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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 2233

- 02/27/2023 Authored by Xiong
- 03/13/2023 The bill was read for the first time and referred to the Committee on Economic Development Finance and Policy
- 04/12/2023 Adoption of Report: Re-referred to the Committee on Workforce Development Finance and Policy
- Adoption of Report: Amended and re-referred to the Committee on Ways and Means

1.1 A bill for an act

1.2 relating to economic development; establishing a budget for workforce development

1.3 efforts for the Department of Employment and Economic Development;

1.4 appropriating money to the Department of Corrections for workforce training;

1.5 modifying various workforce provisions; requiring reports; appropriating money;

1.6 amending Minnesota Statutes 2022, sections 116J.5492, subdivisions 8, 10; 116J.55,

1.7 subdivisions 1, 5, 6; 116L.361, subdivision 7; 116L.362, subdivision 1; 116L.364,

1.8 subdivision 3; 116L.365, subdivision 1; 116L.56, subdivision 2; 116L.561,

1.9 subdivision 5; 116L.562, subdivision 2; 268.035, subdivision 20; 268A.15, by

1.10 adding a subdivision; 469.40, subdivision 11; 469.47, subdivisions 1, 5; proposing

1.11 coding for new law in Minnesota Statutes, chapters 116J; 116L.

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

1.13 **ARTICLE 1**

1.14 **APPROPRIATIONS**

1.15 Section 1. **APPROPRIATIONS.**

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

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

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

1.19 each purpose. The figures "2024" and "2025" used in this article mean that the appropriations

1.20 listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025,

1.21 respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The

1.22 biennium" is fiscal years 2024 and 2025.

1.23 (b) If an appropriation in this article is enacted more than once in the 2023 regular or

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

1.25 **APPROPRIATIONS**

1.26 **Available for the Year**

2.1		<u>Ending June 30</u>	
2.2		<u>2024</u>	<u>2025</u>
2.3	<b><u>Sec. 2. DEPARTMENT OF EMPLOYMENT</u></b>		
2.4	<b><u>AND ECONOMIC DEVELOPMENT</u></b>		
2.5	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$ 186,569,000</u></b>	<b><u>\$ 176,469,000</u></b>
2.6	<u>Appropriations by Fund</u>		
2.7		<u>2024</u>	<u>2025</u>
2.8	<u>General</u>	<u>163,982,000</u>	<u>154,582,000</u>
2.9	<u>Workforce</u>		
2.10	<u>Development</u>	<u>22,587,000</u>	<u>21,887,000</u>
2.11	<u>The amounts that may be spent for each</u>		
2.12	<u>purpose are specified in the following</u>		
2.13	<u>subdivisions.</u>		
2.14	<b><u>Subd. 2. Business and Community Development</u></b>	<u>12,500,000</u>	<u>12,500,000</u>
2.15	<u>(a)(1) \$5,000,000 each year is for grants to</u>		
2.16	<u>local communities to increase the number of</u>		
2.17	<u>quality child care providers to support</u>		
2.18	<u>economic development. This is a onetime</u>		
2.19	<u>appropriation and is available through June</u>		
2.20	<u>30, 2025. Fifty percent of grant money must</u>		
2.21	<u>go to communities located outside the</u>		
2.22	<u>seven-county metropolitan area as defined in</u>		
2.23	<u>Minnesota Statutes, section 473.121,</u>		
2.24	<u>subdivision 2.</u>		
2.25	<u>(2) Grant recipients must obtain a 50 percent</u>		
2.26	<u>nonstate match to grant money in either cash</u>		
2.27	<u>or in-kind contribution, unless the</u>		
2.28	<u>commissioner waives the requirement. Grant</u>		
2.29	<u>money available under this subdivision must</u>		
2.30	<u>be used to implement projects to reduce the</u>		
2.31	<u>child care shortage in the state, including but</u>		
2.32	<u>not limited to funding for child care business</u>		
2.33	<u>start-ups or expansion, training, facility</u>		
2.34	<u>modifications, direct subsidies or incentives</u>		
2.35	<u>to retain employees, or improvements required</u>		

3.1 for licensing, and assistance with licensing  
3.2 and other regulatory requirements. In awarding  
3.3 grants, the commissioner must give priority  
3.4 to communities that have demonstrated a  
3.5 shortage of child care providers.

3.6 (3) Within one year of receiving grant money,  
3.7 grant recipients must report to the  
3.8 commissioner on the outcomes of the grant  
3.9 program, including but not limited to the  
3.10 number of new providers, the number of  
3.11 additional child care provider jobs created, the  
3.12 number of additional child care slots, and the  
3.13 amount of cash and in-kind local money  
3.14 invested. Within one month of all grant  
3.15 recipients reporting on program outcomes, the  
3.16 commissioner must report the grant recipients'  
3.17 outcomes to the chairs and ranking members  
3.18 of the legislative committees with jurisdiction  
3.19 over early learning and child care and  
3.20 economic development.

3.21 (b) \$2,500,000 each year is for a grant to the  
3.22 Minnesota Initiative Foundations. This is a  
3.23 onetime appropriation and is available until  
3.24 June 30, 2027. The Minnesota Initiative  
3.25 Foundations must use grant money under this  
3.26 section to:

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

3.33 (2) engage the private sector to invest local  
3.34 resources to support the community solution  
3.35 action plan and ensure quality child care is a

4.1 vital component of additional regional  
 4.2 economic development planning processes;  
 4.3 (3) provide locally based training and technical  
 4.4 assistance to rural child care business owners  
 4.5 individually or through a learning cohort.  
 4.6 Access to financial and business development  
 4.7 assistance must prepare child care businesses  
 4.8 for quality engagement and improvement by  
 4.9 stabilizing operations, leveraging funding from  
 4.10 other sources, and fostering business acumen  
 4.11 that allows child care businesses to plan for  
 4.12 and afford the cost of providing quality child  
 4.13 care; and

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

4.25 (c) \$5,000,000 each year is for the community  
 4.26 energy transition grant program under  
 4.27 Minnesota Statutes, section 116J.55. This is  
 4.28 a onetime appropriation and is available until  
 4.29 expended.

4.30 **Subd. 3. Employment and Training Programs** 102,798,000 102,698,000

4.31	<u>Appropriations by Fund</u>		
4.32	<u>General</u>	<u>88,096,000</u>	<u>88,696,000</u>
4.33	<u>Workforce</u>		
4.34	<u>Development</u>	<u>14,702,000</u>	<u>14,002,000</u>

5.1 (a) \$500,000 each year from the general fund  
5.2 and \$500,000 each year from the workforce  
5.3 development fund are for rural career  
5.4 counseling coordinators in the workforce  
5.5 service areas and for the purposes specified  
5.6 under Minnesota Statutes, section 116L.667.

