representative in person or by certified mail at the employer's place of business. An employer
135.28 who wishes to contest the order must file written notice of objection to the order with the
135.29 commissioner within 15 calendar days after being served with the order. A contested case
135.30 proceeding must then be held in accordance with sections 14.57 to 14.69. If, within 15
135.31 calendar days after being served with the order, the employer fails to file a written notice
135.32 of objection with the commissioner, the order becomes a final order of the commissioner.

135.33 **EFFECTIVE DATE.** This section is effective January 1, 2024.

136.1 Sec. 3. Minnesota Statutes 2022, section 177.27, subdivision 7, is amended to read:

136.2 Subd. 7. **Employer liability.** If an employer is found by the commissioner to have
136.3 violated a section identified in subdivision 4, or any rule adopted under section 177.28, and
136.4 the commissioner issues an order to comply, the commissioner shall order the employer to
136.5 cease and desist from engaging in the violative practice and to take such affirmative steps
136.6 that in the judgment of the commissioner will effectuate the purposes of the section or rule
136.7 violated. The commissioner shall order the employer to pay to the aggrieved parties back
136.8 pay, gratuities, and compensatory damages, less any amount actually paid to the employee
136.9 by the employer, and for an additional equal amount as liquidated damages. Any employer
136.10 who is found by the commissioner to have repeatedly or willfully violated a section or
136.11 sections identified in subdivision 4 shall be subject to a civil penalty of up to ~~\$1,000~~ \$10,000
136.12 for each violation for each employee. In determining the amount of a civil penalty under
136.13 this subdivision, the appropriateness of such penalty to the size of the employer's business
136.14 and the gravity of the violation shall be considered. In addition, the commissioner may order
136.15 the employer to reimburse the department and the attorney general for all appropriate
136.16 litigation and hearing costs expended in preparation for and in conducting the contested
136.17 case proceeding, unless payment of costs would impose extreme financial hardship on the
136.18 employer. If the employer is able to establish extreme financial hardship, then the
136.19 commissioner may order the employer to pay a percentage of the total costs that will not
136.20 cause extreme financial hardship. Costs include but are not limited to the costs of services
136.21 rendered by the attorney general, private attorneys if engaged by the department,
136.22 administrative law judges, court reporters, and expert witnesses as well as the cost of
136.23 transcripts. Interest shall accrue on, and be added to, the unpaid balance of a commissioner's
136.24 order from the date the order is signed by the commissioner until it is paid, at an annual rate
136.25 provided in section 549.09, subdivision 1, paragraph (c). The commissioner may establish
136.26 escrow accounts for purposes of distributing damages.

136.27 Sec. 4. **[177.50] EARNED SICK AND SAFE TIME ENFORCEMENT.**

136.28 Subdivision 1. **Definitions.** The definitions in section 181.9445 apply to this section.

136.29 Subd. 2. **Individual remedies.** An action to recover damages under section 181.944 for
136.30 violation of sections 181.9445 to 181.9448 must be commenced within three years of the
136.31 violation that caused the injury to the employee.

136.32 Subd. 3. **Grants to community organizations.** The commissioner may make grants to
136.33 community organizations for the purpose of outreach to and education for employees
136.34 regarding their rights under sections 181.9445 to 181.9448. The community-based

137.1 organizations must be selected based on their experience, capacity, and relationships in
 137.2 high-violation industries. The work under such a grant may include the creation and
 137.3 administration of a statewide worker hotline.

137.4 Subd. 4. Report to legislature. (a) The commissioner must submit an annual report to
 137.5 the legislature, including to the chairs and ranking minority members of any relevant
 137.6 legislative committee. The report must include but is not limited to:

137.7 (1) a list of all violations of sections 181.9445 to 181.9448, including the employer
 137.8 involved, and the nature of any violations; and

137.9 (2) an analysis of noncompliance with sections 181.9445 to 181.9448, including any
 137.10 patterns by employer, industry, or county.

137.11 (b) A report under this section must not include an employee's name or other identifying
 137.12 information, any health or medical information regarding an employee or an employee's
 137.13 family member, or any information pertaining to domestic abuse, sexual assault, or stalking
 137.14 of an employee or an employee's family member.

137.15 Subd. 5. Contract for labor or services. It is the responsibility of all employers to not
 137.16 enter into any contract or agreement for labor or services where the employer has any actual
 137.17 knowledge or knowledge arising from familiarity with the normal facts and circumstances
 137.18 of the business activity engaged in, or has any additional facts or information that, taken
 137.19 together, would make a reasonably prudent person undertake to inquire whether, taken
 137.20 together, the contractor is not complying or has failed to comply with this section. For
 137.21 purposes of this subdivision, "actual knowledge" means information obtained by the employer
 137.22 that the contractor has violated this section within the past two years and has failed to present
 137.23 the employer with credible evidence that such noncompliance has been cured going forward.

137.24 EFFECTIVE DATE. This section is effective January 1, 2024, except that the
 137.25 grant-making process under subdivision 3 is effective the day following final enactment.

137.26 Sec. 5. Minnesota Statutes 2022, section 181.944, is amended to read:

137.27 **181.944 INDIVIDUAL REMEDIES.**

137.28 In addition to any other remedies provided by law, a person injured by a violation of
 137.29 sections 181.172, paragraph (a) or (d), ~~and~~ 181.939 to 181.943, and 181.9445 to 181.9448
 137.30 may bring a civil action to recover any and all damages recoverable at law, together with
 137.31 costs and disbursements, including reasonable attorney's fees, and may receive injunctive
 137.32 and other equitable relief as determined by a court.

138.1 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to causes
 138.2 of action occurring on or after that date.

138.3 **ARTICLE 14**

138.4 **EARNED SICK AND SAFE TIME APPROPRIATIONS**

138.5 Section 1. **EARNED SICK AND SAFE TIME APPROPRIATIONS.**

138.6 (a) \$1,445,000 in fiscal year 2024 and \$2,209,000 in fiscal year 2025 are appropriated
 138.7 from the general fund to the commissioner of labor and industry for enforcement and other
 138.8 duties regarding earned sick and safe time under Minnesota Statutes, sections 181.9445 to
 138.9 181.9448, and chapter 177. The base for this appropriation is \$1,899,000 for fiscal year
 138.10 2026 and each year thereafter.

138.11 (b) \$300,000 in fiscal year 2024 and \$300,000 in fiscal year 2025 are appropriated from
 138.12 the general fund to the commissioner of labor and industry for grants to community
 138.13 organizations under Minnesota Statutes, section 177.50, subdivision 4. This is a onetime
 138.14 appropriation.

138.15 **ARTICLE 15**

138.16 **EMPLOYMENT AND ECONOMIC DEVELOPMENT**

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

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

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

138.22 (c) "Local unit of government" has the meaning given in section 116G.03, subdivision
 138.23 3.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

139.29 (c) The report may be submitted electronically and is subject to section 3.195, subdivision
 139.30 1.

140.1 Sec. 2. [116J.4231] OFFICE OF NEW AMERICANS.

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

140.7 (b) The purpose of the office is to foster immigrant and refugee inclusion through an
140.8 intentional process to improve economic mobility, enhance civic participation, and improve
140.9 receiving communities' openness to immigrants and refugees by incorporating the needs
140.10 and aspirations of immigrants and refugees, their families, and their communities for the
140.11 benefit of all by fulfilling the duties outlined in subdivision 2.

140.12 Subd. 2. Duties. The Office of New Americans has the following duties:

140.13 (1) create and implement a statewide strategy and programming to foster and promote
140.14 immigrant and refugee inclusion in Minnesota so as to improve economic mobility, enhance
140.15 civic participation, and improve receiving communities' openness to immigrants and refugees;

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

140.18 (3) identify and support implementation of programs and strategies to reduce employment
140.19 barriers for immigrants and refugees, including the creation of alternative employment
140.20 pathways;

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

140.23 (5) support equitable opportunities for immigrants and refugees to access state government
140.24 services and grants, including collaborating with Minnesota's ethnic councils as created by
140.25 section 15.0145;

140.26 (6) work with state agencies, Minnesota's ethnic councils, and community and foundation
140.27 partners to undertake studies and research and analyze economic and demographic trends
140.28 to better understand and serve the state's immigrant and refugee communities;

140.29 (7) coordinate and establish best practices for language access initiatives to all state
140.30 agencies after soliciting input from Minnesota's ethnic councils;

140.31 (8) convene stakeholders to further the objectives identified in subdivision 1;

141.1 (9) make policy recommendations to the governor on issues impacting immigrants and
141.2 refugees after soliciting input from Minnesota's ethnic councils;

141.3 (10) engage all stakeholders to further the objectives identified in subdivision 1 within
141.4 the context of workforce access and workforce readiness, including in the areas of
141.5 employment, housing, legal services, health care, and education and communicate the
141.6 importance of immigrant and refugee inclusion in the success of immigrants, refugees, their
141.7 children, and the communities in which they settle;

141.8 (11) engage with and support existing municipal and county offices that promote and
141.9 foster immigrant and refugee inclusion and encourage the development of new municipal
141.10 and county offices dedicated to immigrant and refugee inclusion;

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

141.13 (13) promulgate rules necessary to implement and effectuate this section;

141.14 (14) provide an annual report, as required by subdivision 3;

141.15 (15) perform any other activities consistent with the office's purpose; and

141.16 (16) administer any grant program or other appropriation to the office.

141.17 Subd. 3. **Reporting.** (a) Beginning January 15, 2025, and each year thereafter, the Office
141.18 of New Americans shall report to the legislative committees with jurisdiction over the
141.19 office's activities during the previous year.

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

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

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

141.24 (3) any proposed legislative and policy initiatives;

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

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

141.28 (c) The report may be submitted electronically and is subject to section 3.195, subdivision
141.29 1.

142.1 Subd. 4. Interdepartmental Coordinating Council on Immigrant and Refugee
142.2 Affairs. (a) An Interdepartmental Coordinating Council on Immigrant and Refugee Affairs
142.3 is established to advise the Office of New Americans.

142.4 (b) The purpose of the council is to identify and establish ways in which state
142.5 departments, agencies, and Minnesota's ethnic councils can work together to deliver state
142.6 programs and services effectively and efficiently to Minnesota's immigrant and refugee
142.7 populations. The council shall implement policies, procedures, and programs requested by
142.8 the governor through the state departments and offices.

142.9 (c) The council shall be chaired by the assistant commissioner of the Office of New
142.10 Americans and shall include the commissioners, department directors, or designees from
142.11 the following:

142.12 (1) the governor's office;

142.13 (2) the Department of Administration;

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

142.15 (4) the Department of Human Services;

142.16 (5) the Department of Human Services Refugee Resettlement Programs Office;

142.17 (6) the Department of Labor and Industry;

142.18 (7) the Department of Health;

142.19 (8) the Department of Education;

142.20 (9) the Office of Higher Education;

142.21 (10) the Department of Public Safety;

142.22 (11) the Department of Corrections;

142.23 (12) the Council on Asian Pacific Minnesotans;

142.24 (13) the Council for Minnesotans of African Heritage; and

142.25 (14) the Minnesota Council on Latino Affairs.

142.26 (d) Each department or office specified in paragraph (c) shall designate one staff member
142.27 as an immigrant and refugee services liaison. The liaison's responsibilities shall include:

142.28 (1) preparation and dissemination of information and services available to immigrants
142.29 and refugees; and

143.1 (2) interfacing with the Office of New Americans on issues that impact immigrants and
143.2 refugees.

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

143.7 Subd. 6. **Grants.** The Office of New Americans may apply for grants for interested state
143.8 agencies, community partners, and stakeholders under this section to carry out the duties
143.9 under subdivision 2.

143.10 Sec. 3. **[116J.545] GETTING TO WORK GRANT PROGRAM.**

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

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

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

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

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

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

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

143.23 (3) motor vehicle loans.

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

143.26 (1) financial literacy education;

143.27 (2) education on budgeting for vehicle ownership;

143.28 (3) car maintenance and repair instruction;

143.29 (4) credit counseling; or

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

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

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

144.5 (2) the area to be served;

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

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

144.8 to:

144.9 (i) automobile dealers;

144.10 (ii) automobile parts dealers;

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

144.12 (iv) banks and credit unions;

144.13 (v) employers;

144.14 (vi) employment and training agencies;

144.15 (vii) insurance companies and agents;

144.16 (viii) local workforce centers; and

144.17 (ix) educational institutions, including vocational institutions and jobs or skills training
144.18 programs.

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

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

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

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

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

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

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

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

145.5 (1) the total number of program participants;

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

145.7 (i) provision of a motor vehicle;

145.8 (ii) motor vehicle repair services; and

145.9 (iii) motor vehicle loans;

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

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

145.16 Sec. 4. Minnesota Statutes 2022, section 116J.5492, subdivision 8, is amended to read:

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

145.21 Sec. 5. Minnesota Statutes 2022, section 116J.5492, subdivision 10, is amended to read:

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

145.25 Sec. 6. Minnesota Statutes 2022, section 116J.55, subdivision 1, is amended to read:

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

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

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

146.7 Sec. 7. Minnesota Statutes 2022, section 116J.55, subdivision 5, is amended to read:

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

146.10 ~~(b)~~ (a) A grant awarded to an eligible community under this section must not exceed
 146.11 ~~\$500,000~~ \$1,000,000 in any calendar year. The commissioner may accept grant applications
 146.12 on an ongoing or rolling basis.

146.13 ~~(e)~~ (b) Grants funded with revenues from the renewable development account established
 146.14 in section 116C.779 must be awarded to an eligible community located within the retail
 146.15 electric service territory of the public utility that is subject to section 116C.779 or to an
 146.16 eligible community in which an electric generating plant owned by that public utility is
 146.17 located.

146.18 Sec. 8. Minnesota Statutes 2022, section 116J.55, subdivision 6, is amended to read:

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

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

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

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

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

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

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

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

147.8 Sec. 9. [116J.682] SMALL BUSINESS ASSISTANCE PARTNERSHIPS PROGRAM.

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

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

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

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

147.15 (2) community development financial institutions; or

147.16 (3) community development corporations.

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

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

147.22 Subd. 2. Establishment. The commissioner shall establish the small business assistance
 147.23 partnerships program to make grants to local and regional community-based organizations
 147.24 to provide small business development and technical assistance services to entrepreneurs
 147.25 and small business owners.

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

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

148.4 Subd. 4. **Report.** By January 31 of each year, partner organizations participating in the
148.5 program must provide a report to the commissioner on the outcomes of the program,
148.6 including but not limited to the number of entrepreneurs and small businesses served, number
148.7 of hours of business assistance services provided, number of new businesses started, number
148.8 of full-time equivalent jobs created and retained, and demographic and geographic details
148.9 of the individuals being served.

148.10 Sec. 10. **[116J.8733] MINNESOTA EXPANDING OPPORTUNITY FUND**
148.11 **PROGRAM.**

148.12 Subdivision 1. **Establishment.** The Minnesota Expanding Opportunity Fund Program
148.13 is established to capitalize Minnesota nonprofit corporations to increase lending activities
148.14 with Minnesota small businesses.

148.15 Subd. 2. **Long-term loans.** The department may make long-term loans of ten to 12 years
148.16 at 0.5 percent or lower interest rates to nonprofit corporations to enable nonprofit corporations
148.17 to make more loans to Minnesota small businesses. The department may use the interest
148.18 received to offset the cost of administering small business lending programs.

148.19 Subd. 3. **Loan eligibility; nonprofit corporation.** (a) The eligible nonprofit corporation
148.20 must not meet the definition of recipient under section 116J.993, subdivision 6.

148.21 (b) The commissioner may enter into loan agreements with Minnesota nonprofit
148.22 corporations that apply to participate in the Minnesota Expanding Opportunity Fund Program.
148.23 The commissioner shall evaluate applications from applicant nonprofit corporations. In
148.24 evaluating applications, the department must consider, among other things, whether the
148.25 nonprofit corporation:

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

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

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

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

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

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

149.5 Subd. 4. **Revolving loan fund.** (a) The commissioner shall establish a revolving loan
149.6 fund to make loans to nonprofit corporations for the purpose of increasing nonprofit
149.7 corporation capital and lending activities with Minnesota small businesses.

149.8 (b) Nonprofit corporations that receive loans from the commissioner under the program
149.9 must establish appropriate accounting practices for the purpose of tracking eligible loans.

149.10 Subd. 5. **Loan portfolio administration.** (a) The interest rate charged by a nonprofit
149.11 corporation for a loan under this subdivision must not exceed the Wall Street Journal prime
149.12 rate plus two percent. A nonprofit corporation participating in the Minnesota Expanding
149.13 Opportunity Fund Program may charge a loan closing fee equal to or less than two percent
149.14 of the loan value.

149.15 (b) The nonprofit corporation may retain all earnings from fees and interest from loans
149.16 to small businesses.

149.17 Subd. 6. **Cooperation.** A nonprofit corporation that receives a program loan shall
149.18 cooperate with other organizations, including but not limited to community development
149.19 corporations, community action agencies, and the Minnesota small business development
149.20 centers.

149.21 Subd. 7. **Reporting requirements.** (a) A nonprofit corporation that receives a program
149.22 loan must submit an annual report to the commissioner by February 15 of each year that
149.23 includes:

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

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

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

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

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

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

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

149.31 (8) an explanation of administrative expenses.

150.1 (b) A nonprofit corporation that receives a program loan must provide for an independent
150.2 annual audit to be performed in accordance with generally accepted accounting practices
150.3 and auditing standards and submit a copy of each annual audit report to the commissioner.

150.4 Sec. 11. Minnesota Statutes 2022, section 116J.8748, subdivision 3, is amended to read:

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

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

150.10 (i) manufacturing;

150.11 (ii) warehousing;

150.12 (iii) distribution;

150.13 (iv) information technology;

150.14 (v) finance;

150.15 (vi) insurance; or

150.16 (vii) professional or technical services;

150.17 (2) the business must not be primarily engaged in lobbying; gambling; entertainment;
150.18 professional sports; political consulting; leisure; hospitality; or professional services provided
150.19 by attorneys, accountants, business consultants, physicians, or health care consultants, or
150.20 primarily engaged in making retail sales to purchasers who are physically present at the
150.21 business's location;

150.22 (3) the business must enter into a binding construction and job creation business subsidy
150.23 agreement with the commissioner to expend directly, or ensure expenditure by or in
150.24 partnership with a third party constructing or managing the project, at least \$500,000 in
150.25 capital investment in a capital investment project that includes a new, expanded, or remodeled
150.26 facility within one year following designation as a Minnesota job creation fund business or
150.27 \$250,000 if the project is located outside the metropolitan area as defined in section 200.02,
150.28 subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans,
150.29 women, or persons with a disability; and:

150.30 (i) create at least ten new full-time employee positions within two years of the benefit
150.31 date following the designation as a Minnesota job creation fund business or five new full-time

151.1 employee positions within two years of the benefit date if the project is located outside the
151.2 metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business
151.3 is cumulatively owned by minorities, veterans, women, or persons with a disability; or

151.4 (ii) expend at least \$25,000,000, which may include the installation and purchase of
151.5 machinery and equipment, in capital investment and retain at least ~~200~~ 100 employees for
151.6 projects located in the metropolitan area as defined in section 200.02, subdivision 24, ~~and~~
151.7 75 or expend at least \$10,000,000, which may include the installation and purchase of
151.8 machinery and equipment, in capital investment and retain at least 50 employees for projects
151.9 located outside the metropolitan area;

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

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

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

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

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

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

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

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

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

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

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

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

151.30 (c) Upon receiving notification of local approval under subdivision 2, the commissioner
151.31 shall review the determination by the local government and consider the conditions listed

152.1 in paragraphs (a) and (b) to determine whether it is in the best interests of the state and local
152.2 area to designate a business as a Minnesota job creation fund business.

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

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

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

152.12 Sec. 12. Minnesota Statutes 2022, section 116J.8748, subdivision 4, is amended to read:

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

152.17 (b) A qualified Minnesota job creation fund business may be certified eligible for the
152.18 benefits in this paragraph for up to five years for projects located in the metropolitan area
152.19 as defined in section 200.02, subdivision 24, and seven years for projects located outside
152.20 the metropolitan area, as determined by the commissioner when considering the best interests
152.21 of the state and local area. Notwithstanding section 16B.98, subdivision 5, paragraph (a),
152.22 clause (3), or 16B.98, subdivision 5, paragraph (b), grant agreements for projects located
152.23 outside the metropolitan area may be for up to seven years in length. The eligibility for the
152.24 following benefits begins the date the commissioner certifies the business as a qualified
152.25 Minnesota job creation fund business under this subdivision:

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

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

152.32 (3) up to \$1,000,000 in capital investment rebates and \$1,000,000 in job creation awards
152.33 are allowable for projects that have at least \$25,000,000 in capital investment and ~~200~~ 100

153.1 new employees in the metropolitan area as defined in section 200.02, subdivision 24, or at
153.2 least \$10,000,000 in capital investment and ~~75~~ 50 new employees for projects located outside
153.3 the metropolitan area;

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

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

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

153.21 (d) No rebates or award may be provided until the Minnesota job creation fund business
153.22 or a third party constructing or managing the project has at least \$500,000 in capital
153.23 investment in the project and at least ten full-time jobs have been created and maintained
153.24 for at least one year or the retained employees, as provided in paragraph (b), clause (4),
153.25 remain for at least one year. The agreement may require additional performance outcomes
153.26 that need to be achieved before rebates and awards are provided. If fewer retained jobs are
153.27 maintained, but still above the minimum under this subdivision, the capital investment
153.28 award shall be reduced on a proportionate basis.

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

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

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

154.13 Sec. 13. Minnesota Statutes 2022, section 116J.8748, subdivision 6, is amended to read:

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

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

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

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

155.1 Sec. 14. Minnesota Statutes 2022, section 116J.8748, is amended by adding a subdivision
155.2 to read:

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

155.6 Sec. 15. [116J.8751] LAUNCH MINNESOTA.

155.7 Subdivision 1. **Establishment.** Launch Minnesota is established within the Business
155.8 and Community Development Division of the Department of Employment and Economic
155.9 Development to encourage and support the development of new private sector technologies
155.10 and support the science and technology policies under section 3.222. Launch Minnesota
155.11 must provide entrepreneurs and emerging technology-based companies business development
155.12 assistance and financial assistance to spur growth.

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

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

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

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

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

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

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

155.31 (h) "Institution of higher education" has the meaning given in section 136A.28,
155.32 subdivision 6.

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

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

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

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

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

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

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

156.15 (2) planned principal operations have commenced, but have raised less than \$1,000,000
156.16 in equity financing.

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

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

156.24 (n) "Veteran" has the meaning given in section 197.447.

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

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

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

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

- 157.1 (4) hold events and meetings that gather key stakeholders in the state's innovation sector;
- 157.2 (5) conduct outreach and education on innovation activities and related financial programs
- 157.3 available from the department and other organizations, particularly for underserved
- 157.4 communities;
- 157.5 (6) interact and collaborate with statewide partners including but not limited to businesses,
- 157.6 nonprofits, trade associations, and higher education institutions;
- 157.7 (7) administer an advisory board to assist with direction, grant application review,
- 157.8 program evaluation, report development, and partnerships;
- 157.9 (8) accept grant applications under subdivisions 5, 6, and 7 and work with the advisory
- 157.10 board to review and prioritize the applications and provide recommendations to the
- 157.11 commissioner; and
- 157.12 (9) perform other duties at the commissioner's discretion.
- 157.13 Subd. 4. **Administration.** (a) The director shall:
- 157.14 (1) assist the commissioner and the advisory board in performing the duties of Launch
- 157.15 Minnesota; and
- 157.16 (2) comply with all state and federal program requirements, and all state and federal
- 157.17 securities and tax laws and regulations.
- 157.18 (b) Launch Minnesota may occupy and lease physical space in a private coworking
- 157.19 facility that includes office space for staff and space for community engagement for training
- 157.20 entrepreneurs. The physical space leased under this paragraph is exempt from the
- 157.21 requirements in section 16B.24, subdivision 6.
- 157.22 (c) At least three times per month, Launch Minnesota staff shall communicate with
- 157.23 organizations in greater Minnesota that have received a grant under subdivision 7. To the
- 157.24 extent possible, Launch Minnesota shall form partnerships with organizations located
- 157.25 throughout the state.
- 157.26 (d) Launch Minnesota must accept grant applications under this section and provide
- 157.27 funding recommendations to the commissioner and the commissioner shall distribute grants
- 157.28 based in part on the recommendations.
- 157.29 Subd. 5. **Application process.** (a) The commissioner shall establish the application form
- 157.30 and procedures for grants.

