

**SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION**

S.F. No. 1429

(SENATE AUTHORS: LATZ)

DATE
02/25/2021

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OFFICIAL STATUS
Introduction and first reading
Referred to Jobs and Economic Growth Finance and Policy

1.1 A bill for an act
1.2 relating to economic development; modifying dates for awarding relief grants;
1.3 amending Laws 2020, Seventh Special Session chapter 2, article 1, section 1,
1.4 subdivision 7; article 5, section 1.

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

1.6 Section 1. Laws 2020, Seventh Special Session chapter 2, article 1, section 1, subdivision
1.7 7, is amended to read:

1.8 Subd. 7. **Appropriation.** (a) \$88,000,000 in fiscal year 2021 is appropriated from the
1.9 general fund to the commissioner of revenue to make payments required under this section.
1.10 This is a onetime appropriation. Of this amount, \$250,000 is appropriated to the commissioner
1.11 of revenue to administer this section.

1.12 (b) The appropriation under this subdivision ~~expires on March 15, 2021. Any unexpended~~
1.13 ~~amount from the appropriation in paragraph (a) after March 15, 2021, is canceled~~ is available
1.14 until expended.

1.15 **EFFECTIVE DATE.** This section is effective the day following final enactment. If
1.16 Laws 2020, Seventh Special Session chapter 2, article 1, section 1, subdivision 7, has expired
1.17 on the effective date of this section, then subdivision 7 is revived and reenacted retroactive
1.18 to March 14, 2021.

2.1 Sec. 2. Laws 2020, Seventh Special Session chapter 2, article 5, section 1, is amended to
2.2 read:

2.3 Section 1. **COUNTY RELIEF GRANTS TO LOCAL BUSINESSES;**
2.4 **APPROPRIATION.**

2.5 (a) \$114,800,000 in fiscal year 2021 is appropriated from the general fund to the
2.6 commissioner of management and budget for payments to counties for relief grants to local
2.7 businesses. This is a onetime appropriation.

2.8 (b) Each county shall be issued a payment in the amount of \$256,250 or a per capita
2.9 amount determined by reference to the population of each county according to the most
2.10 recently available 2019 population estimate from the state demographer as of December 1,
2.11 2020, whichever is greater.

2.12 (c) Each county may use the greater of \$6,250 or 2.5 percent of the amount received
2.13 under paragraph (b) for administrative costs incurred from making grants under this section.
2.14 A county may contract with a third party to administer the grant program on behalf of the
2.15 county.

2.16 (d) Counties shall use the funds to make grants to individual businesses and nonprofits
2.17 that, to the extent it is feasible for the county to determine:

2.18 (1) are located in the applicable county in the state of Minnesota or on adjacent tribal
2.19 land;

2.20 (2) have no current tax liens on record with the secretary of state as of the time of
2.21 application for a grant under this section; and

2.22 (3) were impacted by an executive order related to the COVID-19 pandemic.

2.23 (e) A county shall determine grant recipients and the grant amount awarded per grant.
2.24 A business that receives a business relief payment under article 1 is not excluded from
2.25 applying for a county relief grant under this section. A county may award a grant to a
2.26 business that is owned by a tribal government and located on tribal land if the business has
2.27 voluntarily complied with Executive Order No. 20-99. Nonprofits, nonprofit arts
2.28 organizations, nonprofit museums, and nonprofit fitness centers that earn revenue similar
2.29 to businesses, including but not limited to ticket sales and membership fees, are eligible for
2.30 grants under this section.

2.31 (f) Grant funds must be used by the eligible business or nonprofit for operations expenses
2.32 incurred during the COVID-19 pandemic.

3.1 ~~(g) Grants under this section must be awarded by March 15, 2021.~~

3.2 ~~(h)~~ (g) Grants and the process of making grants under this section are exempt from the
3.3 following statutes and related policies: Minnesota Statutes, sections 16A.15, subdivision 3;
3.4 16B.97; and 16B.98, subdivisions 5, 7, and 8. A county opting to use a third party to
3.5 administer grants is exempt from Minnesota Statutes, section 471.345, in the selection of
3.6 the third-party administrator. The exemptions under this paragraph expire ~~on March 15,~~
3.7 ~~2021~~ on the date the amount appropriated under this section is expended under paragraph
3.8 (i).

3.9 ~~(i)~~ (h) By June 30, 2021, the commissioner of employment and economic development
3.10 shall report to the legislative committees with jurisdiction over economic development
3.11 policy and finance on the grants provided under this section.

3.12 ~~(j) Any unexpended amount from the appropriation in paragraph (a) after April 1, 2021,~~
3.13 ~~is canceled.~~

3.14 (i) The amount appropriated under this section is available until expended.

3.15 **EFFECTIVE DATE.** This section is effective the day following final enactment. If
3.16 Laws 2020, Seventh Special Session chapter 2, article 5, section 1, paragraph (h), has expired
3.17 on the effective date of this section, then paragraph (h), now codified as paragraph (g) is
3.18 revived and reenacted retroactive to March 14, 2021.