5.7 (b) \$750,000 each year is for the women and  
5.8 high-wage, high-demand, nontraditional jobs  
5.9 grant program under Minnesota Statutes,  
5.10 section 116L.99. Of this amount, up to five  
5.11 percent is for administration and monitoring  
5.12 of the program.

5.13 (c) \$2,546,000 each year from the general fund  
5.14 and \$4,604,000 each year from the workforce  
5.15 development fund are for the pathways to  
5.16 prosperity competitive grant program. Of this  
5.17 amount, up to five percent is for administration  
5.18 and monitoring of the program.

5.19 (d) \$500,000 each year is from the workforce  
5.20 development fund for current Minnesota  
5.21 affiliates of OIC of America, Inc. This  
5.22 appropriation shall be divided equally among  
5.23 the eligible centers.

5.24 (e) \$1,000,000 each year is for competitive  
5.25 grants to organizations providing services to  
5.26 relieve economic disparities in the Southeast  
5.27 Asian community through workforce  
5.28 recruitment, development, job creation,  
5.29 assistance of smaller organizations to increase  
5.30 capacity, and outreach. Of this amount, up to  
5.31 five percent is for administration and  
5.32 monitoring of the program.

5.33 (f) \$1,000,000 each year is for a competitive  
5.34 grant program to provide grants to

6.1 organizations that provide support services for  
6.2 individuals, such as job training, employment  
6.3 preparation, internships, job assistance to  
6.4 parents, financial literacy, academic and  
6.5 behavioral interventions for low-performing  
6.6 students, and youth intervention. Grants made  
6.7 under this section must focus on low-income  
6.8 communities, young adults from families with  
6.9 a history of intergenerational poverty, and  
6.10 communities of color. Of this amount, up to  
6.11 five percent is for administration and  
6.12 monitoring of the program.

6.13 (g) \$1,750,000 each year is for a grant to  
6.14 Propel Nonprofits to provide capacity-building  
6.15 grants and related technical assistance to small,  
6.16 culturally specific organizations that primarily  
6.17 serve historically underserved cultural  
6.18 communities. Propel Nonprofits may only  
6.19 award grants to nonprofit organizations that  
6.20 have an annual organizational budget of less  
6.21 than \$1,000,000. These grants may be used  
6.22 for:

6.23 (1) organizational infrastructure  
6.24 improvements, including developing database  
6.25 management systems and financial systems,  
6.26 or other administrative needs that increase the  
6.27 organization's ability to access new funding  
6.28 sources;

6.29 (2) organizational workforce development,  
6.30 including hiring culturally competent staff,  
6.31 training and skills development, and other  
6.32 methods of increasing staff capacity; or

6.33 (3) creating or expanding partnerships with  
6.34 existing organizations that have specialized  
6.35 expertise in order to increase capacity of the

7.1 grantee organization to improve services to  
7.2 the community.

7.3 Of this amount, up to ten percent may be used  
7.4 by Propel Nonprofits for administrative costs.

7.5 This is a onetime appropriation.

7.6 (h) \$5,230,000 each year from the general fund  
7.7 and \$3,348,000 each year from the workforce  
7.8 development fund are for the youth-at-work  
7.9 competitive grant program under Minnesota  
7.10 Statutes, section 116L.562. Of this amount,  
7.11 up to five percent is for administration and  
7.12 monitoring of the youth workforce  
7.13 development competitive grant program. All  
7.14 grant awards shall be for two consecutive  
7.15 years. Grants shall be awarded in the first year.  
7.16 In fiscal year 2026 and beyond, the base  
7.17 amount from the general fund is \$750,000.

7.18 (i) \$1,093,000 each year from the general fund  
7.19 and \$1,000,000 each year from the workforce  
7.20 development fund are for the youthbuild  
7.21 program under Minnesota Statutes, sections  
7.22 116L.361 to 116L.366. In fiscal year 2026 and  
7.23 beyond, the base amount from the general fund  
7.24 is \$0.

7.25 (j) \$4,427,000 each year from the general fund  
7.26 and \$4,050,000 each year from the workforce  
7.27 development fund are for the Minnesota youth  
7.28 program under Minnesota Statutes, sections  
7.29 116L.56 and 116L.561. In fiscal year 2026  
7.30 and beyond, the base amount from the general  
7.31 fund is \$0.

7.32 (k) \$1,000,000 each year is for a grant to the  
7.33 Minnesota Technology Association to support  
7.34 the SciTech Internship Program, a program

8.1 that supports science, technology, engineering,  
8.2 and math (STEM) internship opportunities for  
8.3 two- and four-year college students and  
8.4 graduate students in their fields of study. The  
8.5 internship opportunities must match students  
8.6 with paid internships within STEM disciplines  
8.7 at small, for-profit companies located in  
8.8 Minnesota having fewer than 250 employees  
8.9 worldwide. At least 250 students must be  
8.10 matched each year. No more than 15 percent  
8.11 of the hires may be graduate students. Selected  
8.12 hiring companies shall receive from the grant  
8.13 50 percent of the wages paid to the intern,  
8.14 capped at \$3,000 per intern. The program must  
8.15 work toward increasing the participation  
8.16 among women or other underserved  
8.17 populations. This is a onetime appropriation.

8.18 (l) \$7,500,000 each year is for the Drive for  
8.19 Five Initiative to conduct outreach and provide  
8.20 job skills training, career counseling, case  
8.21 management, and supportive services for  
8.22 careers in (1) technology, (2) labor, (3) the  
8.23 caring professions, (4) manufacturing, and (5)  
8.24 educational and professional services. These  
8.25 are onetime appropriations.

8.26 (m) Of the amounts appropriated in paragraph  
8.27 (l), the commissioner must make \$5,000,000  
8.28 each year available through a competitive  
8.29 request for proposal process. The grant awards  
8.30 must be used to provide education and training  
8.31 in the five industries identified in paragraph  
8.32 (l). Education and training may include:

8.33 (1) student tutoring and testing support  
8.34 services;