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

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

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

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

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

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

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

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

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

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

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

158.24 (b) The commissioner shall provide a grant of up to \$35,000 to an eligible business or
158.25 entrepreneur for research and development expenses, direct business expenses, and the
158.26 purchase of technical assistance or services from public higher education institutions and
158.27 nonprofit entities. Research and development expenditures may include but are not limited
158.28 to proof of concept activities, intellectual property protection, prototype designs and
158.29 production, and commercial feasibility. Expenditures funded under this subdivision are not
158.30 eligible for the research and development tax credit under section 290.068. Direct business
158.31 expenses may include rent, equipment purchases, and supplier invoices. Taxes imposed by
158.32 federal, state, or local government entities may not be reimbursed under this paragraph.

159.1 Technical assistance or services must be purchased to assist in the development or
159.2 commercialization of a product or service to be eligible. Each business or entrepreneur may
159.3 receive only one grant under this paragraph.

159.4 (c) The commissioner shall provide a grant of up to \$35,000 in Phase 1 or \$50,000 in
159.5 Phase 2 to an eligible business or entrepreneur that, as a registered client of the Small
159.6 Business Innovation Research (SBIR) program, has been awarded a first time Phase 1 or
159.7 Phase 2 award pursuant to the SBIR or Small Business Technology Transfer (STTR)
159.8 programs after July 1, 2022. Each business or entrepreneur may receive only one grant per
159.9 biennium under this paragraph. Grants under this paragraph are not subject to the
159.10 requirements of subdivision 2, paragraph (k).

159.11 Subd. 7. **Entrepreneur education grants.** (a) The commissioner shall make entrepreneur
159.12 education grants to institutions of higher education and other organizations to provide
159.13 educational programming to entrepreneurs and provide outreach to and collaboration with
159.14 businesses, federal and state agencies, institutions of higher education, trade associations,
159.15 and other organizations working to advance innovative technology businesses throughout
159.16 Minnesota.

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

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

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

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

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

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

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

160.7 Subd. 8. **Report.** Launch Minnesota shall annually report by December 31 to the chairs
 160.8 and ranking minority members of the committees of the house of representatives and senate
 160.9 having jurisdiction over economic development policy and finance. Each report shall include
 160.10 information on the work completed, including awards made by the department under this
 160.11 section and progress toward transferring the activities of Launch Minnesota to an entity
 160.12 outside of state government.

160.13 Subd. 9. **Advisory board.** (a) The commissioner shall establish an advisory board to
 160.14 advise the director regarding the activities of Launch Minnesota, make the recommendations
 160.15 described in this section, and develop and initiate a strategic plan for transferring some
 160.16 activities of Launch Minnesota to a new or existing public-private partnership or nonprofit
 160.17 organization outside of state government.

160.18 (b) The advisory board shall consist of ten members and is governed by section 15.059.
 160.19 A minimum of seven members must be from the private sector representing business and
 160.20 at least two members but no more than three members must be from government and higher
 160.21 education. At least three of the members of the advisory board shall be from greater
 160.22 Minnesota and at least three members shall be minority group members. Appointees shall
 160.23 represent a range of interests, including entrepreneurs, large businesses, industry
 160.24 organizations, investors, and both public and private small business service providers.

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

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

160.29 Sec. 16. **[116J.9926] EMERGING DEVELOPER FUND PROGRAM.**

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

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

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

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

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

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

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

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

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

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

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

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

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

161.19 (3) is either a:

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

161.21 (ii) woman;

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

161.23 (iv) low-income person.

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

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

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

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

- 162.1 (h) "Program" means the emerging developer fund program created under this section.
- 162.2 Subd. 2. **Establishment.** The commissioner shall establish an emerging developer fund
162.3 program to make grants to partner organizations to make grants and loans to emerging
162.4 developers for eligible projects to transform neighborhoods statewide and promote economic
162.5 development and the creation and retention of jobs in Minnesota. The program must also
162.6 reduce racial and socioeconomic disparities by growing the financial capacity of emerging
162.7 developers.
- 162.8 Subd. 3. **Grants to partner organizations.** (a) The commissioner shall design a
162.9 competitive process to award grants to partner organizations to make grants and loans to
162.10 emerging developers under subdivision 4.
- 162.11 (b) A partner organization may use up to ten percent of grant funds for the administrative
162.12 costs of the program.
- 162.13 Subd. 4. **Grants and loans to emerging developers.** (a) Through the program, partner
162.14 organizations shall offer emerging developers predevelopment grants and predevelopment,
162.15 construction, and bridge loans for eligible projects according to a plan submitted to and
162.16 approved by the commissioner.
- 162.17 (b) Predevelopment grants must be for no more than \$100,000. All loans must be for no
162.18 more than \$1,000,000.
- 162.19 (c) Loans must be for a term set by the partner organization and approved by the
162.20 commissioner of no less than six months and no more than eight years, depending on the
162.21 use of loan proceeds.
- 162.22 (d) Loans must be for zero interest or an interest rate of no more than the Wall Street
162.23 Journal prime rate, as determined by the partner organization and approved by the
162.24 commissioner based on the individual project risk and type of loan sought.
- 162.25 (e) Loans must have flexible collateral requirements compared to traditional loans, but
162.26 may require a personal guaranty from the emerging developer and may be largely unsecured
162.27 when the appraised value of the real estate is low.
- 162.28 (f) Loans must have no prepayment penalties and are expected to be repaid from
162.29 permanent financing or a conventional loan, once that is secured.
- 162.30 (g) Loans must have the ability to bridge many types of receivables, such as tax credits,
162.31 grants, developer fees, and other forms of long-term financing.

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

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

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

163.8 (1) earnest money or purchase deposit;

163.9 (2) building inspection fees and environmental reviews;

163.10 (3) appraisal and surveying;

163.11 (4) design and tax credit application fees;

163.12 (5) title and recording fees;

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

163.14 (7) interim maintenance and project overhead;

163.15 (8) property taxes and insurance;

163.16 (9) construction bonds or letters of credit;

163.17 (10) market and feasibility studies; and

163.18 (11) professional fees.

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

163.21 (1) land or building acquisition;

163.22 (2) construction-related expenses;

163.23 (3) developer and contractor fees;

163.24 (4) site preparation, environmental cleanup, and demolition;

163.25 (5) financing fees, including title and recording;

163.26 (6) professional fees;

163.27 (7) carrying costs;

163.28 (8) construction period interest;

164.1 (9) project reserves; and

164.2 (10) leasehold improvements and equipment purchase.

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

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

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

164.12 Sec. 17. Minnesota Statutes 2022, section 116L.361, subdivision 7, is amended to read:

164.13 Subd. 7. ~~Very~~ **Low income.** "~~Very~~ Low income" means incomes that are at or less than
 164.14 ~~50~~ 80 percent of the area median income, adjusted for family size, as estimated by the
 164.15 Department of Housing and Urban Development.

164.16 Sec. 18. Minnesota Statutes 2022, section 116L.362, subdivision 1, is amended to read:

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

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

164.29 (1) Head Start or day care centers, including playhouses or similar incidental structures;

164.30 (2) homeless, battered women, or other shelters;

164.31 (3) transitional housing and tiny houses;

165.1 (4) youth or senior citizen centers;

165.2 (5) community health centers; and

165.3 (6) community garden facilities.

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

165.6 Sec. 19. Minnesota Statutes 2022, section 116L.364, subdivision 3, is amended to read:

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

165.24 Sec. 20. Minnesota Statutes 2022, section 116L.365, subdivision 1, is amended to read:

165.25 Subdivision 1. **Priority for housing.** Any residential or transitional housing units that
165.26 become available through a work project that is part of the program described in section
165.27 116L.364 must be allocated in the following order:

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

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

165.31 (3) other homeless individuals;

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

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

166.4 Sec. 21. [116L.43] TARGETED POPULATIONS WORKFORCE GRANTS.

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

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

166.8 (1) provides workforce development programming or services;

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

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

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

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

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

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

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

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

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

166.27 (b) Eligible forms of skills training include:

166.28 (1) student tutoring and testing support services;

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

166.30 (3) assistance in obtaining industry specific certifications;

- 167.1 (4) remedial training leading to enrollment in further training or education;
- 167.2 (5) real-time work experience or on-the-job training;
- 167.3 (6) career and educational counseling;
- 167.4 (7) work experience and internships;
- 167.5 (8) supportive services;
- 167.6 (9) tuition reimbursement for new entrants into public sector careers;
- 167.7 (10) career mentorship;
- 167.8 (11) postprogram case management services;
- 167.9 (12) job placement services; and
- 167.10 (13) the cost of corporate board of director training for people of color.
- 167.11 (c) Grant awards must not exceed \$750,000 per year per organization and all funding
- 167.12 awards must be made for the duration of a biennium. An organization may partner with
- 167.13 another organization to utilize grant awards, provided that the organizations must not be
- 167.14 funded to deliver the same services. Grants related to entrepreneurial skills training awarded
- 167.15 under this subdivision are not subject to section 116L.98.
- 167.16 Subd. 3. **Diversity and inclusion training for small employers.** (a) The commissioner
- 167.17 shall establish a diversity and inclusion training grant program which shall provide
- 167.18 competitive grants to small businesses for diversity and inclusion training, including the
- 167.19 creation and implementation of a plan to actively engage, hire, and retain people of color
- 167.20 for both entry level and high-wage opportunities, including management and board of
- 167.21 director positions.
- 167.22 (b) Grant awards must not exceed \$30,000 per business. A business may only receive
- 167.23 one grant for diversity and inclusion training per biennium.
- 167.24 (c) Applicants are required to submit a plan for use of the funds. Grant recipients are
- 167.25 required to submit a diversity and inclusion implementation plan after training is completed.
- 167.26 (d) Grants awarded under this subdivision are not subject to section 116L.98.
- 167.27 (e) Sections 116J.993 to 116J.995 do not apply to assistance under this subdivision.
- 167.28 Subd. 4. **Capacity building.** (a) The commissioner shall establish a capacity building
- 167.29 grant program to provide training services and funding for capacity building to
- 167.30 community-based organizations.

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

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

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

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

168.9 Sec. 22. Minnesota Statutes 2022, section 116L.56, subdivision 2, is amended to read:

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

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

168.15 (1) a pregnant or parenting youth;

168.16 (2) a youth with limited English proficiency;

168.17 (3) a potential or actual school dropout;

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

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

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

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

168.22 (8) a homeless or runaway youth;

168.23 (9) a youth with basic skills deficiency;

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

168.26 (11) a foster child.

169.1 Sec. 23. Minnesota Statutes 2022, section 116L.561, subdivision 5, is amended to read:

169.2 Subd. 5. **Allocation formula.** Seventy percent of Minnesota youth program funds must
 169.3 be allocated based on the county's share of economically disadvantaged youth. The remaining
 169.4 30 percent must be allocated based on the county's share of population ages 14 to ~~21~~ 24.

169.5 Sec. 24. Minnesota Statutes 2022, section 116L.562, subdivision 2, is amended to read:

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

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

169.9 (2) "at-risk youth" means youth classified as at-risk under section 116L.56, subdivision
 169.10 2; and

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

169.14 Sec. 25. Minnesota Statutes 2022, section 469.40, subdivision 11, is amended to read:

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

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

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

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

169.23 (4) install, construct, or reconstruct elements of public infrastructure required to support
 169.24 the overall development of the destination medical center development district including;
 169.25 but not limited to; streets, roadways, utilities systems and related facilities; utility relocations
 169.26 and replacements; network and communication systems; streetscape improvements;
 169.27 drainage systems; sewer and water systems; subgrade structures and associated
 169.28 improvements; landscaping; facade construction and restoration; design and predesign,
 169.29 including architectural, engineering, and similar services; legal, regulatory, and other
 169.30 compliance services; construction costs, including all materials and supplies; wayfinding

170.1 and signage; community engagement; transit costs incurred on or after March 16, 2020;

170.2 and other components of community infrastructure;

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

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

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

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

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

170.13 (10) construct and equip all or a portion of one or more suitable structures on land owned
170.14 by the city for sale or lease to private development; provided, however, that the portion of
170.15 any structure directly financed by the city as a public infrastructure project must not be sold
170.16 or leased to a medical business entity.

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

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

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

170.22 Sec. 26. Minnesota Statutes 2022, section 469.47, subdivision 1, is amended to read:

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

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

170.26 (c) "Construction projects" means:

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

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

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

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

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

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

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

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

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

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

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

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

171.21 Sec. 27. Minnesota Statutes 2022, section 469.47, subdivision 5, is amended to read:

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

171.26 (b) If the city qualifies for aid under paragraph (a), the commissioner must pay the city
 171.27 the state transit aid in the amount calculated under this paragraph. The amount of the state
 171.28 transit aid for a year equals the qualified expenditures for the year, as certified by the
 171.29 commissioner, multiplied by 0.75 percent, ~~reduced by~~ subject to the amount of the required
 171.30 local contribution under subdivision 6. City or county contributions that are in excess of
 171.31 this ratio carry forward and are credited toward subsequent years. The maximum amount
 171.32 of state transit aid payable in any year is limited to no more than \$7,500,000. If the

172.1 commissioner determines that the city or county has not made the full required matching
 172.2 local contribution for the year, the commissioner must pay state transit aid only ~~in proportion~~
 172.3 ~~to the amount of~~ for the matching contribution made ~~for the year~~ and any unpaid amount
 172.4 is a carryover aid. The carryover aid must be paid in the first year after the required matching
 172.5 contribution ~~for that prior year~~ is made and in which the aid entitlement for the current year
 172.6 is less than the maximum annual limit, but only to the extent the carryover, when added to
 172.7 the current year aid, is less than the maximum annual limit.

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

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

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

172.16 Sec. 28. Minnesota Statutes 2022, section 469.47, subdivision 6, is amended to read:

172.17 **Subd. 6. Transit aid; local matching contribution.** (a) The required local matching
 172.18 contribution for state transit aid equals the lesser of:

172.19 (1) 40 percent of the state transit aid subject to the \$7,500,000 limit under subdivision
 172.20 5; or

172.21 (2) the amount that would be raised by a 0.15 percent sales tax imposed by the county
 172.22 in the preceding year.

172.23 The county may impose the sales tax or the wheelage tax under section 469.46 to meet
 172.24 this obligation.

172.25 (b) If the county elects not to impose any of the taxes authorized under section 469.46,
 172.26 the county, or city, or both, may agree to make the local contribution out of other available
 172.27 funds, other than state aid payable under this section. The commissioner of revenue must
 172.28 estimate the required amount and certify it to the commissioner, city, and county.

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

173.1 Sec. 29. Laws 2021, First Special Session chapter 4, article 8, section 30, is amended to
173.2 read:

173.3 Sec. 30. **CLEAN ENERGY CAREERS PILOT PROJECT.**

173.4 (a) The commissioner of employment and economic development must issue a grant for
173.5 a pilot project to provide training pathways into careers in the clean energy sector for students
173.6 and young adults in underserved communities.

173.7 (b) The pilot project must develop skills in program participants, short of the level
173.8 required for licensing under Minnesota Statutes, chapter 326, that are relevant to designing,
173.9 constructing, operating, or maintaining:

173.10 (1) systems that produce renewable solar or wind energy;

173.11 (2) improvements in energy efficiency, as defined under Minnesota Statutes, section
173.12 216B.241, subdivision 1;

173.13 (3) energy storage systems, including battery technology, connected to renewable energy
173.14 facilities;

173.15 (4) infrastructure for charging all-electric or electric hybrid motor vehicles; or

173.16 (5) grid technologies that manage load and provide services to the distribution grid that
173.17 reduce energy consumption or shift demand to off-peak periods.

173.18 (c) Training must be designed to create pathways to (1) a postsecondary degree, industry
173.19 certification, or a registered apprenticeship program under Minnesota Statutes, chapter 178,
173.20 that is related to the fields in paragraph (b), and (2) stable career employment at a living
173.21 wage.

173.22 (d) Money from a grant under this section may be used for all expenses related to the
173.23 training program, including curriculum, instructors, equipment, materials, and leasing and
173.24 improving space for use by the pilot program.

173.25 (e) No later than January 15, 2022, and by January 15 of 2023 ~~and~~, 2024, and 2025,
173.26 Northgate Development, LLC, shall submit an annual report to the commissioner of
173.27 employment and economic development that must include, at a minimum, information on:

173.28 (1) program expenditures, including but not limited to amounts spent on curriculum,
173.29 instructors, equipment, materials, and leasing and improving space for use by the program;

173.30 (2) other public or private funding sources, including in-kind donations, supporting the
173.31 pilot program;

174.1 (3) the number of program participants;

174.2 (4) demographic information on program participants including but not limited to race,
174.3 age, gender, and income; and

174.4 (5) the number of program participants placed in a postsecondary program, industry
174.5 certification program, or registered apprenticeship program under Minnesota Statutes,
174.6 chapter 178.

174.7 Sec. 30. Laws 2021, First Special Session chapter 10, article 2, section 24, is amended to
174.8 read:

174.9 Sec. 24. **FORGIVABLE LOAN PROGRAM FOR REMOTE RECREATIONAL**
174.10 **BUSINESSES.**

174.11 Subdivision 1. **Establishment.** Lake of the Woods County shall establish a loan program
174.12 to make forgivable loans to eligible remote recreational businesses that experienced a loss
174.13 in revenue that is greater than 30 percent during the period between March 15, ~~2020~~ 2021,
174.14 and March 15, ~~2021~~ 2022, as compared with ~~the previous year~~ March 15, 2019, and March
174.15 15, 2020.

174.16 Subd. 2. **Definition.** For the purposes of this section, "remote recreational business"
174.17 means a business in the contiguous United States that is:

174.18 (1) a small business concern as defined under section 3 of the Small Business Act, United
174.19 States Code, title 15, section 632, operating in the recreational industry;

174.20 (2) located within 75 miles of the United States and Canadian border; and

174.21 (3) only accessible by land via Canada.

174.22 Subd. 3. **Eligibility.** To be eligible for a forgivable loan, a remote recreational business
174.23 must:

174.24 (1) have been in operation on March 15, ~~2020~~ 2021;

174.25 (2) show that the closure and ongoing COVID-19-related requirements of the United
174.26 States and Canadian border restricted the ability of American customers to access the location
174.27 of the remote recreational business; and

174.28 (3) not have received a grant under the Main Street COVID-19 relief grant program.

174.29 Subd. 4. **Application.** (a) Lake of the Woods County shall develop forms and procedures
174.30 for soliciting and reviewing applications for loans under this section.

175.1 (b) Loans shall be made before ~~April 1, 2022~~ December 30, 2023. Any funds not spent
 175.2 by ~~April 1~~ December 30, 2022 2024, must be returned to the state general fund.

175.3 (c) If there are insufficient funds to pay all claims in full, the county shall distribute
 175.4 funds on a prorated basis.

175.5 Subd. 5. **Maximum loan amount.** The maximum loan amount shall be equal to 75
 175.6 percent of the remote recreational business's gross annual receipts for fiscal year ~~2020~~ 2021,
 175.7 not to exceed \$500,000 per eligible remote recreational business.

175.8 Subd. 6. **Forgiveness.** Loans are forgiven for a remote recreational business if the
 175.9 business remains in operation for at least one year after the date of the loan. Lake of the
 175.10 Woods County shall forgive 100 percent of the value of a loan received less the amount the
 175.11 borrower received from:

175.12 (1) any other loan forgiveness program, including any program established under the
 175.13 CARES Act, Public Law 116-136; and

175.14 (2) an advance received under section 1110 of the CARES Act, United States Code, title
 175.15 15, section 9009.

175.16 Subd. 7. **Report to legislature.** By ~~January 15, 2023~~ April 30, 2024, Lake of the Woods
 175.17 County shall report to the legislative committees with jurisdiction over economic
 175.18 development policy and finance on the loans provided to remote recreational businesses
 175.19 under this section.

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

175.21 Sec. 31. **MINNESOTA EMPLOYER REASONABLE ACCOMMODATION FUND.**

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

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

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

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

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

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

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

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

176.6 (g) "Reasonable accommodation" has the meaning given in Minnesota Statutes, section
176.7 363A.08, subdivision 6.

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

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

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

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

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

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

176.23 (1) submissions for onetime reasonable accommodation expenses must be no less than
176.24 \$250 and no more than \$15,000 per individual with a disability; and

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

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

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

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

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

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

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

177.14 (2) the cost of accommodations requested;

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

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

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

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

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

177.22 Sec. 32. **CANADIAN BORDER COUNTIES ECONOMIC RELIEF PROGRAM.**

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

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

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

177.31 (i) determining eligibility for assistance;

- 178.1 (ii) evaluating applications for assistance;
- 178.2 (iii) awarding assistance; and
- 178.3 (iv) administering the grant program authorized under this section;
- 178.4 (2) the Northland Foundation must submit its criteria, procedures, and requirements
- 178.5 developed under clause (1) to the commissioner of employment and economic development
- 178.6 for review; and
- 178.7 (3) the commissioner must approve the criteria, procedures, and requirements submitted
- 178.8 under clause (2).
- 178.9 (b) The maximum grant to a business under this section is \$50,000 per business.
- 178.10 Subd. 3. **Qualification requirements.** To qualify for assistance under this section, a
- 178.11 business must:
- 178.12 (1) be located within a county that shares a border with Canada;
- 178.13 (2) document a reduction of at least ten percent in gross receipts in 2021 compared to
- 178.14 2019; and
- 178.15 (3) provide a written explanation for how the 2021 closure of the Boundary Waters
- 178.16 Canoe Area Wilderness or the closures of the Canadian border since 2020 resulted in the
- 178.17 reduction in gross receipts documented under clause (2).
- 178.18 Subd. 4. **Monitoring.** (a) The Northland Foundation must establish performance
- 178.19 measures, including but not limited to the following components:
- 178.20 (1) the number of grants awarded and award amounts for each grant;
- 178.21 (2) the number of jobs created or retained as a result of the assistance, including
- 178.22 information on the wages and benefit levels, the status of the jobs as full time or part time,
- 178.23 and the status of the jobs as temporary or permanent;
- 178.24 (3) the amount of business activity and changes in gross revenues of the grant recipient
- 178.25 as a result of the assistance; and
- 178.26 (4) the new tax revenue generated as a result of the assistance.
- 178.27 (b) The commissioner of employment and economic development must monitor the
- 178.28 Northland Foundation's compliance with this section and the performance measures
- 178.29 developed under paragraph (a).
- 178.30 (c) The Northland Foundation must comply with all requests made by the commissioner
- 178.31 under this section.

179.1 Subd. 5. **Business subsidy requirements.** Minnesota Statutes, sections 116J.993 to
179.2 116J.995, do not apply to assistance under this section. Businesses in receipt of assistance
179.3 under this section must provide for job creation and retention goals, and wage and benefit
179.4 goals.

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

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

179.9 Sec. 33. **COMMUNITY WEALTH-BUILDING GRANT PROGRAM PILOT**
179.10 **PROJECT.**

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

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

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

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

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

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

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

179.28 Subd. 3. **Administration.** (a) The commissioner shall ensure that loans through the
179.29 program will fund community businesses statewide and shall make reasonable attempts to
179.30 balance the amount of funding available to community businesses inside and outside of the
179.31 metropolitan area as defined under section 473.121, subdivision 2.

180.1 (b) Partner organizations that receive grants under this subdivision shall use up to ten
180.2 percent of their award to provide specialized technical and legal assistance, either directly
180.3 or through a partnership with organizations with expertise in shared ownership structures,
180.4 to community businesses and businesses in the process of transitioning to community
180.5 ownership.

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

180.9 (b) Under the plan:

180.10 (1) the state contribution to each loan shall be no less than \$50,000 and no more than
180.11 \$500,000;

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

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

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

180.16 (5) 50 percent of all repayments of principal on a loan under the program shall be used
180.17 to fund additional lending. The partner organization may retain the remainder of loan
180.18 repayments to service loans and provide further technical assistance;

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

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

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

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

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

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

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

181.5 Sec. 34. **REPEALER.**

181.6 Laws 2019, First Special Session chapter 7, article 2, section 8, as amended by Laws
 181.7 2021, First Special Session chapter 10, article 2, section 19, is repealed.

181.8 **ARTICLE 16**
 181.9 **EXPLORE MINNESOTA**

181.10 Section 1. Minnesota Statutes 2022, section 116U.05, is amended to read:

181.11 **116U.05 EXPLORE MINNESOTA TOURISM.**

181.12 ~~Explore Minnesota Tourism is created~~ as an office in the executive branch with a director
 181.13 appointed by the governor. The director is under the supervision of the commissioner of
 181.14 employment and economic development and oversees Explore Minnesota Tourism and
 181.15 Explore Minnesota for Business divisions. The director serves in the unclassified service
 181.16 and must be qualified by experience and training in ~~travel and tourism~~ related fields.

181.17 Sec. 2. **[116U.06] EXPLORE MINNESOTA TOURISM.**

181.18 Explore Minnesota Tourism is a division of Explore Minnesota and exists to support
 181.19 Minnesota's economy through promotion and facilitation of travel to and within the state
 181.20 of Minnesota.

181.21 Sec. 3. **[116U.07] EXPLORE MINNESOTA FOR BUSINESS.**

181.22 Explore Minnesota for Business is a division of Explore Minnesota. Its mission is to
 181.23 promote overall livability and workforce and economic opportunity in Minnesota. Explore
 181.24 Minnesota for Business works in conjunction with the department of employment and
 181.25 economic development to establish and meet statewide goals in these areas.

181.26 Sec. 4. Minnesota Statutes 2022, section 116U.10, is amended to read:

181.27 **116U.10 DEFINITIONS.**

181.28 Subdivision 1. **Scope.** ~~As used in~~ For the purposes of this chapter, the terms ~~defined in~~
 181.29 this section have the meanings given them.

182.1 Subd. 2. **Director.** "Director" means the executive director of Explore Minnesota
182.2 ~~Tourism~~.

182.3 Subd. 3. **Office.** "Office" means Explore Minnesota ~~Tourism~~.

182.4 Sec. 5. Minnesota Statutes 2022, section 116U.15, is amended to read:

182.5 **116U.15 MISSION.**

182.6 (a) The mission of Explore Minnesota ~~Tourism~~ is to promote and facilitate increased
182.7 travel to and within the state of Minnesota, promote overall livability, and promote workforce
182.8 and economic opportunity in Minnesota. To further the mission of Explore Minnesota, the
182.9 office is advised by councils focused on tourism and talent attraction and business marketing.
182.10 Its goals are to:

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

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

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

182.16 (b) The director shall report to the legislature on the performance of the office's operations
182.17 and the accomplishment of its goals in the office's biennial budget according to section
182.18 16A.10, subdivision 1.

182.19 Sec. 6. Minnesota Statutes 2022, section 116U.20, is amended to read:

182.20 **116U.20 ORGANIZATION.**

182.21 The director shall:

182.22 (1) employ assistants and other officers, employees, and agents that the director considers
182.23 necessary to discharge the functions of the office; ~~and~~

182.24 (2) define the duties of the officers, employees, and agents, and delegate to them any of
182.25 the director's powers, duties, and responsibilities, subject to the director's control and under
182.26 conditions prescribed by the director;

182.27 (3) oversee the overall strategy and budgets of the Tourism and Business divisions; and

182.28 (4) chair or cochair and oversee the Tourism and Business councils.

183.1 **Sec. 7. [116U.24] EXPLORE MINNESOTA COUNCILS.**

183.2 (a) The director shall be advised by the Explore Minnesota Tourism Council and Explore
183.3 Minnesota for Business Council, each consisting of voting members appointed by the
183.4 governor for four-year terms. The director of Explore Minnesota serves as the chair or
183.5 cochair of each council. The director may assign employees of the office to participate in
183.6 oversight of council operations.

183.7 (b) Each council shall act to serve the broader interests of the council's divisions by
183.8 promoting activities and programs of the office that support, maintain, and expand the state's
183.9 domestic and international travel and trade markets, thereby generating increased visitor
183.10 expenditures, revenue, and employment.

183.11 (c) Filling of membership vacancies is as provided in section 15.059. The terms of
183.12 one-half of the members shall be coterminous with the governor, and the terms of the
183.13 remaining one-half of the members shall end on the first Monday in January one year after
183.14 the terms of the other members. Members may serve until their successors are appointed
183.15 and qualify. Members are not compensated. A member may be reappointed.

183.16 (d) The council shall meet at least four times per year and at other times determined by
183.17 each council.

183.18 (e) If compliance with section 13D.02 is impractical, the Explore Minnesota councils
183.19 may conduct a meeting of their members by telephone or other electronic means so long as
183.20 the following conditions are met:

183.21 (1) all members of each council participating in the meeting, wherever their physical
183.22 location, can hear one another and can hear all discussion and testimony;

183.23 (2) members of the public present at the regular meeting location of the council can hear
183.24 clearly all discussion and testimony and all votes of members of each council and, if needed,
183.25 receive those services required by sections 15.44 and 15.441;

183.26 (3) at least one member of each council is physically present at the regular meeting
183.27 location; and

183.28 (4) all votes are conducted by roll call, so each member's vote on each issue can be
183.29 identified and recorded.

183.30 (f) Each member of each council participating in a meeting by telephone or other
183.31 electronic means is considered present at the meeting for purposes of determining a quorum
183.32 and participating in all proceedings.

184.1 (g) If telephone or other electronic means is used to conduct a meeting, each council, to
184.2 the extent practicable, shall allow a person to monitor the meeting electronically from a
184.3 remote location. Each council may require the person making such a connection to pay for
184.4 documented marginal costs that each council incurs as a result of the additional connection.

184.5 (h) If telephone or other electronic means is used to conduct a regular, special, or
184.6 emergency meeting, the council shall provide notice of the regular meeting location, of the
184.7 fact that some members may participate by telephone or other electronic means, and whether
184.8 a cost will be incurred under paragraph (f). The timing and method of providing notice is
184.9 governed by section 13D.04.

184.10 **Sec. 8. [116U.242] EXPLORE MINNESOTA FOR BUSINESS COUNCIL.**

184.11 (a) The director shall be advised by the Explore Minnesota for Business Council
184.12 consisting of up to 14 voting members appointed by the governor for four-year terms,
184.13 including:

184.14 (1) the director of Explore Minnesota and the commissioner of employment and economic
184.15 development, who serve as cochairs;

184.16 (2) three representatives in marketing, human resources, or executive leadership from
184.17 Minnesota-based companies with more than 100 employees representing Minnesota's key
184.18 industries, including health care, technology, food and agriculture, manufacturing, retail,
184.19 energy, and support services;

184.20 (3) two representatives from statewide or regional marketing or business association
184.21 leadership, the Iron Range, and nonprofits focused on economic development or human
184.22 resource management;

184.23 (4) one representative from a Minnesota college or university staff, faculty, leadership,
184.24 student leadership, or alumni association;

184.25 (5) one member representing Minnesota's start-up and entrepreneurial industry who has
184.26 started at least one Minnesota-based business in the last five years and has at least 20
184.27 employees;

184.28 (6) two representatives from the Minnesota Indian Affairs Council and Minnesota Tribal
184.29 leadership, including casino management;

184.30 (7) two representatives from Minnesota's Ethnic Chambers of Commerce Leadership
184.31 and the Minnesota Chamber of Commerce; and

185.1 (8) one at-large representative in the field of general marketing, talent attraction, or
 185.2 economic development.

185.3 (b) The council shall act to serve the broader interest of promoting overall livability and
 185.4 workforce and economic opportunity in Minnesota. Members shall advise Explore Minnesota
 185.5 for Business' marketing efforts by emphasizing and prioritizing diversity, equity, inclusion,
 185.6 and accessibility and providing professional marketing insights.

185.7 Sec. 9. Minnesota Statutes 2022, section 116U.30, is amended to read:

185.8 **116U.30 DUTIES OF DIRECTOR.**

185.9 (a) The director shall:

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

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

185.14 (3) promote and encourage the expansion and development of international tourism,
 185.15 trade, and Minnesota livability marketing;

185.16 (4) advertise and disseminate information about Minnesota travel, tourism, and workforce
 185.17 and economic development opportunities;

185.18 (5) aid various local communities to improve their travel, tourism, and overall livability
 185.19 marketing programs;

185.20 (6) coordinate and implement a comprehensive state travel, tourism, workforce and
 185.21 economic development, and overall livability marketing ~~program~~ programs that ~~takes~~ take
 185.22 into consideration public and private businesses and attractions;

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

185.26 (8) provide local, regional, and statewide ~~tourism~~ organizations with information,
 185.27 technical assistance, training, and advice on using state tourism and livability information
 185.28 and programs; and

185.29 (9) generally gather, compile, and make available statistical information relating to
 185.30 Minnesota travel, tourism, workforce and economic development, overall livability, and
 185.31 related areas in this state, ~~with~~. The director has the authority to call upon other state agencies

186.1 for statistical data and results obtained by them and to arrange and compile that statistical
186.2 information.

186.3 (b) The director may:

186.4 (1) apply for, receive, and spend money for travel, tourism, workforce and economic
186.5 development, and overall livability development and marketing from other agencies ~~and~~
186.6 ~~tourism~~, organizations, and businesses;

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

186.9 (3) enter into joint powers or cooperative agreements with agencies of the federal
186.10 government, local governmental units, regional development commissions, other state
186.11 agencies, the University of Minnesota and other educational institutions, other states,
186.12 Canadian provinces, and local, statewide, and regional ~~tourism~~ organizations as necessary
186.13 to perform the director's duties;

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

186.16 (5) make grants;

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

186.19 (7) monitor and study trends in the ~~tourism industry~~ related industries and provide
186.20 resources and training to address change;

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

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

186.29 (c) Contracts for goods and nonprofessional technical services made under paragraph
186.30 (b), clauses (3) and (9), are not subject to the provisions of sections 16C.03, subdivision 3,
186.31 and 16C.06 concerning competitive bidding and section 16C.055 concerning barter
186.32 arrangements. ~~Unless otherwise determined by the commissioner of administration, all other~~

187.1 ~~provisions of chapter 16C apply to this section, including section 16C.08, relating to~~
 187.2 ~~professional and technical services. Contracts may be negotiated and are not subject to the~~
 187.3 ~~provisions of chapter 16C relating to competitive bidding.~~

187.4 Sec. 10. Minnesota Statutes 2022, section 116U.35, is amended to read:

187.5 **116U.35 PROMOTIONAL EXPENSES.**

187.6 To promote travel, tourism, workforce and economic development, and overall livability
 187.7 of the state, the director may expend money appropriated by the legislature for these purposes
 187.8 in the same manner as private persons, firms, corporations, and associations make
 187.9 expenditures for these purposes. Policies on promotional expenses must be approved by the
 187.10 ~~Explore Minnesota Tourism Council~~ and the commissioner of administration. A policy for
 187.11 expenditures on food, lodging, and travel must be approved by the commissioner of
 187.12 management and budget. No money may be expended for the appearance in radio or
 187.13 television broadcasts by an elected public official.

187.14 **ARTICLE 17**

187.15 **CAPITOL AREA**

187.16 Section 1. **CAPITOL AREA COMMUNITY VITALITY TASK FORCE;**
 187.17 **APPROPRIATION.**

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

187.20 (1) the executive secretary of the Capitol Area Architectural and Planning Board;

187.21 (2) one member of the Capitol Area Architectural and Planning Board, appointed by the
 187.22 board;

187.23 (3) two members of the house of representatives appointed by the speaker of the house,
 187.24 of whom one must be a member of the majority caucus of the house, and one must be a
 187.25 member of the minority caucus of the house;

187.26 (4) two members of the senate appointed by the majority leader of the senate, of whom
 187.27 one must be a member of the majority caucus of the senate, and one must be a member of
 187.28 the minority caucus of the senate;

187.29 (5) four members who are residents, businesspeople, or members of local organizations
 187.30 in the Capitol Area, appointed by the mayor of St. Paul; and

187.31 (6) one member of the public appointed by the governor.

188.1 (b) The task force must elect a chair and other officers from among its members.

188.2 Appointments to the task force must be made no later than July 15, 2023. The executive
188.3 secretary of the Capitol Area Architectural and Planning Board must convene the first
188.4 meeting of the task force no later than August 15, 2023.

188.5 (c) As used in this section, "Capitol Area" includes that part of the city of St. Paul within
188.6 the boundaries described in Minnesota Statutes, section 15B.02.

188.7 Subd. 2. **Terms; compensation.** The terms and compensation of members of the task
188.8 force are governed by Minnesota Statutes, section 15.059, subdivision 6.

188.9 Subd. 3. **Administrative support.** The Capitol Area Architectural and Planning Board
188.10 must provide administrative support to assist the task force in its work.

188.11 Subd. 4. **Duties; report.** The task force must consider and develop recommendations
188.12 for the administration, program plan, and oversight of the Capitol Area community vitality
188.13 account established by this act. The task force must submit its recommendations to the
188.14 Capitol Area Architectural and Planning Board for approval. A report including the approved
188.15 recommendations must be submitted by the Capitol Area Architectural and Planning Board
188.16 to the chairs and ranking minority members of the committees of the legislature with
188.17 jurisdiction over the board no later than February 1, 2024.

188.18 Subd. 5. **Expiration.** Notwithstanding Minnesota Statutes, section 15.059, subdivision
188.19 6, the task force expires upon submission of the report required by subdivision 4.

188.20 Subd. 6. **Appropriation.** \$150,000 in fiscal year 2024 is appropriated from the general
188.21 fund to the Capitol Area Architectural and Planning Board to support the work of the task
188.22 force, including but not limited to payment of fees and other expenses necessary to retain
188.23 appropriate professional consultants, conduct public meetings, and facilitate other activities
188.24 as requested by the task force.

188.25 Sec. 2. **CAPITOL AREA COMMUNITY VITALITY ACCOUNT.**

188.26 Subdivision 1. **Account established; appropriation.** (a) A Capitol Area community
188.27 vitality account is established in the special revenue fund. Money in the account is
188.28 appropriated to the commissioner of administration to improve the livability, economic
188.29 health, and safety of communities within the Capitol Area, provided that no funds may be
188.30 expended until a detailed program and oversight plan to govern their use, in accordance
188.31 with the spending recommendations of the Capitol Area Community Vitality Task Force
188.32 as approved by the Capitol Area Architectural and Planning Board, has been further approved
188.33 by law.

189.1 (b) As used in this section, "Capitol Area" includes that part of the city of St. Paul within
189.2 the boundaries described in Minnesota Statutes, section 15B.02.

189.3 Subd. 2. **Appropriation.** \$5,000,000 in fiscal year 2024 is transferred from the general
189.4 fund to the Capitol Area community vitality account.

189.5 **ARTICLE 18**
189.6 **PROMISE ACT**

189.7 Section 1. **TITLE.**

189.8 This article shall be known as the "Providing Resources and Opportunity and Maximizing
189.9 Investments in Striving Entrepreneurs (PROMISE) Act."

189.10 Sec. 2. **PROMISE GRANT PROGRAM.**

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

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

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

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

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

189.19 Subd. 2. **Establishment.** The commissioner shall establish the PROMISE grant program
189.20 to make grants to partner organizations to make grants to businesses in communities that
189.21 have been adversely affected by structural racial discrimination, civil unrest, lack of access
189.22 to capital, loss of population or an aging population, or lack of regional economic
189.23 diversification.

189.24 Subd. 3. **Grants to partner organizations.** (a) The commissioner shall make grants to
189.25 partner organizations to provide grants to businesses under subdivision 4 using criteria,
189.26 forms, applications, and reporting requirements developed by the commissioner.

189.27 (b) Up to five percent of a grant under this subdivision may be used by the partner
189.28 organization for administration and monitoring of the program, and three percent of a grant
189.29 shall be used by the partner organization for technical assistance to grantees for help with
189.30 language, culture, and technology.

190.1 (c) Any money not spent by partner organizations by June 30, 2027, must be returned
190.2 to the commissioner and canceled back to the general fund.

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

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

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

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

190.11 (3) have a gross annual revenue of \$750,000 or less based on 2021 taxes.

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

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

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

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

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

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

190.19 (e) Grants under this subdivision must not exceed:

190.20 (1) \$10,000 for businesses with a gross revenue in the prior year of \$100,000 or less;

190.21 (2) \$25,000 for businesses with a gross revenue in the prior year of more than \$100,000
190.22 but no more than \$350,000; and

190.23 (3) \$50,000 for businesses with a gross revenue in the prior year of more than \$350,000
190.24 but no more than \$750,000.

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

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

190.29 Subd. 5. **Grant requirements.** All grants to businesses under this section are subject to
190.30 the grant-making requirements in sections 16B.97, 16B.98, and 16B.991.

191.1 Subd. 6. **Reports.** (a) By January 31, 2026, partner organizations participating in the
191.2 program must provide a report to the commissioner that includes descriptions of the
191.3 businesses supported by the program, the amounts granted, and an explanation of
191.4 administrative expenses.

191.5 (b) By March 15, 2026, the commissioner must report to the legislative committees in
191.6 the house of representatives and senate with jurisdiction over economic development about
191.7 grants made under this section based on the information received under paragraph (a).

191.8 Subd. 7. **Expiration.** This section expires December 31, 2027.

191.9 Sec. 3. **PROMISE LOAN PROGRAM.**

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

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

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

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

191.18 (e) "Eligible recipient" means a:

191.19 (1) business;

191.20 (2) nonprofit organization; or

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

191.23 Eligible recipients must: (i) have primary operations located in the state of Minnesota; (ii)
191.24 have gross annual revenue of less than \$1,000,000 based on 2021 taxes; and (iii) be located
191.25 in a community that has been adversely affected by structural racial discrimination, civil
191.26 unrest, lack of access to capital, a loss of population or an aging population, or a lack of
191.27 regional economic diversification.

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

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

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

192.8 Subd. 2. **Establishment.** The commissioner shall establish the PROMISE loan program
192.9 to make grants to partner organizations to make loans to eligible recipients in communities
192.10 that have been adversely affected by structural racial discrimination, civil unrest, lack of
192.11 access to capital, a loss of population or an aging population, or a lack of regional economic
192.12 diversification.

192.13 Subd. 3. **Grants to partner organizations.** (a) The commissioner shall make grants to
192.14 partner organizations to provide loans to eligible recipients as specified under this section.

192.15 (b) Up to five percent of a grant under this subdivision may be used by the partner
192.16 organization for administration and monitoring of the program, and up to three percent of
192.17 a grant may be used by the partner organization for technical assistance to borrowers.

192.18 (c) Any funds from the original appropriation that remain unspent by partner organizations
192.19 by June 30, 2027, must be returned to the commissioner and canceled back to the general
192.20 fund.

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

192.24 (1) be for no more than \$1,000,000;

192.25 (2) be for a term of no more than ten years; and

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

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

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

192.32 (d) A partner organization may:

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

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

193.3 Subd. 5. **Revolving loan fund.** Partner organizations that receive grants from the
 193.4 commissioner under the program must establish a commissioner-certified revolving loan
 193.5 fund for the purpose of making eligible loans. All loan payments shall be deposited in the
 193.6 partner organization's revolving loan fund.

193.7 Subd. 6. **Preference.** (a) Priority shall be given to those eligible recipients that have not
 193.8 received more than \$10,000 cumulatively from a grant under a Main Street COVID-19
 193.9 relief grant program or a loan from the Main Street Economic Revitalization Loan Program.

193.10 (b) Priority may also be given to projects that involve developers who are Black,
 193.11 Indigenous, or People of Color; veterans; or women.

193.12 Subd. 7. **Oversight.** Grants and any loans to borrowers under this section are subject to
 193.13 the grant-making requirements in sections 16B.97, 16B.98, and 16B.991.

193.14 Subd. 8. **Reports.** (a) By January 31, 2026, partner organizations participating in the
 193.15 program must provide a report to the commissioner that includes descriptions of the eligible
 193.16 recipients supported by the program, the amounts loaned, and an explanation of administrative
 193.17 expenses.

193.18 (b) By March 15, 2026, the commissioner must report to the legislative committees in
 193.19 the house of representatives and senate with jurisdiction over economic development about
 193.20 loans made under this section based on the information received under paragraph (a).

193.21 Subd. 9. **Expiration.** This section expires December 31, 2033.

193.22 **ARTICLE 19**

193.23 **APPROPRIATIONS; LABOR**

193.24 **Section 1. APPROPRIATIONS.**

193.25 (a) The sums shown in the columns marked "Appropriations" are appropriated to the
 193.26 agencies and for the purposes specified in this article. The appropriations are from the
 193.27 general fund, or another named fund, and are available for the fiscal years indicated for
 193.28 each purpose. The figures "2024" and "2025" used in this article mean that the appropriations
 193.29 listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025,
 193.30 respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The
 193.31 biennium" is fiscal years 2024 and 2025.

194.1 (b) If an appropriation in this article is enacted more than once in the 2023 regular or
 194.2 special legislative session, the appropriation must be given effect only once.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2024</u>	<u>2025</u>
194.7 <u>Sec. 2. DEPARTMENT OF LABOR AND</u>		
194.8 <u>INDUSTRY</u>		
194.9 <u>Subdivision 1. Total Appropriation</u>	<u>\$ 47,710,000</u>	<u>\$ 44,044,000</u>

	<u>Appropriations by Fund</u>	
	<u>2024</u>	<u>2025</u>
194.11		
194.12 <u>General</u>	<u>7,200,000</u>	<u>4,889,000</u>
194.13 <u>Workers'</u>		
194.14 <u>Compensation</u>	<u>30,599,000</u>	<u>32,390,000</u>
194.15 <u>Workforce</u>		
194.16 <u>Development</u>	<u>9,911,000</u>	<u>6,765,000</u>

194.17 The amounts that may be spent for each
 194.18 purpose are specified in the following
 194.19 subdivisions. The general fund base for this
 194.20 appropriation is \$4,936,000 in fiscal year 2026
 194.21 and \$4,958,000 in fiscal year 2027 and each
 194.22 year thereafter. The workers compensation
 194.23 fund base is \$32,749,000 in fiscal year 2026
 194.24 and \$32,458,000 in fiscal year 2027 and each
 194.25 year thereafter. The workforce development
 194.26 fund base is \$6,765,000 in fiscal year 2026
 194.27 and each year thereafter.

194.28 <u>Subd. 2. General Support</u>	<u>8,765,000</u>	<u>9,106,000</u>
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194.29 This appropriation is from the workers'
 194.30 compensation fund.