- 9.1 (2) training and employment placement in high  
9.2 wage and high growth employment;
- 9.3 (3) assistance in obtaining industry-specific  
9.4 certifications;
- 9.5 (4) remedial training leading to enrollment;
- 9.6 (5) real-time work experience in information;
- 9.7 (6) career and educational counseling;
- 9.8 (7) work experience and internships; and
- 9.9 (8) supportive services.
- 9.10 (n) Of the amount appropriated in paragraph  
9.11 (l), \$1,625,000 each year must be awarded  
9.12 through competitive grants made to trade  
9.13 associations or chambers of commerce for job  
9.14 placement services. Grant awards must be used  
9.15 to encourage workforce training efforts to  
9.16 ensure that efforts are aligned with employer  
9.17 demands and that graduates are connected with  
9.18 employers that are hiring. Trade associations  
9.19 or chambers must partner with employers with  
9.20 current or anticipated employment  
9.21 opportunities and nonprofit workforce training  
9.22 partners participating in this program. The  
9.23 trade associations or chambers must work  
9.24 closely with the industry sector training  
9.25 providers in the five industries identified in  
9.26 paragraph (l). Grant awards may be used for:
- 9.27 (1) employer engagement strategies to align  
9.28 employment opportunities for individuals  
9.29 exiting workforce development training  
9.30 programs. These strategies may include  
9.31 business recruitment, job opening  
9.32 development, employee recruitment, and job

10.1 matching. Trade associations must utilize the  
10.2 state's labor exchange system;

10.3 (2) diversity, inclusion, and retention training  
10.4 for members to increase the business  
10.5 understanding of welcoming and retaining a  
10.6 diverse workforce; and

10.7 (3) industry-specific training.

10.8 (o) Of the amount appropriated in paragraph  
10.9 (l), \$875,000 each year is to hire, train, and  
10.10 deploy business services representatives in  
10.11 local workforce development areas throughout  
10.12 the state. Business services representatives  
10.13 must work with an assigned local workforce  
10.14 development area to address the hiring needs  
10.15 of Minnesota's businesses by connecting job  
10.16 seekers and program participants in the  
10.17 CareerForce system. Business services  
10.18 representatives serve in the classified service  
10.19 of the state and operate as part of the agency's  
10.20 Employment and Training Office. The  
10.21 commissioner shall develop and implement  
10.22 training materials and reporting and evaluation  
10.23 procedures for the activities of the business  
10.24 services representatives. The business services  
10.25 representatives must:

10.26 (1) serve as the primary contact for businesses  
10.27 in that area;

10.28 (2) actively engage employers by assisting  
10.29 with matching employers to job seekers by  
10.30 referring candidates, convening job fairs, and  
10.31 assisting with job announcements; and

10.32 (3) work with the local area board and the  
10.33 board's partners to identify candidates for

- 11.1 openings in small and midsize companies in  
11.2 the local area.
- 11.3 (p) \$30,000,000 each year is for the targeted  
11.4 population workforce grants under Minnesota  
11.5 Statutes, section 116L.43. The department  
11.6 may use up to ten percent of this appropriation  
11.7 for administration, monitoring, and oversight  
11.8 of the program. Of this amount:
- 11.9 (1) \$22,000,000 each year is for job and  
11.10 entrepreneurial skills training grants under  
11.11 Minnesota Statutes, section 116L.43,  
11.12 subdivision 2;
- 11.13 (2) \$2,000,000 each year is for diversity and  
11.14 inclusion training for small employers under  
11.15 Minnesota Statutes, section 116L.43,  
11.16 subdivision 3; and
- 11.17 (3) \$6,000,000 each year is for capacity  
11.18 building grants under Minnesota Statutes,  
11.19 section 116L.43, subdivision 4.
- 11.20 Beginning in fiscal year 2026, the base amount  
11.21 is \$2,500,000.
- 11.22 (q) \$1,500,000 each year is to establish an  
11.23 Office of New Americans. This is a onetime  
11.24 appropriation.
- 11.25 (r) \$400,000 each year is for a grant to the  
11.26 nonprofit 30,000 Feet to fund youth  
11.27 apprenticeship jobs, wraparound services,  
11.28 after-school programming, and summer  
11.29 learning loss prevention targeted at African  
11.30 American youth. This is a onetime  
11.31 appropriation.
- 11.32 (s) \$700,000 each year is for a grant to Avivo  
11.33 to provide low-income individuals with career

- 12.1 education and job skills training that is fully  
12.2 integrated with chemical and mental health  
12.3 services. This is a onetime appropriation.
- 12.4 (t)(1) \$450,000 each year is for a grant to  
12.5 Better Futures Minnesota to provide job skills  
12.6 training to individuals who have been released  
12.7 from incarceration for a felony-level offense  
12.8 and are no more than 12 months from the date  
12.9 of release. This is a onetime appropriation.
- 12.10 (2) Better Futures Minnesota shall annually  
12.11 report to the commissioner on how the money  
12.12 was spent and what results were achieved. The  
12.13 report must include, at a minimum,  
12.14 information and data about the number of  
12.15 participants; participant homelessness,  
12.16 employment, recidivism, and child support  
12.17 compliance; and job skills training provided  
12.18 to program participants.
- 12.19 (u) \$600,000 each year is for a grant to East  
12.20 Side Neighborhood Services. This is a onetime  
12.21 appropriation of which:
- 12.22 (1) \$300,000 each year is for the senior  
12.23 community service employment program,  
12.24 which provides work readiness training to  
12.25 low-income adults ages 55 and older to  
12.26 provide ongoing support and mentoring  
12.27 services to the program participants as well as  
12.28 the transition period from subsidized wages  
12.29 to unsubsidized wages; and
- 12.30 (2) \$300,000 each year is for the nursing  
12.31 assistant plus program to serve the increased  
12.32 need for growth of medical talent pipelines  
12.33 through expansion of the existing program and  
12.34 development of in-house training.

- 13.1 The amounts specified in clauses (1) and (2)  
13.2 may also be used to enhance employment  
13.3 programming for youth and young adults, ages  
13.4 14 to 24, to introduce them to work culture,  
13.5 develop essential work readiness skills, and  
13.6 make career plans through paid internship  
13.7 experiences and work readiness training.
- 13.8 (v) \$250,000 each year is for Minnesota  
13.9 Family Resiliency Partnership programs under  
13.10 Minnesota Statutes, section 116L.96. The  
13.11 commissioner, through the adult career  
13.12 pathways program, shall distribute the money  
13.13 to existing nonprofit and state displaced  
13.14 homemaker programs. This is a onetime  
13.15 appropriation.
- 13.16 (w) \$550,000 each year is for a grant to the  
13.17 International Institute of Minnesota for  
13.18 workforce training for new Americans in  
13.19 industries in need of a trained workforce. This  
13.20 is a onetime appropriation.
- 13.21 (x) \$1,500,000 each year is for a grant to  
13.22 Summit Academy OIC to expand employment  
13.23 placement, GED preparation and  
13.24 administration, and STEM programming in  
13.25 the Twin Cities, Saint Cloud, and Bemidji.  
13.26 This is a onetime appropriation.
- 13.27 (y) \$500,000 each year is for a grant to Big  
13.28 Brothers Big Sisters of the Greater Twin Cities  
13.29 to provide disadvantaged youth ages 12 to 21  
13.30 with job-seeking skills, connections to job  
13.31 training and education opportunities, and  
13.32 mentorship while exploring careers. The grant  
13.33 must serve youth in the Big Brothers Big  
13.34 Sisters chapters in the Twin Cities, central

- 14.1 Minnesota, and southern Minnesota. This is a  
14.2 onetime appropriation.
- 14.3 (z) \$400,000 each year is for a grant to the  
14.4 White Bear Center for the Arts for establishing  
14.5 a paid internship program for high school  
14.6 students to learn professional development  
14.7 skills through an arts perspective. This is a  
14.8 onetime appropriation.
- 14.9 (aa) \$750,000 each year is for a grant to  
14.10 Bridges to Healthcare to provide career  
14.11 education, wraparound support services, and  
14.12 job skills training in high-demand health care  
14.13 fields to low-income parents, nonnative  
14.14 speakers of English, and other hard-to-train  
14.15 individuals, and to help families build secure  
14.16 pathways out of poverty and address worker  
14.17 shortages in one of Minnesota's most  
14.18 innovative industries. Money may be used for  
14.19 program expenses, including but not limited  
14.20 to hiring instructors and navigators; space  
14.21 rental; and supportive services to help  
14.22 participants attend classes, including assistance  
14.23 with course fees, child care, transportation,  
14.24 and safe and stable housing. Up to five percent  
14.25 of grant money may be used for Bridges to  
14.26 Healthcare's administrative costs. This is a  
14.27 onetime appropriation.
- 14.28 (bb) \$400,000 each year is for a grant to Hired  
14.29 to expand their career pathway job training  
14.30 and placement program that connects  
14.31 lower-skilled job seekers to entry-level and  
14.32 gateway jobs in high-growth sectors. This is  
14.33 a onetime appropriation.
- 14.34 (cc) \$1,000,000 each year is for a grant to the  
14.35 Minnesota Alliance of Boys and Girls Clubs

15.1 to administer a statewide project of youth job  
15.2 skills and career development. This project,  
15.3 which may have career guidance components  
15.4 including health and life skills, must be  
15.5 designed to encourage, train, and assist youth  
15.6 in early access to education and job-seeking  
15.7 skills; work-based learning experience,  
15.8 including career pathways in STEM learning,  
15.9 career exploration, and matching; and first job  
15.10 placement through local community  
15.11 partnerships and on-site job opportunities. This  
15.12 grant requires a 25 percent match from  
15.13 nonstate sources. This is a onetime  
15.14 appropriation.

15.15 (dd) \$300,000 each year is for a grant to  
15.16 Southeast Minnesota Workforce Development  
15.17 Area 8 and Workforce Development, Inc., to  
15.18 provide career planning, career pathway  
15.19 training and education, wraparound support  
15.20 services, and job skills advancement in  
15.21 high-demand careers to individuals with  
15.22 barriers to employment in Steele County, and  
15.23 to help families build secure pathways out of  
15.24 poverty and address worker shortages in the  
15.25 Owatonna and Steele County area, as well as  
15.26 supporting Employer Outreach Services that  
15.27 provide solutions to workforce challenges and  
15.28 direct connections to workforce programming.  
15.29 Money may be used for program expenses,  
15.30 including but not limited to hiring instructors  
15.31 and navigators; space rental; and supportive  
15.32 services to help participants attend classes,  
15.33 including assistance with course fees, child  
15.34 care, transportation, and safe and stable  
15.35 housing. Up to five percent of grant money  
15.36 may be used for Workforce Development,

16.1 Inc.'s administrative costs. This is a onetime  
16.2 appropriation and is available until June 30,  
16.3 2025.

16.4 (ee) \$1,250,000 each year is for a grant to  
16.5 Ujamaa Place to assist primarily African  
16.6 American men with job training, employment  
16.7 preparation, internships, education, vocational  
16.8 housing, and organizational capacity building.  
16.9 This is a onetime appropriation.

16.10 (ff) \$500,000 each year is for grants to  
16.11 Minnesota Diversified Industries, Inc., to  
16.12 provide inclusive employment opportunities  
16.13 and services for people with disabilities. This  
16.14 is a onetime appropriation.

16.15 (gg) \$1,000,000 each year is for performance  
16.16 grants under Minnesota Statutes, section  
16.17 116J.8747, to Twin Cities R!SE to provide  
16.18 training to individuals facing barriers to  
16.19 employment. This is a onetime appropriation  
16.20 and is available until June 30, 2026.

16.21 (hh) \$500,000 each year is for the getting to  
16.22 work grant program under Minnesota Statutes,  
16.23 section 116J.545. Of this amount, up to five  
16.24 percent is for administration and monitoring  
16.25 of the program. This is a onetime  
16.26 appropriation.

16.27 (ii) \$400,000 the first year is for a grant to the  
16.28 ProStart and Hospitality Tourism Management  
16.29 Program for a well-established, proven, and  
16.30 successful education program that helps young  
16.31 people advance careers in the hospitality  
16.32 industry and addresses critical long-term  
16.33 workforce shortages in the tourism industry.



- 17.1 (jj) \$1,500,000 each year is for a grant to  
17.2 Comunidades Latinas Unidas En Servicio -  
17.3 Latino Communities United in Service  
17.4 (CLUES) to address employment, economic,  
17.5 and technology access disparities for  
17.6 low-income, unemployed, or underemployed  
17.7 individuals. Money must be used to support  
17.8 short-term certifications and transferable skills  
17.9 in high-demand fields, workforce readiness,  
17.10 customized financial capability, and  
17.11 employment supports. At least 50 percent of  
17.12 this amount must be used for programming  
17.13 targeted at greater Minnesota. This is a  
17.14 onetime appropriation.
- 17.15 (kk) \$500,000 each year is for a grant to the  
17.16 American Indian Opportunities and  
17.17 Industrialization Center for workforce  
17.18 development programming, including reducing  
17.19 academic disparities for American Indian  
17.20 students and adults. This is a onetime  
17.21 appropriation.
- 17.22 (ll) \$300,000 each year is for a grant to YMCA  
17.23 of the North to provide career exploration, job  
17.24 training, and workforce development services  
17.25 for underserved youth and young adults. This  
17.26 is a onetime appropriation.
- 17.27 (mm) \$750,000 each year is for grants to the  
17.28 Minneapolis Park and Recreation Board's Teen  
17.29 Teamworks youth employment and training  
17.30 programs. This is a onetime appropriation and  
17.31 is available in either year of the biennium and  
17.32 is available until spent.
- 17.33 (nn) \$700,000 each year is for grants to  
17.34 support competitive robotics teams that  
17.35 prepare youth for careers in STEM fields, by