194.31 <u>Subd. 3. Labor Standards</u>	<u>6,520,000</u>	<u>6,270,000</u>
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	<u>Appropriations by Fund</u>	
194.32		
194.33 <u>General</u>	<u>4,957,000</u>	<u>4,635,000</u>
194.34 <u>Workforce</u>		
194.35 <u>Development</u>	<u>1,563,000</u>	<u>1,635,000</u>

195.1 The general fund base for this appropriation
 195.2 is \$4,682,000 in fiscal year 2026 and
 195.3 \$4,704,000 in fiscal year 2027 and each year
 195.4 thereafter.

195.5 (a) \$2,046,000 each year is for wage theft
 195.6 prevention.

195.7 (b) \$1,563,000 the first year and \$1,635,000
 195.8 the second year are from the workforce
 195.9 development fund for prevailing wage
 195.10 enforcement.

195.11 (c) \$134,000 the first year and \$134,000 the
 195.12 second year are for outreach and enforcement
 195.13 efforts related to changes to the nursing
 195.14 mothers, lactating employees, and pregnancy
 195.15 accommodations law.

195.16 (d) \$661,000 the first year and \$357,000 the
 195.17 second year are to perform work for the
 195.18 Nursing Home Workforce Standards Board.
 195.19 The base for this appropriation is \$404,000 in
 195.20 fiscal year 2026 and \$357,000 in fiscal year
 195.21 2027.

195.22 (e) \$225,000 the first year and \$169,000 the
 195.23 second year are for the purposes of the Safe
 195.24 Workplaces for Meat and Poultry Processing
 195.25 Workers Act.

195.26 (f) \$27,000 the first year is for the creation
 195.27 and distribution of a veterans' benefits and
 195.28 services poster under Minnesota Statutes,
 195.29 section 181.536.

195.30 **Subd. 4. Workers' Compensation** 15,190,000 15,725,000

195.31 This appropriation is from the workers'
 195.32 compensation fund.

195.33 **Subd. 5. Workplace Safety** 8,644,000 7,559,000

196.1	<u>Appropriations by Fund</u>		
196.2	<u>General</u>	<u>2,000,000</u>	<u>-0-</u>
196.3	<u>Workers'</u>		
196.4	<u>Compensation</u>	<u>6,644,000</u>	<u>7,559,000</u>
196.5	<u>The workers compensation fund base for this</u>		
196.6	<u>appropriation is \$7,918,000 in fiscal year 2026</u>		
196.7	<u>and \$7,627,000 in fiscal year 2027 and each</u>		
196.8	<u>year thereafter.</u>		
196.9	<u>\$2,000,000 the first year is for the ergonomics</u>		
196.10	<u>safety grant program. This appropriation is</u>		
196.11	<u>available until June 30, 2026. This is a onetime</u>		
196.12	<u>appropriation.</u>		
196.13	<u>Subd. 6. Workforce Development Initiatives</u>	<u>2,359,000</u>	<u>2,371,000</u>
196.14	<u>(a) This appropriation is from the workforce</u>		
196.15	<u>development fund.</u>		
196.16	<u>(b) \$300,000 each year is from the workforce</u>		
196.17	<u>development fund for the pipeline program.</u>		
196.18	<u>(c) \$200,000 each year is from the workforce</u>		
196.19	<u>development fund for identification of</u>		
196.20	<u>competency standards under Minnesota</u>		
196.21	<u>Statutes, section 175.45.</u>		
196.22	<u>(d) \$1,500,000 each year is from the</u>		
196.23	<u>workforce development fund for youth skills</u>		
196.24	<u>training grants under Minnesota Statutes,</u>		
196.25	<u>section 175.46.</u>		
196.26	<u>(e) \$359,000 the first year and \$371,000 the</u>		
196.27	<u>second year are from the workforce</u>		
196.28	<u>development fund for administration of the</u>		
196.29	<u>youth skills training grants under Minnesota</u>		
196.30	<u>Statutes, section 175.46.</u>		
196.31	<u>Subd. 7. Combative Sports</u>	<u>243,000</u>	<u>254,000</u>
196.32	<u>Subd. 8. Apprenticeship</u>	<u>5,989,000</u>	<u>2,759,000</u>

197.1 (a) This appropriation is from the workforce
197.2 development fund. The base for this
197.3 appropriation is \$2,759,000 in fiscal year 2026
197.4 and each year thereafter.

197.5 (b) \$1,000,000 the first year and \$1,000,000
197.6 the second year are from the workforce
197.7 development fund for labor education and
197.8 advancement program grants under Minnesota
197.9 Statutes, section 178.11.

197.10 (c) \$3,000,000 the first year is from the
197.11 workforce development fund for grants to
197.12 registered apprenticeship programs for clean
197.13 economy occupations. Of this amount, up to
197.14 five percent is for administration and
197.15 monitoring of the program. This appropriation
197.16 is onetime and available until June 30, 2026.
197.17 Grants may be used to:

197.18 (1) purchase equipment or training materials
197.19 in clean technologies;

197.20 (2) fund instructor professional development
197.21 in clean technologies;

197.22 (3) design and refine curriculum in clean
197.23 technologies; and

197.24 (4) train apprentices and upskill incumbent
197.25 workers in clean technologies.

197.26 (d) \$300,000 the first year is from the
197.27 workforce development fund for a grant to
197.28 Independent School District No. 294, Houston,
197.29 for the Minnesota Virtual Academy's career
197.30 pathways program with Operating Engineers
197.31 Local 49. This appropriation does not cancel
197.32 and is available until June 30, 2025. The
197.33 following requirements apply:

198.1 (1) the career pathways program must
198.2 encourage, support, and provide continuity for
198.3 student participation in structured career
198.4 pathways. The program may include up to five
198.5 semesters of coursework and must lead to
198.6 eligibility for the Operating Engineers Local
198.7 49 apprenticeship program. The career
198.8 pathways program must provide outreach to
198.9 and encourage participation in the program by
198.10 students of color, Indigenous students,
198.11 students from low-income families, students
198.12 located throughout Minnesota, and
198.13 underserved students;

198.14 (2) the grant may be used to encourage and
198.15 support student participation in the career
198.16 pathways program through additional
198.17 academic, counseling, and other support
198.18 services provided by the student's enrolling
198.19 school district. The Minnesota Virtual
198.20 Academy may contract with a student's
198.21 enrolling school district to provide these
198.22 services; and

198.23 (3) on January 15 of each year following the
198.24 receipt of a grant, Independent School District
198.25 No. 294, Houston, must submit a written
198.26 report to the legislative committees having
198.27 jurisdiction over education and workforce
198.28 development. A grant award and report must
198.29 be in accordance with the provisions of
198.30 Minnesota Statutes, sections 3.195 and
198.31 127A.20. The report must describe students'
198.32 experiences with the program; document the
198.33 program's spending and the number of students
198.34 participating in the program and entering into
198.35 the apprenticeship program; include

199.1 geographic and demographic information on
 199.2 the program participants; make
 199.3 recommendations to improve the support of
 199.4 career pathways programs statewide; and make
 199.5 recommendations to improve student
 199.6 participation in career pathways programs.

199.7 (e) \$225,000 the first year and \$225,000 the
 199.8 second year are from the workforce
 199.9 development fund for grants to Building
 199.10 Strong Communities for the Helmets to
 199.11 Hardhats Minnesota initiative. Grant money
 199.12 must be used to recruit, retain, assist, and
 199.13 support National Guard, reserve, and active
 199.14 duty military members' and veterans'
 199.15 participation in apprenticeship programs
 199.16 registered with the Department of Labor and
 199.17 Industry and connect service members and
 199.18 veterans with career training and employment
 199.19 in the building and construction industry. The
 199.20 recruitment, selection, employment, and
 199.21 training must be without discrimination due
 199.22 to race, color, creed, religion, national origin,
 199.23 sex, sexual orientation, marital status, physical
 199.24 or mental disability, receipt of public
 199.25 assistance, or age.

199.26 **Sec. 3. WORKERS' COMPENSATION COURT**
 199.27 **OF APPEALS**

\$ 2,583,000 \$ 2,563,000

199.28 This appropriation is from the workers'
 199.29 compensation fund.

199.30 **Sec. 4. BUREAU OF MEDIATION SERVICES**

\$ 3,707,000 \$ 3,789,000

199.31 (a) \$750,000 each year is for purposes of the
 199.32 Public Employment Relations Board under
 199.33 Minnesota Statutes, section 179A.041.

199.34 (b) \$68,000 each year is for grants to area
 199.35 labor management committees. Grants may

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

201.4	<u>Subd. 2. Business and Community Development</u>	<u>195,061,000</u>	<u>139,929,000</u>
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201.5 Appropriations by Fund

201.6	<u>General</u>	<u>193,011,000</u>	<u>137,879,000</u>
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201.7	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
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201.8 Workforce

201.9	<u>Development</u>	<u>1,350,000</u>	<u>1,350,000</u>
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201.10 (a) \$2,287,000 each year is for the greater
 201.11 Minnesota business development public
 201.12 infrastructure grant program under Minnesota
 201.13 Statutes, section 116J.431. This appropriation
 201.14 is available until June 30, 2027.

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

201.25 (c) \$2,500,000 each year is for Launch
 201.26 Minnesota. These are onetime appropriations.

201.27 Of this amount:

201.28 (1) \$1,500,000 each year is for innovation
 201.29 grants to eligible Minnesota entrepreneurs or
 201.30 start-up businesses to assist with their
 201.31 operating needs;

201.32 (2) \$500,000 each year is for administration
 201.33 of Launch Minnesota; and

202.1 (3) \$500,000 each year is for grantee activities
202.2 at Launch Minnesota.

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

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

202.31 (i) assist small businesses in securing federal
202.32 research and development funding, including
202.33 the Small Business Innovation Research and
202.34 Small Business Technology Transfer programs

- 203.1 and other federal research and development
- 203.2 funding opportunities;
- 203.3 (ii) support technology transfer and
- 203.4 commercialization from the University of
- 203.5 Minnesota, Mayo Clinic, and federal
- 203.6 laboratories;
- 203.7 (iii) partner with large businesses;
- 203.8 (iv) conduct statewide outreach, education,
- 203.9 and training on federal rules, regulations, and
- 203.10 requirements;
- 203.11 (v) assist with scientific and technical writing;
- 203.12 (vi) help manage federal grants and contracts;
- 203.13 and
- 203.14 (vii) support cost accounting and sole-source
- 203.15 procurement opportunities.
- 203.16 (e) \$10,000,000 the first year is for the
- 203.17 Minnesota Expanding Opportunity Fund
- 203.18 Program under Minnesota Statutes, section
- 203.19 116J.8733. This is a onetime appropriation
- 203.20 and is available until June 30, 2025.
- 203.21 (f) \$6,425,000 each year is for the small
- 203.22 business assistance partnerships program
- 203.23 under Minnesota Statutes, section 116J.682.
- 203.24 All grant awards shall be for two consecutive
- 203.25 years. Grants shall be awarded in the first year.
- 203.26 The department may use up to five percent of
- 203.27 the appropriation for administrative purposes.
- 203.28 The base for this appropriation is \$2,725,000
- 203.29 in fiscal year 2026 and each year thereafter.
- 203.30 (g) \$350,000 each year is for administration
- 203.31 of the community energy transition office.
- 203.32 (h) \$5,000,000 each year is transferred from
- 203.33 the general fund to the community energy

204.1 transition account for grants under Minnesota
204.2 Statutes, section 116J.55. This is a onetime
204.3 transfer.

204.4 (i) \$1,772,000 each year is for contaminated
204.5 site cleanup and development grants under
204.6 Minnesota Statutes, sections 116J.551 to
204.7 116J.558. This appropriation is available until
204.8 expended.

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

204.14 (k) \$389,000 each year is for the Center for
204.15 Rural Policy and Development. The base for
204.16 this appropriation is \$139,000 in fiscal year
204.17 2026 and each year thereafter.

204.18 (l) \$25,000 each year is for the administration
204.19 of state aid for the Destination Medical Center
204.20 under Minnesota Statutes, sections 469.40 to
204.21 469.47.

204.22 (m) \$875,000 each year is for the host
204.23 community economic development program
204.24 established in Minnesota Statutes, section
204.25 116J.548.

204.26 (n) \$6,500,000 each year is for grants to local
204.27 communities to increase the number of quality
204.28 child care providers to support economic
204.29 development. Fifty percent of grant money
204.30 must go to communities located outside the
204.31 seven-county metropolitan area as defined in
204.32 Minnesota Statutes, section 473.121,
204.33 subdivision 2. The base for this appropriation

205.1 is \$1,500,000 in fiscal year 2026 and each year
205.2 thereafter.

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

205.19 Within one year of receiving grant money,
205.20 grant recipients must report to the
205.21 commissioner on the outcomes of the grant
205.22 program, including but not limited to the
205.23 number of new providers, the number of
205.24 additional child care provider jobs created, the
205.25 number of additional child care openings, and
205.26 the amount of cash and in-kind local money
205.27 invested. Within one month of all grant
205.28 recipients reporting on program outcomes, the
205.29 commissioner must report the grant recipients'
205.30 outcomes to the chairs and ranking members
205.31 of the legislative committees with jurisdiction
205.32 over early learning and child care and
205.33 economic development.

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

206.4 (1) \$450,000 each year is for administration
206.5 of the Office of Child Care Community
206.6 Partnerships; and

206.7 (2) \$50,000 each year is for the Labor Market
206.8 Information Office to conduct research and
206.9 analysis related to the child care industry.

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

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

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

206.29 (3) provide locally based training and technical
206.30 assistance to rural business owners
206.31 individually or through a learning cohort.
206.32 Access to financial and business development
206.33 assistance must prepare child care businesses
206.34 for quality engagement and improvement by

207.1 stabilizing operations, leveraging funding from
207.2 other sources, and fostering business acumen
207.3 that allows child care businesses to plan for
207.4 and afford the cost of providing quality child
207.5 care; and

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

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

207.29 (r) \$12,370,000 each year is for the Minnesota
207.30 investment fund under Minnesota Statutes,
207.31 section 116J.8731. Of this amount, the
207.32 commissioner of employment and economic
207.33 development may use up to three percent for
207.34 administration and monitoring of the program.
207.35 This appropriation is available until expended.

208.1 Notwithstanding Minnesota Statutes, section
208.2 116J.8731, money appropriated to the
208.3 commissioner for the Minnesota investment
208.4 fund may be used for the redevelopment
208.5 program under Minnesota Statutes, sections
208.6 116J.575 and 116J.5761, at the discretion of
208.7 the commissioner. Grants under this paragraph
208.8 are not subject to the grant amount limitation
208.9 under Minnesota Statutes, section 116J.8731.

208.10 (s) \$4,246,000 each year is for the
208.11 redevelopment program under Minnesota
208.12 Statutes, sections 116J.575 and 116J.5761.

208.13 The base for this appropriation is \$2,246,000
208.14 in fiscal year 2026 and each year thereafter.

208.15 This appropriation is available until expended.

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

208.26 (u) \$325,000 each year is for the Minnesota
208.27 Film and TV Board. The appropriation each
208.28 year is available only upon receipt by the
208.29 board of \$1 in matching contributions of
208.30 money or in-kind contributions from nonstate
208.31 sources for every \$3 provided by this
208.32 appropriation, except that each year up to
208.33 \$50,000 is available on July 1 even if the
208.34 required matching contribution has not been
208.35 received by that date.

- 209.1 (v) \$12,000 each year is for a grant to the
209.2 Upper Minnesota Film Office.
- 209.3 (w) \$500,000 each year is for a grant to the
209.4 Minnesota Film and TV Board for the film
209.5 production jobs program under Minnesota
209.6 Statutes, section 116U.26. This appropriation
209.7 is available until June 30, 2027.
- 209.8 (x) \$4,195,000 each year is for the Minnesota
209.9 job skills partnership program under
209.10 Minnesota Statutes, sections 116L.01 to
209.11 116L.17. If the appropriation for either year
209.12 is insufficient, the appropriation for the other
209.13 year is available. This appropriation is
209.14 available until expended.
- 209.15 (y) \$1,350,000 each year from the workforce
209.16 development fund is for jobs training grants
209.17 under Minnesota Statutes, section 116L.41.
- 209.18 (z) \$47,475,000 each year is for the PROMISE
209.19 grant program. This is a onetime appropriation
209.20 and is available until June 30, 2027. Of this
209.21 amount:
- 209.22 (1) \$475,000 each year is for administration
209.23 of the PROMISE grant program;
- 209.24 (2) \$7,500,000 each year is for grants in equal
209.25 amounts to each of the Minnesota Initiative
209.26 Foundations to serve businesses in greater
209.27 Minnesota. Of this amount, \$600,000 each
209.28 year is for grants to businesses with less than
209.29 \$100,000 in revenue in the prior year; and
- 209.30 (3) \$39,500,000 each year is for grants to the
209.31 Neighborhood Development Center. Of this
209.32 amount, the following amounts are designated
209.33 for the following areas:

- 210.1 (i) \$16,000,000 each year is for North
210.2 Minneapolis' West Broadway, Camden, or
210.3 other Northside neighborhoods. Of this
210.4 amount, \$1,000,000 each year is for grants to
210.5 businesses with less than \$100,000 in revenue
210.6 in the prior year;
- 210.7 (ii) \$13,500,000 each year is for South
210.8 Minneapolis' Lake Street, 38th and Chicago,
210.9 Franklin, Nicollet, and Riverside corridors.
210.10 Of this amount, \$750,000 each year is for
210.11 grants to businesses with less than \$100,000
210.12 in revenue in the prior year; and
- 210.13 (iii) \$10,000,000 each year is for St. Paul's
210.14 University Avenue, Midway, Eastside, or other
210.15 St. Paul neighborhoods. Of this amount,
210.16 \$750,000 each year is for grants to businesses
210.17 with less than \$100,000 in revenue in the prior
210.18 year.
- 210.19 (aa) \$15,150,000 each year is for the
210.20 PROMISE loan program. This is a onetime
210.21 appropriation and is available until June 30,
210.22 2027. Of this amount:
- 210.23 (1) \$150,000 each year is for administration
210.24 of the PROMISE loan program;
- 210.25 (2) \$3,000,000 each year is for grants in equal
210.26 amounts to each of the Minnesota Initiative
210.27 Foundations to serve businesses in greater
210.28 Minnesota; and
- 210.29 (3) \$12,000,000 each year is for grants to the
210.30 Metropolitan Economic Development
210.31 Association (MEDA). Of this amount, the
210.32 following amounts are designated for the
210.33 following areas:

- 211.1 (i) \$4,500,000 each year is for North
211.2 Minneapolis' West Broadway, Camden, or
211.3 other Northside neighborhoods;
- 211.4 (ii) \$4,500,000 each year is for South
211.5 Minneapolis' Lake Street, 38th and Chicago,
211.6 Franklin, Nicollet, and Riverside corridors;
211.7 and
- 211.8 (iii) \$3,000,000 each year is for St. Paul's
211.9 University Avenue, Midway, Eastside, or other
211.10 St. Paul neighborhoods.
- 211.11 (bb) \$1,500,000 each year is for a grant to the
211.12 Metropolitan Consortium of Community
211.13 Developers for the community wealth-building
211.14 grant program pilot project. Of this amount,
211.15 up to two percent is for administration and
211.16 monitoring of the community wealth-building
211.17 grant program pilot project. This is a onetime
211.18 appropriation.
- 211.19 (cc) \$250,000 each year is for the publication,
211.20 dissemination, and use of labor market
211.21 information under Minnesota Statutes, section
211.22 116J.401.
- 211.23 (dd) \$5,000,000 the first year is for a grant to
211.24 the Bloomington Port Authority to provide
211.25 funding for the Expo 2027 host organization.
211.26 The Bloomington Port Authority must enter
211.27 into an agreement with the host organization
211.28 over the use of money, which may be used for
211.29 activities, including but not limited to
211.30 finalizing the community dossier and staffing
211.31 the host organization and for infrastructure
211.32 design and planning, financial modeling,
211.33 development planning and coordination of
211.34 both real estate and public private partnerships,

212.1 and reimbursement of costs the Bloomington
212.2 Port Authority incurred. In selecting vendors
212.3 and exhibitors for Expo 2027, the host
212.4 organization shall prioritize outreach to,
212.5 collaboration with, and inclusion of businesses
212.6 that are majority owned by people of color,
212.7 women, and people with disabilities. The host
212.8 organization and Bloomington Port Authority
212.9 may be reimbursed for expenses 90 days prior
212.10 to encumbrance. This appropriation is
212.11 contingent on approval of the project by the
212.12 Bureau International des Expositions. If the
212.13 project is not approved by the Bureau
212.14 International des Expositions, the money shall
212.15 transfer to the Minnesota investment fund
212.16 under Minnesota Statutes, section 116J.8731.
212.17 Any unencumbered balance remaining at the
212.18 end of the first year does not cancel but is
212.19 available for the second year.

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

212.34 (ff) \$5,000,000 the first year is for transfer to
212.35 the emerging developer fund account in the

213.1 special revenue fund. Of this amount, up to
213.2 five percent is for administration and
213.3 monitoring of the emerging developer fund
213.4 program under Minnesota Statutes, section
213.5 116J.9926, and the remainder is for a grant to
213.6 the Local Initiatives Support Corporation -
213.7 Twin Cities to serve as a partner organization
213.8 under the program. This is a onetime
213.9 appropriation.

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

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

213.23 (1) \$500,000 each year is for a loan fund that
213.24 must address pervasive economic inequities
213.25 by supporting business ventures of
213.26 entrepreneurs in the African immigrant
213.27 community; and

213.28 (2) \$250,000 each year is for workforce
213.29 development and technical assistance,
213.30 including but not limited to business
213.31 development, entrepreneur training, business
213.32 technical assistance, loan packing, and
213.33 community development services.

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

214.5 (1) \$750,000 each year is to assist, support,
214.6 finance, and launch microentrepreneurs by
214.7 delivering training, workshops, and
214.8 one-on-one consultations to businesses; and

214.9 (2) \$750,000 each year is to guide prospective
214.10 entrepreneurs in their start-up process by
214.11 introducing them to key business concepts,
214.12 including business start-up readiness. Grant
214.13 proceeds must be used to offer workshops on
214.14 a variety of topics throughout the year,
214.15 including finance, customer service,
214.16 food-handler training, and food-safety
214.17 certification. Grant proceeds may also be used
214.18 to provide lending to business startups.

214.19 (jj) \$627,000 the first year is for a grant to
214.20 Community and Economic Development
214.21 Associates (CEDA) to provide funding for
214.22 economic development technical assistance
214.23 and economic development project grants to
214.24 small communities across rural Minnesota and
214.25 for CEDA to design, implement, market, and
214.26 administer specific types of basic community
214.27 and economic development programs tailored
214.28 to individual community needs. Technical
214.29 assistance grants shall be based on need and
214.30 given to communities that are otherwise
214.31 unable to afford these services. Of the amount
214.32 appropriated, up to \$270,000 may be used for
214.33 economic development project implementation
214.34 in conjunction with the technical assistance
214.35 received. This is a onetime appropriation. Any

- 215.1 unencumbered balance remaining at the end
215.2 of the first year does not cancel but is available
215.3 the second year.
- 215.4 (kk) \$2,000,000 the first year is for a grant to
215.5 WomenVenture to:
- 215.6 (1) support child care providers through
215.7 business training and shared services programs
215.8 and to create materials that could be used, free
215.9 of charge, for start-up, expansion, and
215.10 operation of child care businesses statewide,
215.11 with the goal of helping new and existing child
215.12 care businesses in underserved areas of the
215.13 state become profitable and sustainable; and
- 215.14 (2) support business expansion for women
215.15 food entrepreneurs throughout Minnesota's
215.16 food supply chain to help stabilize and
215.17 strengthen their business operations, create
215.18 distribution networks, offer technical
215.19 assistance and support to beginning women
215.20 food entrepreneurs, develop business plans,
215.21 develop a workforce, research expansion
215.22 strategies, and for other related activities.
- 215.23 Eligible uses of the money include but are not
215.24 limited to:
- 215.25 (i) leasehold improvements;
- 215.26 (ii) additions, alterations, remodeling, or
215.27 renovations to rented space;
- 215.28 (iii) inventory or supplies;
- 215.29 (iv) machinery or equipment purchases;
- 215.30 (v) working capital; and
- 215.31 (vi) debt refinancing.

216.1 Money distributed to entrepreneurs may be
216.2 loans, forgivable loans, and grants. Of this
216.3 amount, up to five percent may be used for
216.4 the Women Venture's technical assistance and
216.5 administrative costs. This is a onetime
216.6 appropriation and is available until June 30,
216.7 2026.

216.8 By December 15, 2026, Women Venture must
216.9 submit a report to the chairs and ranking
216.10 minority members of the legislative
216.11 committees with jurisdiction over agriculture
216.12 and employment and economic development.
216.13 The report must include a summary of the uses
216.14 of the appropriation, including the amount of
216.15 the appropriation used for administration. The
216.16 report must also provide a breakdown of the
216.17 amount of funding used for loans, forgivable
216.18 loans, and grants; information about the terms
216.19 of the loans issued; a discussion of how money
216.20 from repaid loans will be used; the number of
216.21 entrepreneurs assisted; and a breakdown of
216.22 how many entrepreneurs received assistance
216.23 in each county.

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

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

- 217.1 (1) \$2,800,000 is for loans to purchase
217.2 commercial real estate targeted at African
217.3 immigrant small business owners;
- 217.4 (2) \$364,000 is for loan loss reserves to
217.5 support loan volume growth and attract
217.6 additional capital;
- 217.7 (3) \$836,000 is for increasing organizational
217.8 capacity;
- 217.9 (4) \$300,000 is for the safe 2 eat project of
217.10 inclusive assistance with required restaurant
217.11 licensing examinations; and
- 217.12 (5) \$700,000 is for a center for community
217.13 resources for language and technology
217.14 assistance for small businesses.
- 217.15 (nn) \$7,000,000 the first year is for grants to
217.16 the Minnesota Initiative Foundations to
217.17 capitalize their revolving loan funds, which
217.18 address unmet financing needs of for-profit
217.19 business start-ups, expansions, and ownership
217.20 transitions; nonprofit organizations; and
217.21 developers of housing to support the
217.22 construction, rehabilitation, and conversion
217.23 of housing units. Of the amount appropriated:
- 217.24 (1) \$1,000,000 is for a grant to the Southwest
217.25 Initiative Foundation;
- 217.26 (2) \$1,000,000 is for a grant to the West
217.27 Central Initiative Foundation;
- 217.28 (3) \$1,000,000 is for a grant to the Southern
217.29 Minnesota Initiative Foundation;
- 217.30 (4) \$1,000,000 is for a grant to the Northwest
217.31 Minnesota Foundation;
- 217.32 (5) \$2,000,000 is for a grant to the Initiative
217.33 Foundation of which \$1,000,000 is for

218.1 redevelopment of the St. Cloud Youth and
218.2 Family Center; and
218.3 (6) \$1,000,000 is for a grant to the Northland
218.4 Foundation.
218.5 (oo) \$500,000 each year is for a grant to
218.6 Enterprise Minnesota, Inc., to reach and
218.7 deliver talent, leadership, employee retention,
218.8 continuous improvement, strategy, quality
218.9 management systems, revenue growth, and
218.10 manufacturing peer-to-peer advisory services
218.11 to small manufacturing companies employing
218.12 35 or fewer full-time equivalent employees.
218.13 This is a onetime appropriation. No later than
218.14 February 1, 2025, and February 1, 2026,
218.15 Enterprise Minnesota, Inc., must provide a
218.16 report to the chairs and ranking minority
218.17 members of the legislative committees with
218.18 jurisdiction over economic development that
218.19 includes:
218.20 (1) the grants awarded during the past 12
218.21 months;
218.22 (2) the estimated financial impact of the grants
218.23 awarded to each company receiving services
218.24 under the program;
218.25 (3) the actual financial impact of grants
218.26 awarded during the past 24 months; and
218.27 (4) the total amount of federal funds leveraged
218.28 from the Manufacturing Extension Partnership
218.29 at the United States Department of Commerce.
218.30 (pp) \$375,000 each year is for a grant to
218.31 PFund Foundation to provide grants to
218.32 LGBTQ+-owned small businesses and
218.33 entrepreneurs. Of this amount, up to five
218.34 percent may be used for PFund Foundation's

219.1 technical assistance and administrative costs.
219.2 This is a onetime appropriation and is
219.3 available until June 30, 2026. To the extent
219.4 practicable, money must be distributed by
219.5 PFund Foundation as follows:
219.6 (1) at least 33.3 percent to businesses owned
219.7 by members of racial minority communities;
219.8 and
219.9 (2) at least 33.3 percent to businesses outside
219.10 of the seven-county metropolitan area as
219.11 defined in Minnesota Statutes, section
219.12 473.121, subdivision 2.
219.13 (qq) \$125,000 each year is for a grant to
219.14 Quorum to provide business support, training,
219.15 development, technical assistance, and related
219.16 activities for LGBTQ+-owned small
219.17 businesses that are recipients of a PFund
219.18 Foundation grant. Of this amount, up to five
219.19 percent may be used for Quorum's technical
219.20 assistance and administrative costs. This is a
219.21 onetime appropriation and is available until
219.22 June 30, 2026.
219.23 (rr) \$5,000,000 the first year is for a grant to
219.24 the Metropolitan Economic Development
219.25 Association (MEDA) for statewide business
219.26 development and assistance services to
219.27 minority-owned businesses. This is a onetime
219.28 appropriation. Any unencumbered balance
219.29 remaining at the end of the first year does not
219.30 cancel but is available the second year. Of this
219.31 amount:
219.32 (1) \$3,000,000 is for a revolving loan fund to
219.33 provide additional minority-owned businesses
219.34 with access to capital; and

220.1 (2) \$2,000,000 is for operating support
220.2 activities related to business development and
220.3 assistance services for minority business
220.4 enterprises.

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

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

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

221.1 the cost of programming, outreach, staffing,
221.2 and supplies. This is a onetime appropriation.

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

221.9 (uu) \$175,000 the first year is for a grant to
221.10 the city of South St. Paul for repurposing the
221.11 1927 American Legion Memorial Library after
221.12 the property is no longer used as a library. This
221.13 appropriation is available until the project is
221.14 completed or abandoned, subject to Minnesota
221.15 Statutes, section 16A.642.

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

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

221.25 (xx)(1) \$3,000,000 in the first year is for a
221.26 grant to the Center for Economic Inclusion for
221.27 strategic, data-informed investments in job
221.28 creation strategies that respond to the needs
221.29 of underserved populations statewide. This
221.30 may include forgivable loans, revenue-based
221.31 financing, and equity investments for
221.32 entrepreneurs with barriers to growth. Of this
221.33 amount, up to five percent may be used for
221.34 the center's technical assistance and

222.1 administrative costs. This appropriation is
 222.2 available until June 30, 2025.

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

222.8 (yy) \$500,000 each year is for a grant to the
 222.9 Asian Economic Development Association
 222.10 for asset building and financial empowerment
 222.11 for entrepreneurs and small business owners,
 222.12 small business development and technical
 222.13 assistance, and cultural placemaking. This is
 222.14 a onetime appropriation.

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

222.26 **Subd. 3. Employment and Training Programs** 112,038,000 104,499,000

222.27	<u>Appropriations by Fund</u>	
222.28	<u>2024</u>	<u>2025</u>
222.29	<u>91,036,000</u>	<u>83,497,000</u>
222.30	<u>Workforce</u>	
222.31	<u>21,002,000</u>	<u>21,002,000</u>

222.32 (a) \$500,000 each year from the general fund
 222.33 and \$500,000 each year from the workforce
 222.34 development fund are for rural career
 222.35 counseling coordinators in the workforce

223.1 service areas and for the purposes specified
223.2 under Minnesota Statutes, section 116L.667.

223.3 (b) \$25,000,000 each year is for the targeted
223.4 population workforce grants under Minnesota
223.5 Statutes, section 116L.43. The department
223.6 may use up to five percent of this
223.7 appropriation for administration, monitoring,
223.8 and oversight of the program. Of this amount:

223.9 (1) \$18,500,000 each year is for job and
223.10 entrepreneurial skills training grants under
223.11 Minnesota Statutes, section 116L.43,
223.12 subdivision 2;

223.13 (2) \$1,500,000 each year is for diversity and
223.14 inclusion training for small employers under
223.15 Minnesota Statutes, section 116L.43,
223.16 subdivision 3; and

223.17 (3) \$5,000,000 each year is for capacity
223.18 building grants under Minnesota Statutes,
223.19 section 116L.43, subdivision 4.

223.20 The base for this appropriation is \$1,275,000
223.21 in fiscal year 2026 and each year thereafter.

223.22 (c) \$750,000 each year is for the women and
223.23 high-wage, high-demand, nontraditional jobs
223.24 grant program under Minnesota Statutes,
223.25 section 116L.99. Of this amount, up to five
223.26 percent is for administration and monitoring
223.27 of the program.

223.28 (d) \$10,000,000 each year is for the Drive for
223.29 Five Initiative to conduct outreach and provide
223.30 job skills training, career counseling, case
223.31 management, and supportive services for
223.32 careers in (1) technology, (2) labor, (3) the
223.33 caring professions, (4) manufacturing, and (5)

224.1 educational and professional services. This is
224.2 a onetime appropriation.

224.3 (e) Of the amounts appropriated in paragraph
224.4 (d), the commissioner must make \$7,000,000
224.5 each year available through a competitive
224.6 request for proposal process. The grant awards
224.7 must be used to provide education and training
224.8 in the five industries identified in paragraph
224.9 (d). Education and training may include:

224.10 (1) student tutoring and testing support
224.11 services;

224.12 (2) training and employment placement in high
224.13 wage and high growth employment;

224.14 (3) assistance in obtaining industry-specific
224.15 certifications;

224.16 (4) remedial training leading to enrollment in
224.17 employment training programs or services;

224.18 (5) real-time work experience;

224.19 (6) career and educational counseling;

224.20 (7) work experience and internships; and

224.21 (8) supportive services.

224.22 (f) Of the amount appropriated in paragraph
224.23 (d), \$2,000,000 each year must be awarded
224.24 through competitive grants made to trade
224.25 associations or chambers of commerce for job
224.26 placement services. Grant awards must be used
224.27 to encourage workforce training efforts to
224.28 ensure that efforts are aligned with employer
224.29 demands and that graduates are connected with
224.30 employers that are currently hiring. Trade
224.31 associations or chambers must partner with
224.32 employers with current or anticipated
224.33 employment opportunities and nonprofit

225.1 workforce training partners participating in
225.2 this program. The trade associations or
225.3 chambers must work closely with the industry
225.4 sector training providers in the five industries
225.5 identified in paragraph (d). Grant awards may
225.6 be used for:

225.7 (1) employer engagement strategies to align
225.8 employment opportunities for individuals
225.9 exiting workforce development training
225.10 programs. These strategies may include
225.11 business recruitment, job opening
225.12 development, employee recruitment, and job
225.13 matching. Trade associations must utilize the
225.14 state's labor exchange system;

225.15 (2) diversity, inclusion, and retention training
225.16 of their members to increase the business'
225.17 understanding of welcoming and retaining a
225.18 diverse workforce; and

225.19 (3) industry-specific training.

225.20 (g) Of the amount appropriated in paragraph
225.21 (d), \$1,000,000 each year is to hire, train, and
225.22 deploy business services representatives in
225.23 local workforce development areas throughout
225.24 the state. Business services representatives
225.25 must work with an assigned local workforce
225.26 development area to address the hiring needs
225.27 of Minnesota's businesses by connecting job
225.28 seekers and program participants in the
225.29 CareerForce system. Business services
225.30 representatives serve in the classified service
225.31 of the state and operate as part of the agency's
225.32 Employment and Training Office. The
225.33 commissioner shall develop and implement
225.34 training materials and reporting and evaluation
225.35 procedures for the activities of the business

226.1 services representatives. The business services
226.2 representatives must:

226.3 (1) serve as the primary contact for businesses
226.4 in that area;

226.5 (2) actively engage employers by assisting
226.6 with matching employers to job seekers by
226.7 referring candidates, convening job fairs, and
226.8 assisting with job announcements; and

226.9 (3) work with the local area board and its
226.10 partners to identify candidates for openings in
226.11 small and midsize companies in the local area.

226.12 (h) \$2,546,000 each year from the general fund
226.13 and \$4,604,000 each year from the workforce
226.14 development fund are for the pathways to
226.15 prosperity competitive grant program. Of this
226.16 amount, up to five percent is for administration
226.17 and monitoring of the program.

226.18 (i) \$500,000 each year is from the workforce
226.19 development fund for current Minnesota
226.20 affiliates of OIC of America, Inc. This
226.21 appropriation shall be divided equally among
226.22 the eligible centers.

226.23 (j) \$1,000,000 each year is for competitive
226.24 grants to organizations providing services to
226.25 relieve economic disparities in the Southeast
226.26 Asian community through workforce
226.27 recruitment, development, job creation,
226.28 assistance of smaller organizations to increase
226.29 capacity, and outreach. Of this amount, up to
226.30 five percent is for administration and
226.31 monitoring of the program.

226.32 (k) \$1,000,000 each year is for a competitive
226.33 grant program to provide grants to
226.34 organizations that provide support services for

227.1 individuals, such as job training, employment
227.2 preparation, internships, job assistance to
227.3 parents, financial literacy, academic and
227.4 behavioral interventions for low-performing
227.5 students, and youth intervention. Grants made
227.6 under this section must focus on low-income
227.7 communities, young adults from families with
227.8 a history of intergenerational poverty, and
227.9 communities of color. Of this amount, up to
227.10 five percent is for administration and
227.11 monitoring of the program.

227.12 (l) \$750,000 each year from the general fund
227.13 and \$6,698,000 each year from the workforce
227.14 development fund are for the youth-at-work
227.15 competitive grant program under Minnesota
227.16 Statutes, section 116L.562. Of this amount,
227.17 up to five percent is for administration and
227.18 monitoring of the youth workforce
227.19 development competitive grant program. All
227.20 grant awards shall be for two consecutive
227.21 years. Grants shall be awarded in the first year.
227.22 The base for this appropriation is \$750,000
227.23 from the general fund and \$3,348,000 from
227.24 the workforce development fund beginning in
227.25 fiscal year 2026 and each year thereafter.

227.26 (m) \$1,093,000 each year is from the general
227.27 fund and \$1,000,000 each year is from the
227.28 workforce development fund for the
227.29 youthbuild program under Minnesota Statutes,
227.30 sections 116L.361 to 116L.366. The base for
227.31 this appropriation is \$1,000,000 from the
227.32 workforce development fund in fiscal year
227.33 2026 and each year thereafter.

227.34 (n) \$4,511,000 each year from the general fund
227.35 and \$4,050,000 each year from the workforce

228.1 development fund are for the Minnesota youth
228.2 program under Minnesota Statutes, sections
228.3 116L.56 and 116L.561. The base for this
228.4 appropriation is \$0 from the general fund and
228.5 \$4,050,000 from the workforce development
228.6 fund in fiscal year 2026 and each year
228.7 thereafter.

228.8 (o) \$750,000 each year is for the Office of
228.9 New Americans under Minnesota Statutes,
228.10 section 116J.4231.

228.11 (p) \$1,000,000 each year from the workforce
228.12 development fund is for a grant to the
228.13 Minnesota Technology Association to support
228.14 the SciTech internship program, a program
228.15 that supports science, technology, engineering,
228.16 and math (STEM) internship opportunities for
228.17 two- and four-year college students and
228.18 graduate students in their fields of study. The
228.19 internship opportunities must match students
228.20 with paid internships within STEM disciplines
228.21 at small, for-profit companies located in
228.22 Minnesota having fewer than 250 employees
228.23 worldwide. At least 325 students must be
228.24 matched each year. No more than 15 percent
228.25 of the hires may be graduate students. Selected
228.26 hiring companies shall receive from the grant
228.27 50 percent of the wages paid to the intern,
228.28 capped at \$3,000 per intern. The program must
228.29 work toward increasing the participation
228.30 among women or other underserved
228.31 populations. This is a onetime appropriation.

228.32 (q) \$750,000 each year is for grants to the
228.33 Minneapolis Park and Recreation Board's Teen
228.34 Teamworks youth employment and training
228.35 programs. This is a onetime appropriation and

229.1 available until June 30, 2027. Any
229.2 unencumbered balance remaining at the end
229.3 of the first year does not cancel but is available
229.4 in the second year.

229.5 (r) \$900,000 each year is for a grant to Avivo
229.6 to provide low-income individuals with career
229.7 education and job skills training that is fully
229.8 integrated with chemical and mental health
229.9 services. Of this amount, up to \$250,000 each
229.10 year is for a grant to Avivo to provide
229.11 resources and support services to survivors of
229.12 sex trafficking and domestic abuse in the
229.13 greater St. Cloud area as they search for
229.14 employment. Program resources include but
229.15 are not limited to costs for day care,
229.16 transportation, housing, legal advice, procuring
229.17 documents required for employment, interview
229.18 clothing, technology, and Internet access. The
229.19 program shall also include public outreach and
229.20 corporate training components to communicate
229.21 to the public and potential employers about
229.22 the specific struggles faced by survivors as
229.23 they re-enter the workforce. This is a onetime
229.24 appropriation.

229.25 (s) \$1,000,000 each year is for the getting to
229.26 work grant program under Minnesota Statutes,
229.27 section 116J.545. Of this amount, up to five
229.28 percent is for administration and monitoring
229.29 of the program. This is a onetime
229.30 appropriation.

229.31 (t) \$400,000 each year is for a grant to the
229.32 nonprofit 30,000 Feet to fund youth
229.33 apprenticeship jobs, wraparound services,
229.34 after-school programming, and summer
229.35 learning loss prevention efforts targeted at

230.1 African American youth. This is a onetime
230.2 appropriation.

230.3 (u) \$463,000 the first year is for a grant to the
230.4 Boys and Girls Club of Central Minnesota.
230.5 This is a onetime appropriation. Of this
230.6 amount:

230.7 (1) \$313,000 is to fund one year of free
230.8 full-service programming for a new program
230.9 in Waite Park that will employ part-time youth
230.10 development staff and provide community
230.11 volunteer opportunities for people of all ages.
230.12 Career exploration and life skills programming
230.13 will be a significant dimension of
230.14 programming at this new site; and

230.15 (2) \$150,000 is for planning and design for a
230.16 new multiuse facility for the Boys and Girls
230.17 Club of Waite Park and other community
230.18 partners, including the Waite Park Police
230.19 Department and the Whitney Senior Center.

230.20 (v) \$1,000,000 each year is for a grant to the
230.21 Minnesota Alliance of Boys and Girls Clubs
230.22 to administer a statewide project of youth job
230.23 skills and career development. This project,
230.24 which may have career guidance components
230.25 including health and life skills, must be
230.26 designed to encourage, train, and assist youth
230.27 in early access to education and job-seeking
230.28 skills, work-based learning experience,
230.29 including career pathways in STEM learning,
230.30 career exploration and matching, and first job
230.31 placement through local community
230.32 partnerships and on-site job opportunities. This
230.33 grant requires a 25 percent match from
230.34 nonstate resources. This is a onetime
230.35 appropriation.

- 231.1 (w) \$1,000,000 the first year is for a grant to
231.2 the Owatonna Area Chamber of Commerce
231.3 Foundation for the Learn and Earn Initiative
231.4 to help the Owatonna and Steele County
231.5 region grow and retain a talented workforce.
231.6 This is a onetime appropriation and is
231.7 available until June 30, 2025. Of this amount:
- 231.8 (1) \$900,000 is to develop an advanced
231.9 manufacturing career pathway program for
231.10 youth and adult learners with shared learning
231.11 spaces, state-of-the-art equipment, and
231.12 instructional support to grow and retain talent
231.13 in Owatonna; and
- 231.14 (2) \$100,000 is to create the Owatonna
231.15 Opportunity scholarship model for the Learn
231.16 and Earn Initiative for students and employers.
- 231.17 (x) \$250,000 each year from the workforce
231.18 development fund is for a grant to the White
231.19 Bear Center for the Arts for establishing a paid
231.20 internship program for high school students
231.21 to learn professional development skills
231.22 through an arts perspective. This is a onetime
231.23 appropriation.
- 231.24 (y) \$250,000 each year is for the Minnesota
231.25 Family Resiliency Partnership under
231.26 Minnesota Statutes, section 116L.96. The
231.27 commissioner, through the adult career
231.28 pathways program, shall distribute the money
231.29 to existing nonprofit and state displaced
231.30 homemaker programs. This is a onetime
231.31 appropriation.
- 231.32 (z) \$600,000 each year is for a grant to East
231.33 Side Neighborhood Services. This is a onetime
231.34 appropriation of which:

- 232.1 (1) \$300,000 each year is for the senior
232.2 community service employment program,
232.3 which provides work readiness training to
232.4 low-income adults ages 55 and older to
232.5 provide ongoing support and mentoring
232.6 services to the program participants as well as
232.7 the transition period from subsidized wages
232.8 to unsubsidized wages; and
- 232.9 (2) \$300,000 each year is for the nursing
232.10 assistant plus program to serve the increased
232.11 need for growth of medical talent pipelines
232.12 through expansion of the existing program and
232.13 development of in-house training.
- 232.14 The amounts specified in clauses (1) and (2)
232.15 may also be used to enhance employment
232.16 programming for youth and young adults, ages
232.17 14 to 24, to introduce them to work culture,
232.18 develop essential work readiness skills, and
232.19 make career plans through paid internship
232.20 experiences and work readiness training.
- 232.21 (aa) \$1,500,000 each year from the workforce
232.22 development fund is for a grant to Ujamaa
232.23 Place to assist primarily African American
232.24 men with job training, employment
232.25 preparation, internships, education, vocational
232.26 housing, and organizational capacity building.
232.27 This is a onetime appropriation.
- 232.28 (bb) \$500,000 each year is for a grant to
232.29 Comunidades Organizando el Poder y la
232.30 Acción Latina (COPAL) for worker center
232.31 programming that supports primarily
232.32 low-income, migrant, and Latinx workers with
232.33 career planning, workforce training and
232.34 education, workers' rights advocacy, health

233.1 resources and navigation, and wealth creation
233.2 resources. This is a onetime appropriation.
233.3 (cc) \$2,000,000 each year is for a grant to
233.4 Propel Nonprofits to provide capacity-building
233.5 grants and related technical assistance to small,
233.6 culturally specific organizations that primarily
233.7 serve historically underserved cultural
233.8 communities. Propel Nonprofits may only
233.9 award grants to nonprofit organizations that
233.10 have an annual organizational budget of less
233.11 than \$1,000,000. These grants may be used
233.12 for:
233.13 (1) organizational infrastructure
233.14 improvements, including developing database
233.15 management systems and financial systems,
233.16 or other administrative needs that increase the
233.17 organization's ability to access new funding
233.18 sources;
233.19 (2) organizational workforce development,
233.20 including hiring culturally competent staff,
233.21 training and skills development, and other
233.22 methods of increasing staff capacity; or
233.23 (3) creating or expanding partnerships with
233.24 existing organizations that have specialized
233.25 expertise in order to increase capacity of the
233.26 grantee organization to improve services to
233.27 the community.
233.28 Of this amount, up to five percent may be used
233.29 by Propel Nonprofits for administrative costs.
233.30 This is a onetime appropriation.
233.31 (dd) \$1,000,000 each year is for a grant to
233.32 Goodwill Easter Seals Minnesota and its
233.33 partners. The grant must be used to continue
233.34 the FATHER Project in Rochester, St. Cloud,

234.1 St. Paul, Minneapolis, and the surrounding
234.2 areas to assist fathers in overcoming barriers
234.3 that prevent fathers from supporting their
234.4 children economically and emotionally,
234.5 including with community re-entry following
234.6 confinement. This is a onetime appropriation.