- 18.1 creating internships for high school students  
18.2 to work at private companies in STEM fields,  
18.3 including the payment of student stipends.  
18.4 This is a onetime appropriation.
- 18.5 (oo) \$1,000,000 in the first year and  
18.6 \$2,000,000 in the second year are for a clean  
18.7 economy equitable workforce grant program.  
18.8 Money must be used for grants to support  
18.9 partnership development, planning, and  
18.10 implementation of workforce readiness  
18.11 programs aimed at workers who are Black,  
18.12 Indigenous, and People of Color. Programs  
18.13 may include workforce training, career  
18.14 development, workers' rights training,  
18.15 employment placement, and culturally  
18.16 appropriate job readiness and must prepare  
18.17 workers for careers in the high-demand fields  
18.18 of construction, clean energy, and energy  
18.19 efficiency. Grants must be given to nonprofit  
18.20 organizations that serve historically  
18.21 disenfranchised communities, including new  
18.22 Americans, with preference for organizations  
18.23 that are new providers of workforce  
18.24 programming or which have partnership  
18.25 agreements with registered apprenticeship  
18.26 programs. This is a onetime appropriation.
- 18.27 (pp) \$500,000 each year is for a grant to  
18.28 Emerge Community Development to support  
18.29 and reinforce critical workforce training at the  
18.30 Emerge Career and Technical Center,  
18.31 Cedar-Riverside Opportunity Center, and  
18.32 Emerge Second Chance programs in  
18.33 Minneapolis. This is a onetime appropriation.
- 18.34 (qq) \$500,000 each year is for a grant to  
18.35 Project for Pride in Living to provide job

- 19.1 training and workforce development services  
19.2 for underserved communities. This is a  
19.3 onetime appropriation.
- 19.4 (rr) \$500,000 each year is for a grant to  
19.5 Pillsbury United Communities to provide job  
19.6 training and workforce development services  
19.7 for underserved communities. This is a  
19.8 onetime appropriation.
- 19.9 (ss) \$1,000,000 each year is for a grant to the  
19.10 Redemption Project to provide employment  
19.11 services to adults leaving incarceration,  
19.12 including recruiting, educating, training, and  
19.13 retaining employment mentors and partners.  
19.14 This is a onetime appropriation.
- 19.15 (tt) \$350,000 each year is for a grant to the  
19.16 YWCA of Minneapolis to provide training to  
19.17 eligible individuals, including job skills  
19.18 training, career counseling, and job placement  
19.19 assistance necessary to secure a child  
19.20 development associate credential and to have  
19.21 a career path in early childhood education.  
19.22 This is a onetime appropriation.
- 19.23 (uu) \$500,000 each year is for a grant to  
19.24 Greater Twin Cities United Way to make  
19.25 grants to partner organizations to provide  
19.26 workforce training using the career pathways  
19.27 model that helps students gain work  
19.28 experience, earn experience in high-demand  
19.29 fields, and transition into family-sustaining  
19.30 careers. This is a onetime appropriation.
- 19.31 (vv) \$1,500,000 each year is for a grant to the  
19.32 nonprofit Sanneh Foundation to fund  
19.33 out-of-school summer programs focused on  
19.34 mentoring and behavioral, social, and

20.1 emotional learning interventions and  
20.2 enrichment activities directed toward  
20.3 low-income students of color. This is a  
20.4 onetime appropriation and is available until  
20.5 spent.

20.6 (ww) \$3,000,000 each year is for a grant to  
20.7 Youthprise to provide economic development  
20.8 services designed to enhance long-term  
20.9 economic self-sufficiency in communities with  
20.10 concentrated African populations statewide.  
20.11 Of these amounts, 50 percent is for subgrants  
20.12 to Ka Joog and 50 percent is for competitive  
20.13 subgrants to community organizations. This  
20.14 is a onetime appropriation.

20.15 (xx) \$1,000,000 each year is for performance  
20.16 grants under Minnesota Statutes, section  
20.17 116J.8747, to Goodwill-Easter Seals  
20.18 Minnesota and its partners. The grant shall be  
20.19 used to continue the FATHER Project in  
20.20 Rochester, St. Cloud, St. Paul, Minneapolis,  
20.21 and the surrounding areas to assist fathers in  
20.22 overcoming barriers that prevent fathers from  
20.23 supporting their children economically and  
20.24 emotionally, including with community  
20.25 re-entry following confinement. This is a  
20.26 onetime appropriation.

20.27 (yy) \$1,000,000 each year is for a grant to the  
20.28 Hmong American Partnership to expand job  
20.29 training and placement programs primarily  
20.30 serving the Southeast Asian community. This  
20.31 is a onetime appropriation.

20.32 (zz) \$400,000 each year is for a grant to  
20.33 Project Restore Minnesota for the Social  
20.34 Kitchen project, a pathway program for careers

- 21.1 in the culinary arts. This is a onetime  
21.2 appropriation.
- 21.3 (aaa) \$1,000,000 each year is for competitive  
21.4 grants to organizations providing services to  
21.5 relieve economic disparities in the African  
21.6 immigrant community through workforce  
21.7 recruitment, development, job creation,  
21.8 assistance of smaller organizations to increase  
21.9 capacity, and outreach. Of this amount, up to  
21.10 five percent is for administration and  
21.11 monitoring of the program. Beginning in fiscal  
21.12 year 2026, the base amount is \$200,000.
- 21.13 (bbb) \$500,000 each year is for a grant to the  
21.14 Hmong Chamber of Commerce to train  
21.15 ethnically Southeast Asian business owners  
21.16 and operators in better business practices. Of  
21.17 this amount, up to \$5,000 may be used for  
21.18 administrative costs. This is a onetime  
21.19 appropriation.
- 21.20 (ccc) \$250,000 each year is for a grant to the  
21.21 Center for Economic Inclusion for a strategic  
21.22 intervention program designed to target and  
21.23 connect program participants to meaningful,  
21.24 sustainable living-wage employment. This is  
21.25 a onetime appropriation.
- 21.26 (ddd) \$100,000 each year is for grants to the  
21.27 Minnesota Grocers Association Foundation  
21.28 for Carts to Careers, a statewide initiative to  
21.29 promote careers, conduct outreach, provide  
21.30 job skills training, and award scholarships for  
21.31 students pursuing careers in the food industry.  
21.32 This is a onetime appropriation.
- 21.33 (eee) \$500,000 each year is for a grant to  
21.34 Minnesota Independence College and

22.1 Community to provide employment  
 22.2 preparation, job placement, job retention, and  
 22.3 service coordination services to adults with  
 22.4 autism and learning differences. This is a  
 22.5 onetime appropriation.

22.6 (fff) \$500,000 each year is for a grant to  
 22.7 Ramsey County to provide job training and  
 22.8 workforce development for underserved  
 22.9 communities. Grant money may be subgranted  
 22.10 to Milestone Community Development for the  
 22.11 Milestone Tech program. This is a onetime  
 22.12 appropriation.

22.13 (ggg) \$500,000 each year is for a grant to  
 22.14 Ramsey County for a technology training  
 22.15 pathway program focused on intergenerational  
 22.16 community tech work for residents who are  
 22.17 at least 18 years old and no more than 24 years  
 22.18 old and who live in a census tract that has a  
 22.19 poverty rate of at least 20 percent as reported  
 22.20 in the most recently completed decennial  
 22.21 census published by the United States Bureau  
 22.22 of the Census. Grant money may be used for  
 22.23 program administration, training, training  
 22.24 stipends, wages, and support services. This is  
 22.25 a onetime appropriation.

22.26 (hhh) \$700,000 in the first year is from the  
 22.27 workforce development fund for a grant to the  
 22.28 Southwest Initiative Foundation for the  
 22.29 southwestern Minnesota workforce  
 22.30 development scholarship pilot program. This  
 22.31 is a onetime appropriation and is available  
 22.32 until June 30, 2028.

22.33 **Subd. 4. General Support Services** 17,505,000 7,505,000

23.1	<u>Appropriations by Fund</u>		
23.2	<u>General Fund</u>	<u>17,450,000</u>	<u>7,450,000</u>
23.3	<u>Workforce</u>		
23.4	<u>Development</u>	<u>55,000</u>	<u>55,000</u>
23.5	<u>(a) \$1,269,000 each year is for transfer to the</u>		
23.6	<u>Minnesota Housing Finance Agency for</u>		
23.7	<u>operating the Olmstead Compliance Office.</u>		
23.8	<u>(b) \$10,000,000 in the first year is for the</u>		
23.9	<u>workforce digital transformation projects. This</u>		
23.10	<u>appropriation is available until June 30, 2027.</u>		
23.11	<u>Subd. 5. Vocational Rehabilitation</u>	<u>42,341,000</u>	<u>42,341,000</u>
23.12	<u>Appropriations by Fund</u>		
23.13	<u>General</u>	<u>34,511,000</u>	<u>34,511,000</u>
23.14	<u>Workforce</u>		
23.15	<u>Development</u>	<u>7,830,000</u>	<u>7,830,000</u>
23.16	<u>(a) \$14,300,000 each year is for the state's</u>		
23.17	<u>vocational rehabilitation program under</u>		
23.18	<u>Minnesota Statutes, chapter 268A.</u>		
23.19	<u>(b) \$11,495,000 each year from the general</u>		
23.20	<u>fund and \$6,830,000 each year from the</u>		
23.21	<u>workforce development fund are for extended</u>		
23.22	<u>employment services for persons with severe</u>		
23.23	<u>disabilities under Minnesota Statutes, section</u>		
23.24	<u>268A.15. Of the amounts appropriated from</u>		
23.25	<u>the general fund, \$4,500,000 each year is for</u>		
23.26	<u>new rate increases and maintaining prior rate</u>		
23.27	<u>increases to providers of extended employment</u>		
23.28	<u>services.</u>		
23.29	<u>(c) \$4,805,000 each year is for grants to</u>		
23.30	<u>programs that provide employment support</u>		
23.31	<u>services to persons with mental illness under</u>		
23.32	<u>Minnesota Statutes, sections 268A.13 and</u>		
23.33	<u>268A.14. Beginning in fiscal year 2026, the</u>		
23.34	<u>base amount is \$2,555,000.</u>		

24.1 (d) \$3,911,000 each year is for grants to  
 24.2 centers for independent living under  
 24.3 Minnesota Statutes, section 268A.11.  
 24.4 Beginning in fiscal year 2026, the base amount  
 24.5 is \$3,011,000.

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

24.14 **Subd. 6. Services for the Blind** 11,425,000 11,425,000

24.15 (a) \$500,000 each year is for senior citizens  
 24.16 who are becoming blind. At least one-half of  
 24.17 the money for this purpose must be used to  
 24.18 provide training services for seniors who are  
 24.19 becoming blind. Training services must  
 24.20 provide independent living skills to seniors  
 24.21 who are becoming blind to allow them to  
 24.22 continue to live independently in their homes.

24.23 (b) \$2,500,000 each year is for the employer  
 24.24 reasonable accommodation fund. This is a  
 24.25 onetime appropriation.

24.26 **Sec. 3. DEPARTMENT OF CORRECTIONS** \$ 3,500,000 \$ 3,500,000

24.27 (a) \$2,250,000 each year is for contracts with  
 24.28 Minnesota's institutions of higher education  
 24.29 to provide instruction to incarcerated  
 24.30 individuals in state correctional facilities and  
 24.31 to support partnerships with public and private  
 24.32 employers, trades programs, and community  
 24.33 colleges in providing employment  
 24.34 opportunities for individuals after



25.1 incarceration. Funding must be used for  
 25.2 contracts with institutions of higher education  
 25.3 and other training providers and associated  
 25.4 re-entry and operational support services  
 25.5 provided by the agency. Beginning in fiscal  
 25.6 year 2026, the base amount is \$200,000.

25.7 (b) \$1,250,000 each year is to expand the use  
 25.8 of the existing work release program at the  
 25.9 Department of Corrections to increase the  
 25.10 availability of educational programming for  
 25.11 incarcerated individuals who are eligible and  
 25.12 approved for work release. Beginning in fiscal  
 25.13 year 2026, the base amount is \$100,000.

## 25.14 **ARTICLE 2**

### 25.15 **WORKFORCE DEVELOPMENT**

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

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

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

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

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

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

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

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

25.29 (3) motor vehicle loans.

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

26.1 (1) financial literacy education;

26.2 (2) education on budgeting for vehicle ownership;

26.3 (3) car maintenance and repair instruction;

26.4 (4) credit counseling; or

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

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

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

26.10 (2) the area to be served;

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

26.12 (4) a plan for leveraging resources from partners that may include but are not limited  
26.13 to:

26.14 (i) automobile dealers;

26.15 (ii) automobile parts dealers;

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

26.17 (iv) banks and credit unions;

26.18 (v) employers;

26.19 (vi) employment and training agencies;

26.20 (vii) insurance companies and agents;

26.21 (viii) local workforce centers; and

26.22 (ix) educational institutions, including vocational institutions and jobs or skills training  
26.23 programs.