234.7 (ee) \$250,000 the first year is for a grant to
234.8 the ProStart and Hospitality Tourism
234.9 Management Program for a well-established,
234.10 proven, and successful education program that
234.11 helps young people advance careers in the
234.12 hospitality industry and addresses critical
234.13 long-term workforce shortages in that industry.

234.14 (ff) \$450,000 each year is for grants to
234.15 Minnesota Diversified Industries to provide
234.16 inclusive employment opportunities and
234.17 services for people with disabilities. This is a
234.18 onetime appropriation.

234.19 (gg) \$1,000,000 the first year is for a grant to
234.20 Minnesota Diversified Industries to assist
234.21 individuals with disabilities through the
234.22 unified work model by offering virtual and
234.23 in-person career skills classes augmented with
234.24 virtual reality tools. Minnesota Diversified
234.25 Industries shall submit a report on the number
234.26 and demographics of individuals served, hours
234.27 of career skills programming delivered,
234.28 outreach to employers, and recommendations
234.29 for future career skills delivery methods to the
234.30 chairs and ranking minority members of the
234.31 legislative committees with jurisdiction over
234.32 labor and workforce development policy and
234.33 finance by January 15, 2026. This is a onetime
234.34 appropriation and is available until June 30,
234.35 2025.

- 235.1 (hh) \$1,264,000 each year is for a grant to
235.2 Summit Academy OIC to expand employment
235.3 placement, GED preparation and
235.4 administration, and STEM programming in
235.5 the Twin Cities, Saint Cloud, and Bemidji.
235.6 This is a onetime appropriation.
- 235.7 (ii) \$500,000 each year is for a grant to
235.8 Minnesota Independence College and
235.9 Community to provide employment
235.10 preparation, job placement, job retention, and
235.11 service coordination services to adults with
235.12 autism and learning differences. This is a
235.13 onetime appropriation.
- 235.14 (jj) \$1,000,000 the first year and \$2,000,000
235.15 the second year are for a clean economy
235.16 equitable workforce grant program. Money
235.17 must be used for grants to support partnership
235.18 development, planning, and implementation
235.19 of workforce readiness programs aimed at
235.20 workers who are Black, Indigenous, and
235.21 People of Color. Programs must include
235.22 workforce training, career development,
235.23 workers' rights training, employment
235.24 placement, and culturally appropriate job
235.25 readiness and must prepare workers for careers
235.26 in the high-demand fields of construction,
235.27 clean energy, and energy efficiency. Grants
235.28 must be given to nonprofit organizations that
235.29 serve historically disenfranchised
235.30 communities, including new Americans, with
235.31 preference for organizations that are new
235.32 providers of workforce programming or which
235.33 have partnership agreements with registered
235.34 apprenticeship programs. This is a onetime
235.35 appropriation.

236.1 (kk) \$350,000 the first year and \$25,000 the
236.2 second year are for a grant to the University
236.3 of Minnesota Tourism Center for the creation
236.4 and operation of an online hospitality training
236.5 program in partnership with Explore
236.6 Minnesota Tourism. This training program
236.7 must be made available at no cost to
236.8 Minnesota residents in an effort to address
236.9 critical workforce shortages in the hospitality
236.10 and tourism industries and assist in career
236.11 development. The base for this appropriation
236.12 is \$25,000 in fiscal year 2026 and each year
236.13 thereafter for ongoing system maintenance,
236.14 management, and content updates.

236.15 (ll) \$3,000,000 the first year is for competitive
236.16 grants to support high school robotics teams
236.17 and prepare youth for careers in STEM fields.
236.18 Of this amount, \$2,000,000 is for creating
236.19 internships for high school students to work
236.20 at private companies in STEM fields,
236.21 including the payment of student stipends.
236.22 This is a onetime appropriation and is
236.23 available until June 30, 2028.

236.24 (mm) \$750,000 each year is for grants to the
236.25 nonprofit Sanneh Foundation to fund
236.26 out-of-school summer programs focused on
236.27 mentoring and behavioral, social, and
236.28 emotional learning interventions and
236.29 enrichment activities directed toward
236.30 low-income students of color. This is a
236.31 onetime appropriation and available until June
236.32 30, 2026.

236.33 (nn) \$1,000,000 each year is for a grant to the
236.34 Hmong American Partnership to expand job
236.35 training and placement programs primarily

- 237.1 servicing the Southeast Asian community. This
237.2 is a onetime appropriation.
- 237.3 (oo) \$1,000,000 each year is for a grant to
237.4 Comunidades Latinas Unidas En Servicio
237.5 (CLUES) to address employment, economic,
237.6 and technology access disparities for
237.7 low-income unemployed or underemployed
237.8 individuals. Grant money must support
237.9 short-term certifications and transferable skills
237.10 in high-demand fields, workforce readiness,
237.11 customized financial capability, and
237.12 employment supports. At least 50 percent of
237.13 this amount must be used for programming
237.14 targeted at greater Minnesota. This is a
237.15 onetime appropriation.
- 237.16 (pp) \$300,000 each year is for a grant to All
237.17 Square. The grant must be used to support the
237.18 operations of All Square's Fellowship and
237.19 Prison to Law Pipeline programs which
237.20 operate in Minneapolis, St. Paul, and
237.21 surrounding correctional facilities to assist
237.22 incarcerated and formerly incarcerated
237.23 Minnesotans in overcoming employment
237.24 barriers that prevent economic and emotional
237.25 freedom. This is a onetime appropriation.
- 237.26 (qq) \$1,000,000 each year is for a grant to the
237.27 Redemption Project to provide employment
237.28 services to adults leaving incarceration,
237.29 including recruiting, educating, training, and
237.30 retaining employment mentors and partners.
237.31 This is a onetime appropriation.
- 237.32 (rr) \$500,000 each year is for a grant to
237.33 Greater Twin Cities United Way to make
237.34 grants to partner organizations to provide
237.35 workforce training using the career pathways

238.1 model that helps students gain work
238.2 experience, earn experience in high-demand
238.3 fields, and transition into family-sustaining
238.4 careers. This is a onetime appropriation.

238.5 (ss) \$3,000,000 each year is for a grant to
238.6 Community Action Partnership of Hennepin
238.7 County. This is a onetime appropriation. Of
238.8 this amount:

238.9 (1) \$1,500,000 each year is for grants to 21
238.10 Days of Peace for social equity building and
238.11 community engagement activities; and

238.12 (2) \$1,500,000 each year is for grants to A
238.13 Mother's Love for community outreach,
238.14 empowerment training, and employment and
238.15 career exploration services.

238.16 (tt) \$750,000 each year is for a grant to Mind
238.17 the G.A.P.P. (Gaining Assistance to Prosperity
238.18 Program) to improve the quality of life of
238.19 unemployed and underemployed individuals
238.20 by improving their employment outcomes and
238.21 developing individual earnings potential. This
238.22 is a onetime appropriation. Any unencumbered
238.23 balance remaining at the end of the first year
238.24 does not cancel but is available in the second
238.25 year.

238.26 (uu) \$550,000 each year is for a grant to the
238.27 International Institute of Minnesota. Grant
238.28 money must be used for workforce training
238.29 for new Americans in industries in need of a
238.30 trained workforce. This is a onetime
238.31 appropriation.

238.32 (vv) \$400,000 each year from the workforce
238.33 development fund is for a grant to Hired to
238.34 expand their career pathway job training and

239.1 placement program that connects lower-skilled
239.2 job seekers to entry-level and gateway jobs in
239.3 high-growth sectors. This is a onetime
239.4 appropriation.

239.5 (ww) \$500,000 each year is for a grant to the
239.6 American Indian Opportunities and
239.7 Industrialization Center for workforce
239.8 development programming, including reducing
239.9 academic disparities for American Indian
239.10 students and adults. This is a onetime
239.11 appropriation.

239.12 (xx) \$500,000 each year from the workforce
239.13 development fund is for a grant to the Hmong
239.14 Chamber of Commerce to train ethnically
239.15 Southeast Asian business owners and
239.16 operators in better business practices. Of this
239.17 amount, up to \$5,000 may be used for
239.18 administrative costs. This is a onetime
239.19 appropriation.

239.20 (yy) \$275,000 each year is for a grant to
239.21 Southeast Minnesota Workforce Development
239.22 Area 8 and Workforce Development, Inc., to
239.23 provide career planning, career pathway
239.24 training and education, wraparound support
239.25 services, and job skills advancement in
239.26 high-demand careers to individuals with
239.27 barriers to employment in Steele County, and
239.28 to help families build secure pathways out of
239.29 poverty and address worker shortages in the
239.30 Owatonna and Steele County area, as well as
239.31 supporting Employer Outreach Services that
239.32 provide solutions to workforce challenges and
239.33 direct connections to workforce programming.
239.34 Money may be used for program expenses,
239.35 including but not limited to hiring instructors

240.1 and navigators; space rental; and supportive
240.2 services to help participants attend classes,
240.3 including assistance with course fees, child
240.4 care, transportation, and safe and stable
240.5 housing. Up to five percent of grant money
240.6 may be used for Workforce Development,
240.7 Inc.'s administrative costs. This is a onetime
240.8 appropriation and is available until June 30,
240.9 2027.

240.10 (zz) \$589,000 the first year and \$588,000 the
240.11 second year are for grants to the Black
240.12 Women's Wealth Alliance to provide
240.13 low-income individuals with job skills
240.14 training, career counseling, and job placement
240.15 assistance. This is a onetime appropriation.

240.16 (aaa) \$250,000 each year is for a grant to
240.17 Abijahs on the Backside to provide equine
240.18 experiential mental health therapy to first
240.19 responders suffering from job-related trauma
240.20 and post-traumatic stress disorder. For
240.21 purposes of this paragraph, a "first responder"
240.22 is a peace officer as defined in Minnesota
240.23 Statutes, section 626.84, subdivision 1,
240.24 paragraph (c); a full-time firefighter as defined
240.25 in Minnesota Statutes, section 299N.03,
240.26 subdivision 5; or a volunteer firefighter as
240.27 defined in Minnesota Statutes, section
240.28 299N.03, subdivision 7.

240.29 Abijahs on the Backside must report to the
240.30 commissioner of employment and economic
240.31 development and the chairs and ranking
240.32 minority members of the legislative
240.33 committees with jurisdiction over employment
240.34 and economic development policy and finance
240.35 on the equine experiential mental health

241.1 therapy provided to first responders under this
241.2 paragraph. The report must include an
241.3 overview of the program's budget, a detailed
241.4 explanation of program expenditures, the
241.5 number of first responders served by the
241.6 program, and a list and explanation of the
241.7 services provided to and benefits received by
241.8 program participants. An initial report is due
241.9 by January 15, 2024, and a final report is due
241.10 by January 15, 2026. This is a onetime
241.11 appropriation.

241.12 (bbb) \$500,000 each year is for a grant to
241.13 Ramsey County to provide job training and
241.14 workforce development for underserved
241.15 communities. Grant money may be subgranted
241.16 to Milestone Community Development for the
241.17 Milestone Tech program. This is a onetime
241.18 appropriation.

241.19 (ccc) \$500,000 each year is for a grant to
241.20 Ramsey County for a technology training
241.21 pathway program focused on intergenerational
241.22 community tech work for residents who are
241.23 at least 18 years old and no more than 24 years
241.24 old and who live in a census tract that has a
241.25 poverty rate of at least 20 percent as reported
241.26 in the most recently completed decennial
241.27 census published by the United States Bureau
241.28 of the Census. Grant money may be used for
241.29 program administration, training, training
241.30 stipends, wages, and support services. This is
241.31 a onetime appropriation.

241.32 (ddd) \$200,000 each year is for a grant to
241.33 Project Restore Minnesota for the Social
241.34 Kitchen project, a pathway program for careers
241.35 in the culinary arts. This is a onetime

242.1 appropriation and is available until June 30,
242.2 2027.

242.3 (eee) \$100,000 each year is for grants to the
242.4 Minnesota Grocers Association Foundation
242.5 for Carts to Careers, a statewide initiative to
242.6 promote careers, conduct outreach, provide
242.7 job skills training, and award scholarships for
242.8 students pursuing careers in the food industry.
242.9 This is a onetime appropriation.

242.10 (fff) \$1,200,000 each year is for a grant to
242.11 Twin Cities R!SE. Of this amount, \$700,000
242.12 each year is for performance grants under
242.13 Minnesota Statutes, section 116J.8747, to
242.14 Twin Cities R!SE to provide training to
242.15 individuals facing barriers to employment;
242.16 and \$500,000 each year is to increase the
242.17 capacity of the Empowerment Institute through
242.18 employer partnerships across Minnesota and
242.19 expansion of the youth personal empowerment
242.20 curriculum. This is a onetime appropriation
242.21 and available until June 30, 2026.

242.22 (ggg) \$750,000 each year is for a grant to
242.23 Bridges to Healthcare to provide career
242.24 education, wraparound support services, and
242.25 job skills training in high-demand health care
242.26 fields to low-income parents, nonnative
242.27 speakers of English, and other hard-to-train
242.28 individuals, helping families build secure
242.29 pathways out of poverty while also addressing
242.30 worker shortages in one of Minnesota's most
242.31 innovative industries. Grants may be used for
242.32 program expenses, including but not limited
242.33 to hiring instructors and navigators; space
242.34 rental; and supportive services to help
242.35 participants attend classes, including assistance

243.1 with course fees, child care, transportation,
243.2 and safe and stable housing. In addition, up to
243.3 five percent of grant money may be used for
243.4 Bridges to Healthcare's administrative costs.
243.5 This is a onetime appropriation.

243.6 (hhh) \$500,000 each year is for a grant to Big
243.7 Brothers Big Sisters of the Greater Twin Cities
243.8 to provide disadvantaged youth ages 12 to 21
243.9 with job-seeking skills, connections to job
243.10 training and education opportunities, and
243.11 mentorship while exploring careers. The grant
243.12 shall serve youth in the Big Brothers Big
243.13 Sisters chapters in the Twin Cities, central
243.14 Minnesota, and southern Minnesota. This is a
243.15 onetime appropriation.

243.16 (iii) \$3,000,000 each year is for a grant to
243.17 Youthprise to provide economic development
243.18 services designed to enhance long-term
243.19 economic self-sufficiency in communities with
243.20 concentrated African populations statewide.
243.21 Of these amounts, 50 percent is for subgrants
243.22 to Ka Joog and 50 percent is for competitive
243.23 subgrants to community organizations. This
243.24 is a onetime appropriation.

243.25 (jjj) \$350,000 each year is for a grant to the
243.26 YWCA Minneapolis to provide training to
243.27 eligible individuals, including job skills
243.28 training, career counseling, and job placement
243.29 assistance necessary to secure a child
243.30 development associate credential and to have
243.31 a career path in early education. This is a
243.32 onetime appropriation.

243.33 (kkk) \$500,000 each year is for a grant to
243.34 Emerge Community Development to support
243.35 and reinforce critical workforce training at the

- 244.1 Emerge Career and Technical Center, Cedar
244.2 Riverside Opportunity Center, and Emerge
244.3 Second Chance programs in the city of
244.4 Minneapolis. This is a onetime appropriation.
- 244.5 (lll) \$425,000 each year is for a grant to Better
244.6 Futures Minnesota to provide job skills
244.7 training to individuals who have been released
244.8 from incarceration for a felony-level offense
244.9 and are no more than 12 months from the date
244.10 of release. This is a onetime appropriation.
- 244.11 Better Futures Minnesota shall annually report
244.12 to the commissioner on how the money was
244.13 spent and what results were achieved. The
244.14 report must include, at a minimum,
244.15 information and data about the number of
244.16 participants; participant homelessness,
244.17 employment, recidivism, and child support
244.18 compliance; and job skills training provided
244.19 to program participants.
- 244.20 (mmm) \$500,000 each year is for a grant to
244.21 Pillsbury United Communities to provide job
244.22 training and workforce development services
244.23 for underserved communities. This is a
244.24 onetime appropriation.
- 244.25 (nnn) \$500,000 each year is for a grant to
244.26 Project for Pride in Living for job training and
244.27 workforce development services for
244.28 underserved communities. This is a onetime
244.29 appropriation.
- 244.30 (ooo) \$300,000 each year is for a grant to
244.31 YMCA of the North to provide career
244.32 exploration, job training, and workforce
244.33 development services for underserved youth

- 245.1 and young adults. This is a onetime
245.2 appropriation.
- 245.3 (ppp) \$500,000 each year is for a grant to Al
245.4 Maa'uun, formerly the North at Work program,
245.5 for a strategic intervention program designed
245.6 to target and connect program participants to
245.7 meaningful, sustainable living wage
245.8 employment. This is a onetime appropriation.
- 245.9 (qqq) \$500,000 each year is for a grant to
245.10 CAIRO to provide workforce development
245.11 services in health care, technology, and
245.12 transportation (CDL) industries. This is a
245.13 onetime appropriation.
- 245.14 (rrr) \$500,000 each year is for a grant to the
245.15 Central Minnesota Community Empowerment
245.16 Organization for providing services to relieve
245.17 economic disparities in the African immigrant
245.18 community through workforce recruitment,
245.19 development, job creation, assistance of
245.20 smaller organizations to increase capacity, and
245.21 outreach. Of this amount, up to five percent
245.22 is for administration and monitoring of the
245.23 program. This is a onetime appropriation.
- 245.24 (sss) \$270,000 each year is for a grant to the
245.25 Stairstep Foundation for community-based
245.26 workforce development efforts. This is a
245.27 onetime appropriation.
- 245.28 (ttt) \$400,000 each year is for a grant to
245.29 Building Strong Communities, Inc, for a
245.30 statewide apprenticeship readiness program
245.31 to prepare women, BIPOC community
245.32 members, and veterans to enter the building
245.33 and construction trades. This is a onetime
245.34 appropriation.

246.1 (uuu) \$150,000 each year is for prevailing
246.2 wage staff under Minnesota Statutes, section
246.3 116J.871, subdivision 2.

246.4 (vvv) \$250,000 each year is for the purpose
246.5 of awarding a grant to Minnesota Community
246.6 of African People with Disabilities
246.7 (MNCAPD), Roots Connect, and Fortune
246.8 Relief and Youth Empowerment Organization
246.9 (FRAYEO). This is a onetime appropriation.
246.10 MNCAPD, Roots Connect, and FRAYEO
246.11 must use grant proceeds to provide funding
246.12 for workforce development activities for
246.13 at-risk youth from low-income families and
246.14 unengaged young adults experiencing
246.15 disabilities, including:

246.16 (1) job readiness training for at-risk youth,
246.17 including resume building, interview skills,
246.18 and job search strategies;

246.19 (2) on-the-job training opportunities with local
246.20 businesses;

246.21 (3) support services such as transportation
246.22 assistance and child care to help youth attend
246.23 job training programs; and

246.24 (4) mentorship and networking opportunities
246.25 to connect youth with professionals in the
246.26 youth's desired fields.

246.27 (www)(1) \$250,000 each year is for a grant
246.28 to Greater Rochester Advocates for
246.29 Universities and Colleges (GRAUC), a
246.30 collaborative organization representing health
246.31 care, business, workforce development, and
246.32 higher education institutions, for expenses
246.33 relating to starting up a state-of-the-art
246.34 simulation center for training health care

247.1 workers in southeast Minnesota. Once
247.2 established, this center must be self-sustaining
247.3 through user fees. Eligible expenses include
247.4 leasing costs, developing and providing
247.5 training, and operational costs. This is a
247.6 onetime appropriation.

247.7 (2) By January 15, 2025, GRAUC must submit
247.8 a report, including an independent financial
247.9 audit of the use of grant money, to the chairs
247.10 and ranking minority members of the
247.11 legislative committees having jurisdiction over
247.12 higher education and economic development.

247.13 This report must include details on the training
247.14 provided at the simulation center, including
247.15 the names of all organizations that use the
247.16 center for training, the number of individuals
247.17 each organization trained, and the type of
247.18 training provided.

247.19 (xxx)(1) \$350,000 each year is for a grant to
247.20 the Minnesota Association of Black Lawyers
247.21 for a pilot program supporting black
247.22 undergraduate students pursuing admission to
247.23 law school. This is a onetime appropriation.

247.24 (2) The program must:

247.25 (i) enroll an initial cohort of ten to 20 black
247.26 Minnesota resident students attending a
247.27 baccalaureate degree-granting postsecondary
247.28 institution in Minnesota full time;

247.29 (ii) support each of the program's students with
247.30 an academic scholarship in the amount of
247.31 \$4,000 per academic year;

247.32 (iii) organize events and programming,
247.33 including but not limited to one-on-one

- 248.1 mentoring, to familiarize enrolled students
248.2 with law school and legal careers; and
- 248.3 (iv) provide the program's students free test
248.4 preparation materials, academic support, and
248.5 registration for the Law School Admission
248.6 Test (LSAT) examination.
- 248.7 (3) The Minnesota Association of Black
248.8 Lawyers may use grant funds under clause (1)
248.9 for costs related to:
- 248.10 (i) student scholarships;
- 248.11 (ii) academic events and programming,
248.12 including food and transportation costs for
248.13 students;
- 248.14 (iii) LSAT preparation materials, courses, and
248.15 registrations; and
- 248.16 (iv) hiring staff for the program.
- 248.17 (4) By January 30, 2024, and again by January
248.18 30, 2025, the Minnesota Association of Black
248.19 Lawyers must submit a report to the
248.20 commissioner and to the chairs and ranking
248.21 minority members of legislative committees
248.22 with jurisdiction over workforce development
248.23 finance and policy and higher education
248.24 finance and policy. The report must include
248.25 an accurate and detailed account of the pilot
248.26 program, its outcomes, and its revenues and
248.27 expenses, including the use of all state funds
248.28 appropriated in clause (1).
- 248.29 (yyy) \$2,000,000 the first year is for a grant
248.30 to the Power of People Leadership Institute
248.31 (POPLI) to expand pre- and post-release
248.32 personal development and leadership training
248.33 and community reintegration services, to

249.1 reduce recidivism, and increase access to
 249.2 employment. This is a onetime appropriation
 249.3 and is available until June 30, 2025.

249.4 (zzz) \$500,000 the first year is to the
 249.5 Legislative Coordinating Commission for the
 249.6 Working Group on Youth Interventions. This
 249.7 is a onetime appropriation.

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

249.9 Appropriations by Fund

249.10 2024 2025

249.11 General Fund 17,950,000 7,950,000

249.12 Workforce

249.13 Development 95,000 95,000

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

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

249.21 **Subd. 5. Minnesota Trade Office** \$2,242,000 \$2,242,000

249.22 (a) \$300,000 each year is for the STEP grants
 249.23 in Minnesota Statutes, section 116J.979.

249.24 (b) \$180,000 each year is for the Invest
 249.25 Minnesota marketing initiative under
 249.26 Minnesota Statutes, section 116J.9781.

249.27 (c) \$270,000 each year is for the Minnesota
 249.28 Trade Offices under Minnesota Statutes,
 249.29 section 116J.978.