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

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

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

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

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

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

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

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

27.10 (1) the total number of program participants;

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

27.12 (i) provision of a motor vehicle;

27.13 (ii) motor vehicle repair services; and

27.14 (iii) motor vehicle loans;

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

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

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

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

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

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

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

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

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

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

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

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

28.15 ~~(b)~~ (a) A grant awarded to an eligible community under this section must not exceed  
 28.16 ~~\$500,000~~ \$1,000,000 in any calendar year. The commissioner may accept grant applications  
 28.17 on an ongoing or rolling basis.

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

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

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

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

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

29.1 (b) An eligible community awarded a grant under this section may use the grant to plan  
29.2 for or address the economic and social impacts on the eligible community of the electric  
29.3 generating plant's cessation of operations, including but not limited to land use studies,  
29.4 economic planning, researching, planning, and implementing activities, capital costs of  
29.5 public infrastructure necessary for economic development, and impact studies and other  
29.6 planning activities enabling communities to become shovel-ready and support the transition  
29.7 from power plants to other economic activities to minimize the negative impacts of power  
29.8 plant closures on tax revenues and jobs designed to:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

31.3 (3) any proposed legislative and policy initiatives;

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

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

31.7 (c) The report may be submitted electronically and is subject to section 3.195, subdivision  
31.8 1.

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

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

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

31.20 (1) the governor's office;

31.21 (2) the Department of Administration;

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

31.23 (4) the Department of Human Services;

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

31.25 (6) the Department of Labor and Industry;

31.26 (7) the Department of Health;

31.27 (8) the Department of Education;

31.28 (9) the Office of Higher Education;

31.29 (10) the Department of Public Safety;

31.30 (11) the Department of Corrections;

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

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

32.3 (14) the Council on Asian Pacific Minnesotans.

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

32.7 (1) preparation and dissemination of information and services available to immigrants  
 32.8 and refugees; and

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

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

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

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

32.20 Subd. 7. ~~Very~~ **Low income.** "~~Very~~ Low income" means incomes that are at or less than  
 32.21 ~~50~~ 80 percent of the area median income, adjusted for family size, as estimated by the  
 32.22 Department of Housing and Urban Development.

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

32.24 Subdivision 1. **Generally.** (a) The commissioner shall make grants to eligible  
 32.25 organizations for programs to provide education and training services to targeted youth.  
 32.26 The purpose of these programs is to provide specialized training and work experience for  
 32.27 targeted youth who have not been served effectively by the current educational system. The  
 32.28 programs are to include a work experience component with work projects that result in the  
 32.29 rehabilitation, improvement, or construction of (1) residential units for the homeless; (2)  
 32.30 improvements to the energy efficiency and environmental health of residential units and  
 32.31 other green jobs purposes; (3) facilities to support community garden projects; or (4)



33.1 education, social service, or health facilities which are owned by a public agency or a private  
33.2 nonprofit organization.

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

33.5 (1) Head Start or day care centers, including playhouses or similar incidental structures;

33.6 (2) homeless, battered women, or other shelters;

33.7 (3) transitional housing and tiny houses;

33.8 (4) youth or senior citizen centers;

33.9 (5) community health centers; and

33.10 (6) community garden facilities.

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

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

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

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

34.2 Subdivision 1. **Priority for housing.** Any residential or transitional housing units that  
34.3 become available through a work project that is part of the program described in section  
34.4 116L.364 must be allocated in the following order:

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

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

34.8 (3) other homeless individuals;

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

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

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

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

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

34.16 (1) provides workforce development programming or services;

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

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

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

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

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

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

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

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

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

35.5 (b) Eligible forms of skills training include:

35.6 (1) student tutoring and testing support services;

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

35.8 (3) assistance in obtaining industry specific certifications;

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

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

35.11 (6) career and educational counseling;

35.12 (7) work experience and internships;

35.13 (8) supportive services;

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

35.15 (10) career mentorship;

35.16 (11) postprogram case management services;

35.17 (12) job placement services; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

36.24 (1) a pregnant or parenting youth;

36.25 (2) a youth with limited English proficiency;

36.26 (3) a potential or actual school dropout;

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

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

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

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

37.1 (8) a homeless or runaway youth;

37.2 (9) a youth with basic skills deficiency;

37.3 (10) a youth with an educational attainment of one or more levels below grade level

37.4 appropriate to age; or

37.5 (11) a foster child.

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

37.7 Subd. 5. **Allocation formula.** Seventy percent of Minnesota youth program funds must  
37.8 be allocated based on the county's share of economically disadvantaged youth. The remaining  
37.9 30 percent must be allocated based on the county's share of population ages 14 to ~~21~~ 24.

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

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

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

37.14 (2) "at-risk youth" means youth classified as at-risk under section 116L.56, subdivision  
37.15 2; and

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

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

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

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

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

37.25 (3) employment for a foreign government;

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

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

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

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

38.8 (8) employment for Minnesota or a political subdivision, or a nonprofit organization, of  
38.9 an individual receiving rehabilitation of "sheltered" work in a facility conducted for the  
38.10 purpose of carrying out a program of rehabilitation for individuals whose earning capacity  
38.11 is impaired by age or physical or mental deficiency or injury or a program providing  
38.12 "sheltered" work for individuals who because of an impaired physical or mental capacity  
38.13 cannot be readily absorbed in the competitive labor market. This clause applies only to  
38.14 services performed in a facility certified by the Rehabilitation Services Branch of the  
38.15 department or in a day training or habilitation program licensed by the Department of Human  
38.16 Services;

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

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

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

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

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

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

39.1 (15) employment for Minnesota in an unclassified position established under section  
39.2 43A.08, subdivision 1a;

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

39.5 (17) domestic employment in a private household, local college club, or local chapter  
39.6 of a college fraternity or sorority, if the wages paid in any calendar quarter in either the  
39.7 current or prior calendar year to all individuals in domestic employment totaled less than  
39.8 \$1,000.

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

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

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

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

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

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

39.29 (23) employment of university, college, or professional school students in an internship  
39.30 or other training program with the city of St. Paul or the city of Minneapolis under Laws  
39.31 1990, chapter 570, article 6, section 3;

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

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

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

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

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

40.11 (29) employment of a corporate officer, if the officer directly or indirectly, including  
40.12 through a subsidiary or holding company, owns 25 percent or more of the employer  
40.13 corporation, and employment of a member of a limited liability company, if the member  
40.14 directly or indirectly, including through a subsidiary or holding company, owns 25 percent  
40.15 or more of the employer limited liability company;

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

40.18 (31) employment as a direct seller as defined in United States Code, title 26, section  
40.19 3508;

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

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

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

40.27 (35) if employment during one-half or more of any pay period was covered employment,  
40.28 all the employment for the pay period is covered employment; but if during more than  
40.29 one-half of any pay period the employment was noncovered employment, then all of the  
40.30 employment for the pay period is noncovered employment. "Pay period" means a period  
40.31 of not more than a calendar month for which a payment or compensation is ordinarily made  
40.32 to the employee by the employer; or



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

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

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

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

41.15 Sec. 18. Minnesota Statutes 2022, section 469.40, subdivision 11, is amended to read:

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

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

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

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

41.24 (4) install, construct, or reconstruct elements of public infrastructure required to support  
41.25 the overall development of the destination medical center development district including;  
41.26 but not limited to; streets, roadways, utilities systems and related facilities; utility relocations  
41.27 and replacements; network and communication systems; streetscape improvements;  
41.28 drainage systems; sewer and water systems; subgrade structures and associated  
41.29 improvements; landscaping; facade construction and restoration; design and predesign,  
41.30 including architectural, engineering, and similar services; legal, regulatory, and other  
41.31 compliance services; construction costs, including all materials and supplies; wayfinding

42.1 and signage; community engagement; transit costs incurred on or after March 16, 2020;

42.2 and other components of community infrastructure;

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

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

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

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

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

42.13 (10) construct and equip all or a portion of one or more suitable structures on land owned  
42.14 by the city for sale or lease to private development; provided, however, that the portion of  
42.15 any structure directly financed by the city as a public infrastructure project must not be sold  
42.16 or leased to a medical business entity.

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

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

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

42.22 Sec. 19. Minnesota Statutes 2022, section 469.47, subdivision 1, is amended to read:

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

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

42.26 (c) "Construction projects" means:

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

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

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

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

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

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

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

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

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

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

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

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

43.21 Sec. 20. Minnesota Statutes 2022, section 469.47, subdivision 5, is amended to read:

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

43.26 (b) If the city qualifies for aid under paragraph (a), the commissioner must pay the city  
 43.27 the state transit aid in the amount calculated under this paragraph. The amount of the state  
 43.28 transit aid for a year equals the qualified expenditures for the year, as certified by the  
 43.29 commissioner, multiplied by 0.75 percent, ~~reduced by~~ subject to the amount of the required  
 43.30 local contribution under subdivision 6. City or county contributions that are in excess of  
 43.31 this ratio carry forward and are credited toward subsequent years. The maximum amount  
 43.32 of state transit aid payable in any year is limited to no more than \$7,500,000. If the

44.1 commissioner determines that the city or county has not made the full required matching  
44.2 local contribution for the year, the commissioner must pay state transit aid only ~~in proportion~~  
44.3 ~~to the amount of~~ for the matching contribution made ~~for the year~~ and any unpaid amount  
44.4 is a carryover aid. The carryover aid must be paid in the first year after the required matching  
44.5 contribution ~~for that prior year~~ is made and in which the aid entitlement for the current year  
44.6 is less than the maximum annual limit, but only to the extent the carryover, when added to  
44.7 the current year aid, is less than the maximum annual limit.

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

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

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

44.16 Sec. 21. **MINNESOTA EMPLOYER REASONABLE ACCOMMODATION FUND.**

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

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

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

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

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

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

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

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

45.1 (g) "Reasonable accommodation" has the meaning given in Minnesota Statutes, section  
45.2 363A.08, subdivision 6.

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

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

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

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

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

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

45.18 (1) submissions for onetime reasonable accommodation expenses must be no less than  
45.19 \$250 and no more than \$15,000 per individual with a disability; and

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

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

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

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

45.30 Subd. 8. **Notification.** By September 1, 2023, or within 60 days following final enactment,  
45.31 whichever is later, and each year thereafter by June 30, the commissioner shall make publicly

46.1 available information regarding the availability of funds for reasonable accommodation  
46.2 reimbursement and the procedure for requesting reimbursement under this section.

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

46.8 The report must include:

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

46.10 (2) the cost of accommodations requested;

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

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

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

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

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

46.18 **Sec. 22. ENGAGEMENT TO ADDRESS BARRIERS TO EMPLOYMENT.**

46.19 The commissioner of employment and economic development shall engage stakeholders  
46.20 to identify barriers that adults with mental illness face in obtaining and retaining employment  
46.21 and recommend strategies to address those barriers. The commissioner shall solicit feedback  
46.22 from advocacy organizations for people with mental illness, mental health providers, people  
46.23 with mental illness, organizations that support people with mental illness in obtaining  
46.24 employment, and employers. The commissioner shall submit a plan to the legislative  
46.25 committees with jurisdiction over employment and human services before February 1, 2024,  
46.26 identifying the barriers to employment and making recommendations on how to best improve  
46.27 the employment rate among people with mental illness.

46.28 **Sec. 23. SOUTHWESTERN MINNESOTA WORKFORCE DEVELOPMENT**  
46.29 **SCHOLARSHIP PILOT PROGRAM.**

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

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

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

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

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

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

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

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

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

47.16 Subd. 2. **Program established.** The commissioner shall establish a southwestern  
47.17 Minnesota workforce development scholarship pilot program administered by the foundation  
47.18 to assist in meeting the workforce challenges in southwest Minnesota and enhance long-term  
47.19 economic self-sufficiency by connecting students, higher education facilities, employers,  
47.20 and communities.

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

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

47.27 (1) Canby;

47.28 (2) Granite Falls;

47.29 (3) Pipestone;

47.30 (4) Worthington;

47.31 (5) Jackson;

48.1 (6) Luverne; and

48.2 (7) Marshall.

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

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

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

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

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

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

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

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



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

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

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

49.6 (i) a sponsoring local employer; or

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

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

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

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

49.18 Subd. 10. **Report required.** The foundation must submit an annual report by December  
49.19 31 of each year regarding the scholarship program to the chairs and ranking minority  
49.20 members of the legislative committees with jurisdiction over employment and economic  
49.21 development policy. The first report is due no later than December 31, 2023. The annual  
49.22 report shall include:

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

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

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

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

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

- 50.1 (6) a list of occupations scholarship recipients are entering;
- 50.2 (7) the number of students who were denied a scholarship;
- 50.3 (8) a list of participating local employers and amounts of any applicable employer
- 50.4 contributions; and
- 50.5 (9) a list of recommendations to the legislature regarding potential program improvements.

50.6 Sec. 24. **UNEMPLOYMENT INSURANCE FINE REDUCTION AND INTEREST**

50.7 **ELIMINATION.**

50.8 By January 1, 2024, the commissioner of employment and economic development must

50.9 make recommendations to the legislative committees with jurisdiction over workforce

50.10 development for how the unemployment insurance system will reduce the fines and interest

50.11 applied to misrepresentation overpayments. The commissioner must provide a timeline for

50.12 implementing a reduction of the 40 percent fine to 15 percent and an elimination of the 12

50.13 percent interest rate.