249.30 **Subd. 6. Vocational Rehabilitation** 45,691,000 45,691,000

249.31 Appropriations by Fund

249.32 2024 2025

250.1	<u>General</u>	<u>37,861,000</u>	<u>37,861,000</u>
250.2	<u>Workforce</u>		
250.3	<u>Development</u>	<u>7,830,000</u>	<u>7,830,000</u>

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

250.7 (b) \$11,495,000 each year from the general
250.8 fund and \$6,830,000 each year from the
250.9 workforce development fund are for extended
250.10 employment services for persons with severe
250.11 disabilities under Minnesota Statutes, section
250.12 268A.15. Of the amounts appropriated from
250.13 the general fund, \$4,500,000 each year is for
250.14 maintaining prior rate increases to providers
250.15 of extended employment services for persons
250.16 with severe disabilities under Minnesota
250.17 Statutes, section 268A.15.

250.18 (c) \$5,055,000 each year is for grants to
250.19 programs that provide employment support
250.20 services to persons with mental illness under
250.21 Minnesota Statutes, sections 268A.13 and
250.22 268A.14. The base for this appropriation is
250.23 \$2,555,000 in fiscal year 2026 and each year
250.24 thereafter.

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

250.31 (e) \$1,000,000 each year is from the workforce
250.32 development fund for grants under Minnesota
250.33 Statutes, section 268A.16, for employment
250.34 services for persons, including transition-age
250.35 youth, who are deaf, deafblind, or

251.1 hard-of-hearing. If the amount in the first year
 251.2 is insufficient, the amount in the second year
 251.3 is available in the first year.

251.4 **Subd. 7. Services for the Blind** 10,425,000 10,425,000

251.5 (a) \$500,000 each year is for senior citizens
 251.6 who are becoming blind. At least one-half of
 251.7 the money for this purpose must be used to
 251.8 provide training services for seniors who are
 251.9 becoming blind. Training services must
 251.10 provide independent living skills to seniors
 251.11 who are becoming blind to allow them to
 251.12 continue to live independently in their homes.

251.13 (b) \$2,000,000 each year is for the employer
 251.14 reasonable accommodation fund. This is a
 251.15 onetime appropriation.

251.16 **Sec. 3. EXPLORE MINNESOTA TOURISM** **\$ 40,954,000 \$ 21,369,000**

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

251.31 (b) \$11,000,000 the first year is for the
 251.32 development of Explore Minnesota for
 251.33 Business under Minnesota Statutes, section
 251.34 116U.07, to market the overall livability and

- 252.1 economic opportunities of Minnesota. This is
252.2 a onetime appropriation.
- 252.3 (c) \$5,500,000 each year is for the
252.4 development of new initiatives for Explore
252.5 Minnesota Tourism. If the amount in the first
252.6 year is insufficient, the amount in the second
252.7 year is available in the first year. This is a
252.8 onetime appropriation.
- 252.9 (d) \$6,047,000 the first year and \$600,000 the
252.10 second year is for grants for infrastructure and
252.11 associated costs for cultural festivals and
252.12 events, including but not limited to buildout,
252.13 permits, sanitation and maintenance services,
252.14 transportation, staffing, event programming,
252.15 public safety, facilities and equipment rentals,
252.16 signage, and insurance. This is a onetime
252.17 appropriation. Of this amount:
- 252.18 (1) \$1,847,000 the first year is for a grant to
252.19 the Minneapolis Downtown Council for the
252.20 Taste of Minnesota event;
- 252.21 (2) \$1,200,000 the first year is for a grant to
252.22 the Stairstep Foundation for African American
252.23 cultural festivals and events;
- 252.24 (3) \$1,200,000 the first year is for grants for
252.25 Somali community and cultural festivals and
252.26 events, including festivals and events in
252.27 greater Minnesota, as follows:
- 252.28 (i) \$400,000 is for a grant to Ka Joog;
- 252.29 (ii) \$400,000 is for a grant to the Somali
252.30 Museum of Minnesota; and
- 252.31 (iii) \$400,000 is for a grant to ESHARA;

- 253.1 (4) \$1,200,000 the first year is for a grant to
 253.2 West Side Boosters for Latino cultural
 253.3 festivals and events; and
- 253.4 (5) \$600,000 the first year and \$600,000 the
 253.5 second year are for grants to the United
 253.6 Hmong Family, Inc. for the Hmong
 253.7 International Freedom Festival event.
- 253.8 (e) Money for marketing grants is available
 253.9 either year of the biennium. Unexpended grant
 253.10 money from the first year is available in the
 253.11 second year.
- 253.12 (f) The base for Explore Minnesota is
 253.13 \$17,023,000 from the general fund in fiscal
 253.14 year 2026 and each year thereafter.
- 253.15 Sec. 4. Laws 2021, First Special Session chapter 4, article 2, section 2, subdivision 1, is
 253.16 amended to read:
- 253.17 **Subdivision 1. Clean Energy Career Training**
 253.18 **Pilot Project**
- 253.19 \$2,500,000 the first year is for a grant to
 253.20 Northgate Development, LLC, for a pilot
 253.21 project under article 8, section 30, to provide
 253.22 training pathways into careers in the clean
 253.23 energy sector for students and young adults
 253.24 in underserved communities. Any unexpended
 253.25 funds remaining at the end of ~~the biennium~~
 253.26 fiscal year 2024 cancel to the renewable
 253.27 development account. This is a onetime
 253.28 appropriation and is available until June 30,
 253.29 2024.
- 253.30 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2021.

ARTICLE 21

MINNESOTA FORWARD

Section 1. [116J.8752] MINNESOTA FORWARD FUND.

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

(b) "Agreement" or "business subsidy agreement" means a business subsidy agreement under section 116J.994 that must include but is not limited to the specification of the duration of the agreement, job goals and a timeline for achieving those goals over the duration of the agreement, construction and other investment goals and a timeline for achieving those goals over the duration of the agreement, and the value of benefits the firm may receive following achievement of capital investment and employment goals.

(c) "Business" means an individual, corporation, partnership, limited liability company, association, or other business entity.

(d) "Capital investment" means money that is expended for the purpose of building or improving real fixed property where employees are or will be employed, equipment and machinery in the building, and operating expenses related to the building.

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

(f) "Fund" means the Minnesota forward fund account.

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

Subd. 3. Minnesota forward fund account. (a) The Minnesota forward fund account is created as a separate account in the treasury. Except as otherwise appropriated in law, money in the account is appropriated to the commissioner of employment and economic development for the purposes of this section. All money earned by the account, loan repayments of principal, and interest must be credited to the account and remain available until expended.

(b) The commissioner shall use the fund to:

255.1 (1) create and retain permanent private-sector jobs in order to create above-average
 255.2 economic growth consistent with environmental protection;

255.3 (2) stimulate or leverage private investment to ensure economic renewal and
 255.4 competitiveness;

255.5 (3) increase the local tax base, based on demonstrated measurable outcomes, to guarantee
 255.6 a diversified industry mix;

255.7 (4) improve the quality of existing jobs, based on increases in wages or improvements
 255.8 in the job duties, training, or education associated with those jobs;

255.9 (5) improve employment and economic opportunity for residents in the region to create
 255.10 a reasonable standard of living, consistent with federal and state guidelines on low- to
 255.11 moderate-income persons;

255.12 (6) stimulate productivity growth through improved manufacturing or new technologies;
 255.13 and

255.14 (7) match or leverage private or public funding to increase investment and opportunity
 255.15 in the state.

255.16 Subd. 4. Use of fund. (a) The commissioner may use money in the Minnesota forward
 255.17 fund account to make grants and loans to businesses that are making large private capital
 255.18 investments in existing and new industries. The commissioner may also use money in the
 255.19 fund to make grants to communities and higher education institutions to support such capital
 255.20 investments and related activities to support the industries. Money may be used to address
 255.21 capital needs of businesses for machinery and equipment purchases; building construction
 255.22 and remodeling; land development; water and sewer lines, roads, rail lines, and natural gas
 255.23 and electric infrastructure; working capital. Money in the fund may also be used for
 255.24 administration and monitoring of the program and to pay for the costs of carrying out the
 255.25 commissioner's due diligence duties under this section.

255.26 (b) The commissioner may use money in the fund to make grants to a municipality or
 255.27 local unit of government for public and private infrastructure needed to support an eligible
 255.28 project under this section. Grant money may be used by the municipality or local unit of
 255.29 government to predesign, design, construct, and equip roads and rail lines; acquire and
 255.30 prepare land for development; and, in cooperation with municipal utilities, to predesign,
 255.31 design, construct, and equip natural gas pipelines, electric infrastructure, water supply
 255.32 systems, and wastewater collection and treatment systems. The maximum grant award per

256.1 local unit of government under this section is \$7,500,000 or no more than 50 percent of the
256.2 total infrastructure project.

256.3 Subd. 5. **Grant limits.** Individual business expansion projects are limited to no more
256.4 than \$15,000,000 in grants or loans combined. The commissioner shall not be precluded
256.5 from using other funding sources from the Department of Employment and Economic
256.6 Development to facilitate a project. Total funding per business under this section shall not
256.7 exceed \$15,000,000, of which no more than \$10,000,000 may be grants. Grants under this
256.8 subdivision are available until expended.

256.9 Subd. 6. **Administration.** (a) Eligible applicants for the state-funded portion of the fund
256.10 also include development authorities as defined in section 116J.552, subdivision 4, provided
256.11 that the governing body of the municipality approves, by resolution, the application of the
256.12 development authority. Institutions of higher education also constitute eligible applicants
256.13 for the purpose of developing and deploying workforce training programs and for developing
256.14 and deploying research and development partnerships for projects eligible under this section.

256.15 (b) The business, municipality, or local unit of government must request and submit an
256.16 application to the commissioner. Applications must be in the form and procedure specified
256.17 by the commissioner.

256.18 (c) The commissioner must conduct due diligence, including contracting with
256.19 professionals as needed to assist in the due diligence.

256.20 (d) Notwithstanding any other law to the contrary, grant and loan agreements through
256.21 the Minnesota forward fund account may exceed five years but not more than ten years.

256.22 Subd. 7. **Requirements for fund disbursements.** Disbursements of loan funds pursuant
256.23 to a commitment may not be made until:

256.24 (1) commitments for the remainder of a project's funding are made that are satisfactory
256.25 to the commissioner and disbursements made from the other commitments are sufficient to
256.26 protect the interests of the state in its grant or loan;

256.27 (2) performance requirements are met, if any;

256.28 (3) the municipality or local unit of government in which the project will be located has
256.29 passed a resolution of support for the project and submitted this resolution of support to the
256.30 department; and

256.31 (4) all of a project's funding is satisfactory to the commissioner and disbursements made
256.32 from other commitments are sufficient to protect the interests of the state.

257.1 Subd. 8. **Report.** The municipality, local unit of government, or business must report
 257.2 to the commissioner on the business performance using the forms developed by the
 257.3 commissioner.

257.4 Subd. 9. **Reporting.** The commissioner shall provide the Legislative Advisory
 257.5 Commission and the ranking members of the committees with jurisdiction over economic
 257.6 development with an annual report on all projects that have been approved by February 15
 257.7 of each year until this section is repealed or the funding has been exhausted.

257.8 Sec. 2. **[216C.441] MINNESOTA CLIMATE INNOVATION FINANCE**
 257.9 **AUTHORITY.**

257.10 Subdivision 1. **Establishment; purpose.** (a) There is created a public body corporate
 257.11 and politic to be known as the "Minnesota Climate Innovation Finance Authority," whose
 257.12 purpose is to accelerate the deployment of clean energy projects, greenhouse gas emissions
 257.13 reduction projects, and other qualified projects through the strategic deployment of public
 257.14 funds in the form of grants, loans, credit enhancements, and other financing mechanisms
 257.15 in order to leverage existing public and private sources of capital to reduce the upfront and
 257.16 total cost of qualified projects and to overcome financial barriers to project adoption,
 257.17 especially in low-income communities.

257.18 (b) The goals of the authority include but are not limited to:

257.19 (1) reducing Minnesota's contributions to climate change by accelerating the deployment
 257.20 of clean energy projects;

257.21 (2) ensuring that all Minnesotans share the benefits of clean and renewable energy and
 257.22 the opportunity to fully participate in the clean energy economy by promoting:

257.23 (i) the creation of clean energy jobs for Minnesota workers, particularly in environmental
 257.24 justice communities and communities in which fossil fuel electric generating plants are
 257.25 retiring; and

257.26 (ii) the principles of environmental justice in the authority's operations and funding
 257.27 decisions; and

257.28 (3) maintaining energy reliability while reducing the economic burden of energy costs,
 257.29 especially on low-income households.

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

257.32 (b) "Authority" means the Minnesota Climate Innovation Finance Authority.

258.1 (c) "Board" means the Minnesota Climate Innovation Finance Authority's board of
258.2 directors established in subdivision 10.

258.3 (d) "Clean energy project" has the meaning given to "qualified project" in paragraph
258.4 (n), clauses (1) to (7).

258.5 (e) "Community navigator" means an organization that works to facilitate access to clean
258.6 energy project financing by individuals and community groups.

258.7 (f) "Credit enhancement" means a pool of capital set aside to cover potential losses on
258.8 loans and other investments made by financing entities, including a pool for multistate
258.9 projects provided that benefits to Minnesota outweigh any contribution from the authority
258.10 at least two to one. Credit enhancement includes but is not limited to loan loss reserves and
258.11 loan guarantees.

258.12 (g) "Energy storage system" has the meaning given in section 216B.2422, subdivision
258.13 1, paragraph (f).

258.14 (h) "Environmental justice" means that:

258.15 (1) communities of color, Indigenous communities, and low-income communities have
258.16 a healthy environment and are treated fairly when environmental statutes, rules, and policies
258.17 are developed, adopted, implemented, and enforced; and

258.18 (2) in all decisions that have the potential to affect the environment of an environmental
258.19 justice community or the public health of an environmental justice community's residents,
258.20 due consideration is given to the history of the area's and the area's residents' cumulative
258.21 exposure to pollutants and to any current socioeconomic conditions that increase the physical
258.22 sensitivity of the area's residents to additional exposure to pollutants.

258.23 (i) "Environmental justice community" means a community in Minnesota that:

258.24 (1) is defined as a disadvantaged community by the federal source of funding accessed
258.25 by the authority under this act; or

258.26 (2) based on the most recent data published by the United States Census Bureau, meets
258.27 one or more of the following criteria:

258.28 (i) 40 percent or more of the community's total population is nonwhite;

258.29 (ii) 35 percent or more of households in the community have an income that is at or
258.30 below 200 percent of the federal poverty level;

258.31 (iii) 40 percent or more of the community's residents over the age of five have limited
258.32 English proficiency; or

259.1 (iv) the community is located within Indian country, as defined in United States Code,
259.2 title 18, section 1151.

259.3 (j) "Greenhouse gas emissions" means emissions of carbon dioxide, methane, nitrous
259.4 oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride emitted by
259.5 anthropogenic sources.

259.6 (k) "Loan loss reserve" means a pool of capital set aside to reimburse a private lender
259.7 if a customer defaults on a loan, up to an agreed-upon percentage of loans originated by the
259.8 private lender.

259.9 (l) "Microgrid system" means an electrical grid that:

259.10 (1) serves a discrete geographical area from distributed energy resources; and

259.11 (2) can operate independently from the central electric grid on a temporary basis.

259.12 (m) "Project labor agreement" means a prehire collective bargaining agreement with a
259.13 council of building and construction trades labor organizations (1) prohibiting strikes,
259.14 lockouts, and similar disruptions, and (2) providing for a binding procedure to resolve labor
259.15 disputes on the project.

259.16 (n) "Qualified project" means a project, technology, product, service, or measure
259.17 promoting energy efficiency, clean energy, electrification, or water conservation and quality
259.18 that:

259.19 (1) substantially reduces greenhouse gas emissions;

259.20 (2) reduces energy use without diminishing the level of service;

259.21 (3) increases the deployment of renewable energy projects, energy storage systems,
259.22 district heating, smart grid technologies, or microgrid systems;

259.23 (4) replaces existing fossil-fuel-based technology with an end-use electric technology;

259.24 (5) supports the development and deployment of electric vehicle charging stations and
259.25 associated infrastructure, electric buses, and electric fleet vehicles;

259.26 (6) reduces water use or protects, restores, or preserves the quality of surface waters; or

259.27 (7) incentivizes customers to shift demand in response to changes in the price of electricity
259.28 or when system reliability is not jeopardized.

259.29 (o) "Renewable energy" has the meaning given in section 216B.1691, subdivision 1,
259.30 paragraph (c), clauses (1), (2), and (4), and includes fuel cells generated from renewable
259.31 energy.

260.1 (p) "Securitization" means the conversion of an asset composed of individual loans into
260.2 marketable securities.

260.3 (q) "Smart grid" means a digital technology that:

260.4 (1) allows for two-way communication between a utility and the utility's customers; and

260.5 (2) enables the utility to control power flow and load in real time.

260.6 Subd. 3. **General powers.** (a) For the purpose of exercising the specific powers granted
260.7 in this section, the authority has the general powers granted in this subdivision.

260.8 (b) The authority may:

260.9 (1) hire an executive director and staff to conduct the authority's operations;

260.10 (2) sue and be sued;

260.11 (3) have a seal and alter the seal;

260.12 (4) acquire, hold, lease, manage, and dispose of real or personal property for the
260.13 authority's corporate purposes;

260.14 (5) enter into agreements, including cooperative financing agreements, contracts, or
260.15 other transactions, with a Tribal government, any federal or state agency, county, local unit
260.16 of government, regional development commission, person, domestic or foreign partnership,
260.17 corporation, association, or organization;

260.18 (6) acquire by purchase real property, or an interest therein, in the authority's own name
260.19 where acquisition is necessary or appropriate;

260.20 (7) provide general technical and consultative services related to the authority's purpose;

260.21 (8) promote research and development in matters related to the authority's purpose;

260.22 (9) conduct market analysis to determine where the market is underserved;

260.23 (10) analyze greenhouse gas emissions reduction project financing needs in the state
260.24 and recommend measures to alleviate any shortage of financing capacity;

260.25 (11) contract with any governmental or private agency or organization, legal counsel,
260.26 financial advisor, investment banker, or others to assist in the exercise of the authority's
260.27 powers;

260.28 (12) enter into agreements with qualified lenders or others insuring or guaranteeing to
260.29 the state the payment of qualified loans or other financing instruments; and

261.1 (13) accept on behalf of the state any gift, grant, or interest in money or personal property
261.2 tendered to the state for any purpose pertaining to the authority's activities.

261.3 Subd. 4. Authority duties. (a) The authority must:

261.4 (1) serve as a financial resource to reduce the upfront and total costs of implementing
261.5 qualified projects;

261.6 (2) ensure that all financed projects reduce greenhouse gas emissions;

261.7 (3) ensure that financing terms and conditions offered are well-suited to qualified projects;

261.8 (4) strategically prioritize the use of the authority's funds to leverage private investment
261.9 in qualified projects, with the aim of achieving a high ratio of private to public money
261.10 invested through funding mechanisms that support, enhance, and complement private lending
261.11 and investment;

261.12 (5) coordinate with existing federal, state, local, utility, and other programs to ensure
261.13 that the authority's resources are being used most effectively to add to and complement
261.14 those programs;

261.15 (6) stimulate demand for qualified projects by:

261.16 (i) contracting with the department to provide, including through subcontracts with
261.17 community navigators, information to project participants about federal, state, local, utility,
261.18 and other authority financial assistance for qualifying projects, and technical information
261.19 on energy conservation and renewable energy measures;

261.20 (ii) forming partnerships with contractors and informing contractors about the authority's
261.21 financing programs;

261.22 (iii) developing innovative marketing strategies to stimulate project owner interest,
261.23 especially in underserved communities; and

261.24 (iv) incentivizing financing entities to increase activity in underserved markets;

261.25 (7) finance projects in all regions of the state;

261.26 (8) develop participant eligibility standards and other terms and conditions for financial
261.27 support provided by the authority;

261.28 (9) develop and administer:

261.29 (i) policies to collect reasonable fees for authority services; and

261.30 (ii) risk management activities to support ongoing authority activities;

262.1 (10) develop consumer protection standards governing the authority's investments to
262.2 ensure that financial support is provided responsibly and transparently and is in the financial
262.3 interest of participating project owners;

262.4 (11) develop methods to accurately measure the impact of the authority's activities,
262.5 particularly on low-income communities and on greenhouse gas emissions reductions;

262.6 (12) hire an executive director and sufficient staff with the appropriate skills and
262.7 qualifications to carry out the authority's programs, making an affirmative effort to recruit
262.8 and hire a director and staff who are from, or share the interests of, the communities the
262.9 authority must serve;

262.10 (13) apply for, either as a direct or subgrantee applicant, and accept Greenhouse Gas
262.11 Reduction Fund grants authorized by the federal Clean Air Act, United States Code, title
262.12 42, section 7434, paragraph (a), clauses (1), (2), and (3). Until the Climate Innovation
262.13 Finance Authority is established, the commissioner shall apply for and receive funding
262.14 through Public Law 117-169 in order to leverage state investment, on behalf of the authority.
262.15 To the extent practicable, applications for these funds by or on behalf of the authority should
262.16 be made in coordination with other Minnesota applicants;

262.17 (14) acting under its powers as a state energy financing institution under United States
262.18 Code, title 42, section 16511, collaborate with the United States Department of Energy Loan
262.19 Programs Office to ensure that authorities made available under the Inflation Reduction
262.20 Act of 2022, Public Law 117-169, maximally benefit Minnesotans. Until the Climate
262.21 Innovation Finance Authority is established, the commissioner may engage with the United
262.22 States Department of Energy Loan Programs Office on behalf of the authority; and

262.23 (15) ensure that authority contracts with all third-party administrators, contractors, and
262.24 subcontractors contain required covenants, representations, and warranties specifying that
262.25 contracted third parties are agents of the authority and that all acts of contracted third parties
262.26 are considered acts of the authority, provided that the act is within the contracted scope of
262.27 work.

262.28 (b) The authority may:

262.29 (1) employ credit enhancement mechanisms that reduce financial risk for financing
262.30 entities by providing assurance that a limited portion of a loan or other financial instrument
262.31 is assumed by the authority via a loan loss reserve, loan guarantee, or other mechanism;

262.32 (2) co-invest in a qualified project by providing senior or subordinated debt, equity, or
262.33 other mechanisms in conjunction with other investment, co-lending, or financing;

263.1 (3) aggregate small and geographically dispersed qualified projects in order to diversify
 263.2 risk or secure additional private investment through securitization or similar resale of the
 263.3 authority's interest in a completed qualified project;

263.4 (4) expend up to 25 percent of funds appropriated to the authority for start-up purposes,
 263.5 which may be used for financing programs and project investments authorized under this
 263.6 section, prior to adoption of the strategic plan required under subdivision 7 and the investment
 263.7 strategy under subdivision 8; and

263.8 (5) require a specific project to agree to implement a project labor agreement as a
 263.9 condition of receiving financing from the authority.

263.10 Subd. 5. **Limitations.** The authority must not provide loans to a single entity in an
 263.11 amount less than \$250,000.

263.12 Subd. 6. **Authority lending practices; labor and consumer protection standards.** (a)
 263.13 In determining the projects in which the authority will participate, the authority must give
 263.14 preference to projects that:

263.15 (1) maximize the creation of high-quality employment and apprenticeship opportunities
 263.16 for local workers, consistent with the public interest, especially workers from environmental
 263.17 justice communities, labor organizations, and Minnesota communities hosting retired or
 263.18 retiring electric generation facilities, including workers previously employed at retiring
 263.19 facilities;

263.20 (2) utilize energy technologies produced domestically that received an advanced
 263.21 manufacturing tax credit under section 45X of the Internal Revenue Code, as allowed under
 263.22 the federal Inflation Reduction Act of 2022, Public Law 117-169;

263.23 (3) certify, for all contractors and subcontractors, that the rights of workers to organize
 263.24 and unionize are recognized; and

263.25 (4) agree to implement a project labor agreement.

263.26 (b) The authority must require, for all projects for which the authority provides financing,
 263.27 that:

263.28 (1) if the budget is \$100,000 or more, all contractors and subcontractors:

263.29 (i) must pay no less than the prevailing wage rate, as defined in section 177.42,
 263.30 subdivision 6; and

263.31 (ii) are subject to the requirements and enforcement provisions under sections 177.27,
 263.32 177.30, 177.32, 177.41 to 177.43, and 177.45, including the posting of prevailing wage

264.1 rates, prevailing hours of labor, and hourly basic rates of pay for all trades on the project in
 264.2 at least one conspicuous location at the project site;

264.3 (2) financing is not offered without first ensuring that the participants meet the authority's
 264.4 underwriting criteria; and

264.5 (3) any loan made to a homeowner for a project on the homeowner's residence complies
 264.6 with section 47.59 and the following federal laws:

264.7 (i) the Truth in Lending Act, United States Code, title 15, section 1601 et seq.;

264.8 (ii) the Fair Credit Reporting Act, United States Code, title 15, section 1681;

264.9 (iii) the Equal Credit Opportunity Act, United States Code, title 15, section 1691 et seq.;

264.10 and

264.11 (iv) the Fair Debt Collection Practices Act, United States Code, title 15, section 1692.

264.12 (c) The authority and any third-party administrator, contractor, subcontractor, or agent
 264.13 that conducts lending, financing, investment, marketing, administration, servicing, or
 264.14 installation of measures in connection with a qualified project financed in whole or in part
 264.15 with authority funds is subject to sections 325D.43 to 325D.48; 325F.67 to 325F.71; 325G.06
 264.16 to 325G.14; 325G.29 to 325G.37; and 332.37.

264.17 (d) For the purposes of this section, "local workers" means Minnesota residents who
 264.18 permanently reside within 150 miles of the location of a proposed project in which the
 264.19 authority is considering to participate.

264.20 Subd. 7. **Strategic plan.** (a) By December 15, 2024, and each December 15 in
 264.21 even-numbered years thereafter, the authority must develop and adopt a strategic plan that
 264.22 prioritizes the authority's activities over the next two years. A strategic plan must:

264.23 (1) identify targeted underserved markets for qualified projects in Minnesota;

264.24 (2) develop specific programs to overcome market impediments through access to
 264.25 authority financing and technical assistance; and

264.26 (3) develop outreach and marketing strategies designed to make potential project
 264.27 developers, participants, and communities aware of financing and technical assistance
 264.28 available from the authority, including the deployment of community navigators.

264.29 (b) Elements of the strategic plan must be informed by the authority's analysis of the
 264.30 market for qualified projects, and by the authority's experience under the previous strategic
 264.31 plan, including the degree to which performance targets were or were not achieved by each
 264.32 financing program. In addition, the authority must actively seek input regarding activities

265.1 that should be included in the strategic plan from stakeholders, environmental justice
265.2 communities, the general public, and participants, including via meetings required under
265.3 subdivision 9.

265.4 (c) The authority must establish annual targets in a strategic plan for each financing
265.5 program regarding the number of projects, level of authority investments, greenhouse gas
265.6 emissions reductions, and installed generating capacity or energy savings the authority
265.7 hopes to achieve, including separate targets for authority activities undertaken in
265.8 environmental justice communities.

265.9 (d) The authority's targets and strategies must be designed to ensure that no less than 40
265.10 percent of the direct benefits of authority activities flow to environmental justice communities
265.11 as defined under subdivision 2, by the United States Department of Energy, or as modified
265.12 by the department.

265.13 Subd. 8. **Investment strategy; content; process.** (a) No later than December 15, 2024,
265.14 and every four years thereafter, the authority must adopt a long-term investment strategy
265.15 to ensure the authority's paramount goal to reduce greenhouse gas emissions is reflected in
265.16 all of the authority's operations. The investment strategy must address:

265.17 (1) the types of qualified projects the authority should focus on;

265.18 (2) gaps in current qualified project financing that present the greatest opportunities for
265.19 successful action by the authority;

265.20 (3) how the authority can best position itself to maximize its impact without displacing,
265.21 subsidizing, or assuming risk that should be shared with financing entities;

265.22 (4) financing tools that will be most effective in achieving the authority's goals;

265.23 (5) partnerships the authority should establish with other organizations to increase the
265.24 likelihood of success; and

265.25 (6) how values of equity, environmental justice, and geographic balance can be integrated
265.26 into all investment operations of the authority.

265.27 (b) In developing an investment strategy, the authority must consult, at a minimum, with
265.28 similar organizations in other states, lending authorities, state agencies, utilities,
265.29 environmental and energy policy nonprofits, labor organizations, and other organizations
265.30 that can provide valuable advice on the authority's activities.

265.31 (c) The long-term investment strategy must contain provisions ensuring that:

265.32 (1) authority investments are not made solely to reduce private risk; and

266.1 (2) private financing entities do not unilaterally control the terms of investments to which
 266.2 the authority is a party.

266.3 (d) The board must submit a draft long-term investment strategy for comment to each
 266.4 of the groups and individuals the board consults under paragraph (b) and to the chairs and
 266.5 ranking minority members of the senate and house of representatives committees with
 266.6 primary jurisdiction over energy finance and policy, and must post the draft strategy on the
 266.7 authority's website. The authority must accept written comments on the draft strategy for
 266.8 at least 30 days and must consider the comments in preparing the final long-term investment
 266.9 strategy.

266.10 Subd. 9. **Public communications and outreach.** The authority must:

266.11 (1) maintain a public website that provides information about the authority's operations,
 266.12 current financing programs, and practices, including rates, terms, and conditions; the number
 266.13 and amount of investments by project type; the number of jobs created; the financing
 266.14 application process; and other information;

266.15 (2) periodically issue an electronic newsletter to stakeholders and the public containing
 266.16 information on the authority's products, programs, and services and key authority events
 266.17 and decisions; and

266.18 (3) hold quarterly meetings accessible online to update the general public on the
 266.19 authority's activities, report progress being made in regard to the authority's strategic plan
 266.20 and long-term investment strategy, and invite audience questions regarding authority
 266.21 programs.

266.22 Subd. 10. **Board of directors.** (a) The Minnesota Climate Innovation Finance Authority
 266.23 Board of Directors shall consist of the following 13 members:

266.24 (1) the commissioner of commerce, or the commissioner's designee;

266.25 (2) the commissioner of labor and industry, or the commissioner's designee;

266.26 (3) the commissioner of the Minnesota Pollution Control Agency, or the commissioner's
 266.27 designee;

266.28 (4) the commissioner of employment and economic development, or the commissioner's
 266.29 designee;

266.30 (5) the commissioner of the Minnesota Housing Finance Agency, or the commissioner's
 266.31 designee;

266.32 (6) the chair of the Minnesota Indian Affairs Council, or the chair's designee; and

267.1 (7) seven additional members appointed by the governor, as follows:

267.2 (i) one member representing either a municipal electric utility or a cooperative electric
267.3 association;

267.4 (ii) one member, appointed after the governor consults with labor organizations in the
267.5 state, must be a representative of a labor union with experience working on clean energy
267.6 projects;

267.7 (iii) one member with expertise in the impact of climate change on Minnesota
267.8 communities, particularly low-income communities;

267.9 (iv) one member with expertise in financing projects at a community bank, credit union,
267.10 community development institution, or local government;

267.11 (v) one member with expertise in sustainable development and energy conservation;

267.12 (vi) one member with expertise in environmental justice; and

267.13 (vii) one member with expertise in investment fund management or financing and
267.14 deploying clean energy technologies.

267.15 (b) At least two members appointed to the board must permanently reside outside the
267.16 metropolitan area, as defined in section 473.121, subdivision 2. The board must collectively
267.17 reflect the geographic and ethnic diversity of the state.

267.18 (c) Board members appointed under paragraph (a), clause (6), shall serve a term of four
267.19 years, except that the initial appointments made under clause (6), items (i) to (iii), shall be
267.20 for two-year terms, and the initial appointments made under clause (6), items (iv) to (vi),
267.21 shall be for three-year terms.

267.22 (d) Members appointed to the board must:

267.23 (1) provide evidence of a commitment to the authority's purposes and goals; and

267.24 (2) not hold any personal or professional conflicts of interest related to the authority's
267.25 activities, including with respect to the member's financial investments and employment or
267.26 the financial investments and employment of the member's immediate family members.

267.27 (e) The governor must make the appointments required under this section no later than
267.28 October 1, 2023.

267.29 (f) The initial meeting of the board of directors must be held no later than November
267.30 17, 2023. At the initial meeting, the board shall elect a chair and vice-chair by majority vote
267.31 of the members present.

268.1 (g) The authority shall contract with the department to provide administrative and
268.2 technical services to the board and to prospective borrowers, especially those serving or
268.3 located in environmental justice communities.

268.4 (h) Compensation of board members, removal of members, and filling of vacancies are
268.5 governed by section 15.0575.

268.6 (i) Board members may be reappointed for up to two full terms.

268.7 (j) A majority of board members, excluding vacancies, constitutes a quorum for the
268.8 purpose of conducting business and exercising powers, and for all other purposes. Action
268.9 may be taken by the authority upon a vote of a majority of the quorum present.

268.10 (k) Board members and officers are not personally liable, either jointly or severally, for
268.11 any debt or obligation created or incurred by the authority.

268.12 Subd. 11. **Account established.** (a) The Minnesota climate innovation authority account
268.13 is established as a separate account in the special revenue fund in the state treasury. The
268.14 authority's board of directors shall credit to the account appropriations and transfers to the
268.15 account. Earnings, including interest, dividends, and any other earnings arising from assets
268.16 of the account, must be credited to the account. Money remaining in the account at the end
268.17 of a fiscal year does not cancel to the general fund, but remains in the account until expended.
268.18 The authority's board of directors shall manage the account.

268.19 (b) Money in the account is appropriated to the board of directors of the Minnesota
268.20 Climate Innovation Finance Authority for the purposes of this section and to reimburse the
268.21 reasonable costs of the authority to administer this section.

268.22 Subd. 12. **Report; audit.** Beginning February 1, 2024, the authority must annually
268.23 submit a comprehensive report on the authority's activities during the previous year to the
268.24 governor and the chairs and ranking minority members of the legislative committees with
268.25 primary jurisdiction over energy policy. The report must contain, at a minimum, information
268.26 on:

268.27 (1) the amount of authority capital invested, by project type;

268.28 (2) the amount of private and public capital leveraged by authority investments, by
268.29 project type;

268.30 (3) the number of qualified projects supported, by project type and location within
268.31 Minnesota, including in environmental justice communities;

269.1 (4) the estimated number of jobs created for local workers and nonlocal workers, the
 269.2 ratio of projects subject to and exempt from prevailing wage requirements under subdivision
 269.3 6, paragraph (b), and tax revenue generated as a result of the authority's activities;

269.4 (5) estimated reductions in greenhouse gas emissions resulting from the authority's
 269.5 activities;

269.6 (6) the number of clean energy projects financed in low- and moderate-income
 269.7 households;

269.8 (7) a narrative describing the progress made toward the authority's equity, social, and
 269.9 labor standards goals; and

269.10 (8) a financial audit conducted by an independent party.

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

269.12 Sec. 3. Laws 2023, chapter 24, section 2, subdivision 1, is amended to read:

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

269.15 (b) "Competitive funds" means federal funds awarded to selected applicants based on
 269.16 the grantor's evaluation of the strength of an application measured against all other
 269.17 applications.

269.18 (c) "Disadvantaged community" has the meaning given by the federal agency disbursing
 269.19 federal funds.

269.20 (d) "Eligible entity" means an entity located in Minnesota that is eligible to receive
 269.21 federal funds, tax credits, loans, or an entity that has at least one Minnesota-based partner,
 269.22 as determined by the grantor of the federal funds, tax credits, or loans.

269.23 (e) "Federal funds" means federal formula or competitive funds available for award to
 269.24 applicants for energy projects under the Infrastructure Investment and Jobs Act, Public Law
 269.25 117-58, or the Inflation Reduction Act of 2022, Public Law 117-169.

269.26 (f) "Loans" means federal loans from loan funds authorized or funded in the Inflation
 269.27 Reduction Act of 2022, Public Law 117-169.

269.28 (g) "Tax credits" means federal tax credits authorized in the Inflation Reduction Act of
 269.29 2022, Public Law 117-169.

269.30 ~~(f)~~ (h) "Formula funds" means federal funds awarded to all eligible applicants on a
 269.31 noncompetitive basis.

270.1 ~~(g)~~ (i) "Match" means the amount of state money a successful grantee in Minnesota is
 270.2 required to contribute to a project as a condition of receiving federal funds.

270.3 ~~(h)~~ (j) "Political subdivision" has the meaning given in section 331A.01, subdivision 3.

270.4 ~~(i)~~ (k) "Project" means the activities proposed to be undertaken by an eligible entity
 270.5 awarded federal funds and are located in Minnesota or will directly benefit Minnesotans.

270.6 ~~(j)~~ (l) "Tribal government" has the meaning given in section 116J.64, subdivision 4.

270.7 Sec. 4. Laws 2023, chapter 24, section 2, subdivision 2, is amended to read:

270.8 Subd. 2. **Establishment of account; eligible expenditures.** (a) A state competitiveness
 270.9 fund account is created in the special revenue fund of the state treasury. The commissioner
 270.10 must credit to the account appropriations and transfers to the account. Earnings, such as
 270.11 interest, dividends, and any other earnings arising from assets of the account, must be
 270.12 credited to the account. Money remaining in the account at the end of a fiscal year does not
 270.13 cancel to the general fund but remains available until June 30, 2034. The commissioner is
 270.14 the fiscal agent and must manage the account.

270.15 (b) Money in the account is appropriated to the commissioner and must be used to:

270.16 (1) pay all or any portion of the state match required as a condition of receiving federal
 270.17 funds, or to otherwise reduce the cost for projects that are awarded federal funds, as described
 270.18 under subdivision 3, paragraph (a);

270.19 (2) award grants under subdivision 4 to obtain grant development assistance for eligible
 270.20 entities; ~~and~~

270.21 (3) award grants that reduce the cost for projects that are awarded federal loans within
 270.22 disadvantaged communities;

270.23 (4) award grants that are additive to federal tax credits received by an eligible entity to
 270.24 further reduce the cost of the technologies and activities eligible for such federal tax credits
 270.25 in disadvantaged communities; and

270.26 ~~(3)~~ (5) pay the reasonable costs incurred by the department to assist eligible entities to
 270.27 successfully compete for available federal funds and utilize available federal tax credits or
 270.28 loans.

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

271.1 Sec. 5. Laws 2023, chapter 24, section 3, is amended to read:

271.2 Sec. **APPROPRIATION.**

271.3 (a) \$115,000,000 in fiscal year 2023 is appropriated from the general fund to the
271.4 commissioner of commerce for the purposes of Minnesota Statutes, section 216C.391. This
271.5 is a onetime appropriation. Of this amount:

271.6 (1) \$100,000,000 is for grant awards made under Minnesota Statutes, section 216C.391,
271.7 subdivision 3, of which at least \$75,000,000 is for grant awards of less than \$1,000,000;

271.8 (2) \$6,000,000 is for grant awards made under Minnesota Statutes, section 216C.391,
271.9 subdivision 4;

271.10 (3) \$750,000 is for the reports and audits under Minnesota Statutes, section 216C.391,
271.11 subdivision 7;

271.12 (4) \$1,500,000 is for information system development improvements necessary to carry
271.13 out Minnesota Statutes, section 216C.391, and to improve digital access and reporting;

271.14 (5) \$6,750,000 is for technical assistance to applicants and administration of Minnesota
271.15 Statutes, section 216C.391, by the Department of Commerce; and

271.16 (6) the commissioner may transfer money from clause (2) to clause (1) if less than 75
271.17 percent of the money in clause (2) has been awarded by June 30, 2028.

271.18 (b) The commissioner, with approval from the commissioner of management and budget,
271.19 may transfer money between appropriations established for paragraph (a), clause (1), and
271.20 for money transferred under section 6, paragraph (c). This paragraph expires on June 30,
271.21 2028.

271.22 ~~(b)~~ (c) To the extent that federal funds for energy projects under the Infrastructure
271.23 Investment and Jobs Act, Public Law 117-58, or the Inflation Reduction Act of 2022, Public
271.24 Law 117-169, become permanently unavailable to be matched with funds appropriated
271.25 under this section or section 216C.391, subdivision 2, the commissioner of management
271.26 and budget must certify the proportional amount of unencumbered funds remaining in the
271.27 account established under Minnesota Statutes, section 216C.391, and those unencumbered
271.28 funds cancel to the general fund.

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

272.1 Sec. 6. TRANSFERS.

272.2 (a) In the biennium ending on June 30, 2025, the commissioner of management and
272.3 budget must transfer \$400,000,000 from the general fund to the Minnesota forward fund
272.4 account established in Minnesota Statutes, section 116J.8752, subdivision 2. The base for
272.5 this transfer is \$0.

272.6 (b) In the biennium ending on June 30, 2025, the commissioner of management and
272.7 budget shall transfer \$25,000,000 from the general fund to the Minnesota climate innovation
272.8 authority account established in Minnesota Statutes, section 216C.441, subdivision 11. The
272.9 base for this transfer is \$0.

272.10 (c) In the biennium ending on June 30, 2025, the commissioner of management and
272.11 budget must transfer \$75,000,000 from the general fund to the state competitiveness fund
272.12 account established in Minnesota Statutes, section 216C.391, subdivision 2. Notwithstanding
272.13 Minnesota Statutes, section 216C.391, subdivision 2, the commissioner of commerce must
272.14 use this transfer for grants to eligible entities for projects receiving federal loans or tax
272.15 credits where the benefits are in disadvantaged communities. The base for this transfer is
272.16 \$0. Up to three percent of money transferred under this paragraph is for administrative costs.

272.17 (d) In the biennium ending on June 30, 2027, the commissioners of management and
272.18 budget, in consultation with the commissioners of employment and economic development
272.19 and commerce, may transfer money between the Minnesota forward fund account, the
272.20 Minnesota climate innovation authority account, and the state competitiveness fund account.
272.21 The commissioner of management and budget must notify the Legislative Advisory
272.22 Commission within 15 days of making transfers under this paragraph.

272.23 Sec. 7. APPROPRIATIONS.

272.24 (a) \$50,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund
272.25 account to the commissioner of employment and economic development for providing
272.26 businesses with matching funds required by federal programs. Money awarded under this
272.27 program is made retroactive to February 1, 2023, for applications and projects. The
272.28 commissioner may use up to two percent of this appropriation for administration. This is a
272.29 onetime appropriation and is available until June 30, 2027. Any funds that remain unspent
272.30 are canceled to the general fund.

272.31 (b) \$100,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund
272.32 account to the commissioner of employment and economic development to match existing
272.33 federal funds made available in the Consolidated Appropriations Act, Public Law 117-328.

273.1 This appropriation must be used to (1) construct and operate a bioindustrial manufacturing
273.2 pilot innovation facility, biorefinery, or commercial campus utilizing agricultural feedstocks
273.3 or (2) for a Minnesota aerospace center for research, development, and testing, or both (1)
273.4 and (2). This appropriation is not subject to the requirements of Minnesota Statutes,
273.5 116J.8752, subdivision 5. The commissioner may use up to two percent of this appropriation
273.6 for administration. This is a onetime appropriation and is available until June 30, 2027. Any
273.7 funds that remain unspent are canceled to the general fund.

273.8 (c) \$250,000,000 in fiscal year 2024 is appropriated from the Minnesota forward fund
273.9 account to the commissioner of employment and economic development to match federal
273.10 funds made available in the Chips and Science Act, Public Law 117-167. Money awarded
273.11 under this program is made retroactive to February 1, 2023, for applications and projects.
273.12 This appropriation is not subject to Minnesota Statutes, section 116J.8752, subdivision 5.
273.13 The commissioner may use up two percent for administration. This is a onetime appropriation
273.14 and is available until June 30, 2027. Any funds that remain unspent are canceled to the
273.15 general fund.

273.16 (d) The commissioner may use the appropriation under paragraph (c) to allocate up to
273.17 15 percent of the total project cost with a maximum of \$75,000,000 per project for the
273.18 purpose of constructing, modernizing, or expanding commercial facilities on the front- and
273.19 back-end fabrication of leading-edge, current-generation, and mature-node semiconductors;
273.20 funding semiconductor materials and manufacturing equipment facilities; and for research
273.21 and development facilities.

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

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

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

273.32 (f) Money appropriated in paragraphs (a), (b), and (c) may be transferred between
273.33 appropriations within the Minnesota forward fund account by the commissioner of
273.34 employment and economic development with approval of the commissioner of management

- 274.1 and budget. The commissioner must notify the Legislative Advisory Commission at least
- 274.2 15 days prior to changing appropriations under this paragraph.

177.26 DIVISION OF LABOR STANDARDS.

Subd. 3. **Employees; transfer from Division of Women and Children.** All persons employed by the department in the Division of Women and Children are transferred to the Division of Labor Standards. A transferred person does not lose rights acquired by reason of employment at the time of transfer.

179A.12 EXCLUSIVE REPRESENTATION; ELECTIONS; DECERTIFICATION.

Subd. 2. **Certification upon joint request.** The commissioner may certify an employee organization as an exclusive representative in an appropriate unit upon the joint request of the employer and the organization if, after investigation, the commissioner finds that no unfair labor practice was committed in initiating and submitting the joint request and that the employee organization represents over 50 percent of the employees in the appropriate unit. This subdivision does not reduce the time period or nullify any bar to the employee organization's certification existing at the time of the filing of the joint request.

181.9413 SICK LEAVE BENEFITS; CARE OF RELATIVES.

(a) An employee may use personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's child, as defined in section 181.940, subdivision 4, adult child, spouse, sibling, parent, mother-in-law, father-in-law, grandchild, grandparent, or stepparent, for reasonable periods of time as the employee's attendance may be necessary, on the same terms upon which the employee is able to use sick leave benefits for the employee's own illness or injury. This section applies only to personal sick leave benefits payable to the employee from the employer's general assets.

(b) An employee may use sick leave as allowed under this section for safety leave, whether or not the employee's employer allows use of sick leave for that purpose for such reasonable periods of time as may be necessary. Safety leave may be used for assistance to the employee or assistance to the relatives described in paragraph (a). For the purpose of this section, "safety leave" is leave for the purpose of providing or receiving assistance because of sexual assault, domestic abuse, or harassment or stalking. For the purpose of this paragraph:

(1) "domestic abuse" has the meaning given in section 518B.01;

(2) "sexual assault" means an act that constitutes a violation under sections 609.342 to 609.3453 or 609.352; and

(3) "harass" and "stalking" have the meanings given in section 609.749.

(c) An employer may limit the use of safety leave as described in paragraph (b) or personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's adult child, spouse, sibling, parent, mother-in-law, father-in-law, grandchild, grandparent, or stepparent to no less than 160 hours in any 12-month period. This paragraph does not apply to absences due to the illness or injury of a child, as defined in section 181.940, subdivision 4.

(d) For purposes of this section, "personal sick leave benefits" means time accrued and available to an employee to be used as a result of absence from work due to personal illness or injury, but does not include short-term or long-term disability or other salary continuation benefits.

(e) For the purpose of this section, "child" includes a stepchild and a biological, adopted, and foster child.

(f) For the purpose of this section, "grandchild" includes a step-grandchild, and a biological, adopted, and foster grandchild.

(g) This section does not prevent an employer from providing greater sick leave benefits than are provided for under this section.

(h) An employer shall not retaliate against an employee for requesting or obtaining a leave of absence under this section.

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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

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 technology-related products or services or to increase the productivity or otherwise enhance the production or delivery of existing products or services.

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(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.

(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

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(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;

(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

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(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.